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As filed with the Securities and Exchange Commission on January 24, 2007

Registration No. 333-137976

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 4
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

National CineMedia, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**7319**	**20-5665602**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405
(303) 792-3600
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Ralph E. Hardy, Esq.
Executive Vice President and General Counsel
National CineMedia, Inc.
9110 E. Nichols Ave., Suite 200
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(303) 792-3600
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to public: As soon as practicable after the effective date of this Registration Statement.

If any securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ _____

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ _____

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)(2)	Proposed Maximum Offering Price Per Share(3)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common stock, par value $0.01 per share	42,000,000	$20.00	$840,000,000	$89,880(4)

(1) Estimated pursuant to Rule 457(a).
(2) Including shares of common stock which may be purchased by the underwriters to cover over-allotments, if any.
(3) Anticipated to be between $18.00 and $20.00 per share.
(4) Previously paid.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 24, 2007

38,000,000 Shares

Common Stock

This is the initial public offering of our common stock. We are selling 38,000,000 shares of our common stock. Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is expected to be between $18.00 and $20.00 per share. We have applied to list the common stock on the Nasdaq Global Market under the symbol "NCMI."

We will be a holding company and our sole asset will be approximately 40.5% of the common membership units in National CineMedia, LLC, NCM LLC. Our founding members—AMC Entertainment Inc., Cinemark, Inc. and Regal Entertainment Group—will own the remaining 59.5% of the common membership units in NCM LLC, each of which will be redeemable for, at our option, shares of our common stock on a one-for-one basis or a cash payment equal to the market price of one share of our common stock. Our only business will be acting as the sole manager of NCM LLC and, as such, we will operate and control all of the business and affairs of NCM LLC. We will use the net proceeds of this offering to purchase newly issued common membership units from NCM LLC. NCM LLC will pay all of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our agreements with our founding members. Several of the underwriters have affiliates who own common stock of one or more of our founding members. See "Use of Proceeds" and "Underwriting."

The underwriters have an option to purchase a maximum of 4,000,000 additional shares of common stock to cover over-allotments of shares. If the underwriters exercise their option, we will use the net proceeds from the over-allotments to purchase common membership units of NCM LLC held by our founding members.

Investing in our common stock involves risks. See " Risk Factors" on page 15.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to National CineMedia, Inc. (Before Expenses)
Per Share			
Total			

Delivery of the shares of common stock will be made on or about , 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse **JPMorgan** **Lehman Brothers** **Morgan Stanley**

AGM Securities
Allen & Company LLC
Banc of America Securities LLC
Bear, Stearns & Co. Inc.
Citigroup
Deutsche Bank Securities
Goldman, Sachs & Co.
Merrill Lynch & Co.
UBS Investment Bank

The date of this prospectus is , 2007.

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Dealer Prospectus Delivery Obligation

Until , 2007, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to unsold allotments or subscriptions.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus. It is not complete and does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully, especially the risks of investing in our common stock discussed under "Risk Factors" and our consolidated financial statements and accompanying notes.

In this prospectus, unless the context otherwise requires:

- *"NCM Inc.," "we," "us" or "our" refer to National CineMedia, Inc., a newly-formed Delaware corporation, and its consolidated subsidiary National CineMedia, LLC, and the businesses that NCM LLC will operate upon completion of this offering;*
- *"NCM LLC" refers to National CineMedia, LLC, a Delaware limited liability company that is the current operating company for our business, which NCM Inc. will acquire an interest in, and become a member and the sole manager of, upon completion of this offering;*
- *"AMC" refers to AMC Entertainment Inc. and its subsidiaries, National Cinema Network, Inc., or "NCN," which contributed assets used in the operations of NCM LLC and formed NCM LLC in March 2005, and American Multi-Cinema, Inc., which will become party to an amended and restated exhibitor services agreement with NCM LLC upon completion of this offering;*
- *"Cinemark" refers to Cinemark Holdings, Inc. and its subsidiaries, Cinemark Media, Inc., which joined NCM LLC in July 2005, and Cinemark USA, Inc., which will become party to an amended and restated exhibitor services agreement with NCM LLC upon completion of this offering; and*
- *"Regal" refers to Regal Entertainment Group and its subsidiaries, Regal CineMedia Corporation, or "RCM," which contributed assets used in the operations of NCM LLC, Regal CineMedia Holdings, LLC, which formed NCM LLC in March 2005, and Regal Cinemas, Inc., which will become party to an amended and restated exhibitor services agreement with NCM LLC upon completion of this offering.*

National CineMedia, Inc.

Company Overview

We operate the largest digital in-theatre network in North America that allows us to distribute advertisements and other content for our advertising, meetings and events businesses utilizing our proprietary digital content network. Upon completion of this offering, we will have long-term exhibitor services agreements with our founding members—AMC, Cinemark and Regal, the three largest motion picture exhibition companies in the U.S.—and multi-year agreements with several other theatre operators whom we refer to as network affiliates. The exhibitor services agreements grant us exclusive rights, subject to limited exceptions, to sell advertising and meeting services and distribute entertainment programming in those theatres. The network affiliate agreements grant us exclusive rights, subject to limited exceptions, to sell advertising on their theatre screens. We currently derive revenue principally from the following activities:

- ***Advertising***: We develop, produce, sell and distribute a branded, pre-feature entertainment and advertising program called "*FirstLook*," along with an advertising program for our lobby entertainment network and various marketing and promotional products in theatre lobbies;
- ***CineMeetings***: We facilitate live and pre-recorded networked and single-site meetings and corporate events in the movie theatres throughout our network; and
- ***Digital Programming Events (now known as NCM Fathom)***: We distribute live and pre-recorded concerts, sporting events and other entertainment programming content to theatres across our digital network.

We believe that the reach, scope and digital delivery capability of our network provide an effective platform for national, regional and local advertisers to reach a young, affluent and engaged audience on a highly targeted and measurable basis. Our network is currently located in 46 states and the District of Columbia and covers all of the top 25, as well as 49 of the top 50, Designated Market Areas®, or DMAs®, and 149 DMAs® in total. DMA® is a registered trademark of *Nielsen Media Research, Inc*. During 2005, approximately 500 million patrons, representing 36% of the total U.S. theatre attendance, attended movies shown in theatres owned by our founding members. As of September 28, 2006, we had a total of 12,973 screens in our network, as set forth in the table below:

Our Network*
(as of September 28, 2006)

	Theatres	Screens	
		Digital	Total
Founding Members	946	10,816	12,039
Network Affiliates	87	261	934
Total	1,033	11,077	12,973

* *Excludes Loews Cineplex Entertainment Inc. and Century Theatres, Inc.*

On January 26, 2006, AMC acquired the Loews theatre circuit. As of September 28, 2006, Loews operated approximately 107 theatres with 1,275 screens. The Loews screens will become part of our network on an exclusive basis beginning on June 1, 2008, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising existing on May 31, 2008. During 2005, approximately 66.5 million movie patrons attended Loews' theatres in the United States.

On October 5, 2006, Cinemark acquired the Century theatre circuit. As of that date, Century operated 77 theatres with 1,017 screens. The Century screens were added to our network on an exclusive basis, subject to limited exceptions, in November 2006. During Century's fiscal year ended September 28, 2006, approximately 49.6 million movie patrons attended Century's theatres in the United States.

Our on-screen digital pre-feature show consists of a national and regional *FirstLook* program, which is preceded by a local advertising presentation. The pre-feature show includes entertainment content segments commingled with advertisements and ends at or about the advertised movie show time when the film trailers begin. Our lobby entertainment network includes television and high-definition plasma screens strategically located throughout the lobbies of most of our digitally equipped theatres. As of September 28, 2006, we had 1,722 lobby screens in 670 theatres deployed across our network. In addition to the lobby entertainment network, we provide a wide variety of advertising and promotional products in our theatre lobbies such as posters, standees, product displays or sampling opportunities, and box office coupons or flyer handouts. These products can be sold individually or bundled with on-screen or lobby entertainment network advertisements. For the nine-month period ended September 28, 2006, advertising accounted for 93.3% of our total pro forma revenue.

Our entertainment content segments are provided under multi-year contractual arrangements with leading media companies that we refer to as content partners. Our content partners currently include Discovery Communications, NBC Universal, Sony Pictures Entertainment, Turner Broadcasting System and Universal City Studios. Under the terms of these contracts, our content partners make available to us original content segments and make long-term commitments to buy a portion of our available advertising inventory. These multi-year contracts represented 19.9% of our pro forma total revenue for the nine months ended September 28, 2006.

Our CineMeetings business facilitates live and pre-recorded networked and single-site meetings and corporate events in movie theatres. Event content can be broadcast over our digital network live or prior to the event for multi-site or single-site meetings. By bundling meetings or events with the screening of a feature film, sometimes before the film opens to the general public, our "Meeting and a Movie" product represents a significant point of differentiation between us and other meeting venues such as hotels. For the nine months ended September 28, 2006, CineMeetings accounted for 5.1% of our total pro forma revenue.

Our digital programming events business focuses on the licensing and distribution of live and pre-recorded entertainment programming content and the sale of associated sponsorships. Our digital programming events include live and pre-recorded concerts and music events, DVD product releases, marketing events, theatrical premieres, Broadway plays, live sporting events and other special events. For the nine-month period ended September 28, 2006, digital programming events accounted for 1.6% of our total pro forma revenue. In January 2007, we branded our digital programming events business NCM Fathom.

During the three and nine months ended September 28, 2006, we generated pro forma revenue, operating income and adjusted EBITDA of $73.9 million, $38.9 million and $41.8 million; and $188.1 million, $84.9 million and $93.4 million, respectively. See the notes to "Selected Historical Financial and Operating Data" for a discussion of the calculation of adjusted EBITDA. For additional financial information about our business, including factors which affect comparability of our financial results across periods, see "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Financial Information" and NCM LLC's historical financial statements and related notes included elsewhere in this prospectus. Our historical operating and pro forma results for these periods do not include payments that will be made by AMC to us pursuant to the Loews screen integration agreement as such payments will be recorded directly to our equity account for accounting purposes. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments."

Our business is dependent on our success in implementing and producing revenue from the business activities governed by our exhibitor services agreements and our agreements with our network affiliates, and the operating success of the founding members and our network affiliates. If one of the exhibitor services agreements were terminated, we would not be able to provide our services in theatres covered by that agreement and our revenue would likely decline. In addition, the exhibitor services agreements and other agreements were negotiated with the founding members and may contain terms that are different than comparable agreements negotiated with unaffiliated third parties. Also, our revenue may be affected by box office attendance, which declined in each of 2003, 2004 and 2005, although it increased in the first nine months of 2006 over the first nine months of 2005.

Industry Overview

According to *Kagan Research*, advertising spending in the United States has grown at a compound annual growth rate, or CAGR, of 4.8% since 1996, to $240 billion in 2005. From 2001 to 2005, Internet and cinema advertising grew at a CAGR of 13.2% and 26.0%, respectively, while more traditional media platforms such as broadcast television, radio, magazines and newspapers grew slower than the overall advertising market. Today, cinema advertising accounts for a small but growing portion of the U.S. advertising market. According to *Kagan Research*, cinema advertising revenue grew to $514 million in 2005, a 17.4% increase over 2004.

Historically, cinema advertising in the U.S. has been a low-quality medium consisting of slide advertisements delivered by 35 mm projectors and repurposed national television advertisements played on 35 mm film. The 35 mm medium was expensive, required long distribution lead times to make 35 mm film prints, and provided advertisers very little flexibility to target specific audiences or geographic regions, or to change advertising messages once a campaign was launched. Due to the lack of scale amongst cinema

advertising businesses, advertisers were unable to purchase national coverage from any one operator, with consistent delivery and pricing metrics. Further, cinema advertising was not measured by a nationally recognized media measurement service, and therefore was not considered by many national advertisers.

Over the past few years, cinema advertising in the U.S. has undergone significant changes as companies providing nationwide coverage have emerged. Some companies have deployed digital networks and fostered the development of higher quality pre-feature shows that commingle advertising and entertainment programming. The growth of cinema advertising has been further supported by the establishment of third-party market research on the medium from firms such as *Nielsen Media Research* and *Arbitron*. With recall rates that are five to six times better than those of television advertising, according to industry studies, and the targeted nature of this medium, advertisers can achieve their desired marketing results by more effectively reaching their chosen consumer segments while still achieving broad national reach. For these reasons, we believe that cinema advertising results in a better value proposition than traditional mass media platforms.

Our Competitive Strengths

We believe that our key competitive strengths include:

Superior, Targeted National Advertising Network. We believe our ability to deliver marketing messages in theatre auditoriums to young, affluent and engaged audiences using our digital content network provides measurable results, yielding a superior return on investment for advertisers as compared to many traditional media platforms. Our digital network technology gives us flexibility in distributing content to our entire audience, specific theatres, geographic regions, or demographic groups based on film or film rating category.

Innovative, Branded Digital Pre-Feature Content. We believe that our digital entertainment and advertising pre-feature program, *FirstLook*, provides a high-quality entertainment experience for patrons and an effective marketing platform for advertisers.

Integrated Marketing Products. By bundling on-screen advertising with our in-lobby marketing programs, we believe our advertisers can extend the exposure for their brands and products and create an interactive “relationship” with the consumer that is not available with broadcast television or traditional display advertising.

Scalable, State-of-the-Art Content Distribution Technology. Our technology provides the ability to electronically change advertisements from our network operations center as needed by advertising clients, which shortens lead times, provides increased flexibility to change messages or target specific audiences, and significantly reduces distribution costs.

Strong Operating Margins with Limited Capital Requirements. A significant portion of our advertising inventory is covered by multi-year contracts. Due to the agreements with our founding members and the scalable nature of our business model, we do not expect to make major capital investments to grow our operations as our network of theatres expands. The combination of the presale of a significant portion of our advertising inventory, our strong operating margins and our limited capital expenditures has allowed us to generate significant net income before distributions to our founding members.

Experienced Management Team. Our management team has significant experience in advertising sales and marketing, theatre operations, digital network design and operations, and finance. The majority of our senior management team was assembled during the formation of RCM, our predecessor company, in early 2002.

Our Strategy

Our primary strategic initiatives are to:

- enhance inventory utilization by increasing existing client expenditures and creating new client relationships;
- increase our national CPM by providing a superior return on investment to our clients and carefully managing available inventory;
- expand our geographic coverage and reach through the growth in the number of our founding members' digital theatres and the establishment of network affiliate relationships with additional theatre operators;
- provide integrated marketing solutions that create more effective marketing campaigns for our clients;
- increase market awareness of our CineMeetings business to expand our client base and increase our revenue;
- expand our live and pre-recorded digital programming revenue by securing additional high-quality entertainment content;
- upgrade our advertising sales and inventory management systems to allow us to more effectively manage our advertising inventory; and
- develop new marketing and distribution businesses that leverage our sales and marketing and technology infrastructures.

Corporate Structure and Reorganization

In connection with the completion of this offering, we will amend and restate NCM LLC's existing agreements with the founding members, including the exhibitor services agreements and the NCM LLC operating agreement, as described under "Certain Relationships and Related Party Transactions—Transactions with Founding Members." We will also enter into an amended and restated Loews screen integration agreement with AMC. We will acquire common membership units of NCM LLC using the net proceeds of the offering. NCM LLC will redeem all of its outstanding preferred membership units issued pursuant to a non-cash recapitalization using the proceeds of a term loan entered into in connection with the completion of this offering. Options to acquire our common stock will be substituted for options to acquire common membership units in NCM LLC, and restricted common stock will be issued in substitution for restricted units that will be granted to NCM LLC option holders as "IPO awards." We refer to these and other transactions described in more detail under "Corporate History and Reorganization" collectively as the reorganization.

We will sell our common stock to the public in this offering. After completion of this offering, we will be a holding company that manages NCM LLC but has no business operations or material assets other than a minority ownership interest of approximately 40.5% of the common membership units in NCM LLC.[1] Our founding members will hold the remaining 59.5% of NCM LLC's common membership units.[1] Our only source of cash flow from operations will be distributions from NCM LLC pursuant to the NCM LLC operating agreement and management fees pursuant to a management services agreement between us and NCM LLC.

[1] Excludes unvested restricted stock and shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively. A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

As a result of the reorganization and the completion of this offering, our founding members will:

- receive an aggregate of $686.3 million for their agreeing to modify our payment obligations under the existing exhibitor services agreements;
- receive an aggregate of $698.5 million as the redemption price for their preferred membership units in NCM LLC;
- be entitled to mandatory quarterly cash distributions from NCM LLC on a pro rata basis with other NCM LLC members;
- be entitled to receive monthly theatre access fees from NCM LLC, comprised of a payment per theatre attendee and a payment per digital screen;
- receive a long term commitment from NCM LLC for access to advertising inventory to satisfy their beverage concessionaire agreements, pursuant to the terms of the exhibitor services agreements;
- have the right to designate a total of six nominees (three of whom must qualify as independent under Nasdaq rules) to our ten-member board of directors to be voted on by our stockholders, with special approval rights over specified NCM LLC matters if these designees are not nominated or elected to our board;
- be able to influence certain corporate decisions of NCM Inc. outside of the day-to-day operations and administration of NCM Inc. due to 90% board approval requirements for specified actions;
- be permitted to promote specified theatre operations and cross-marketing relationships in their theatres pursuant to the terms of the exhibitor services agreements;
- be entitled to receive periodic cash payments representing 90% of the amount of cash savings, if any, in U.S. federal, state and local income or franchise taxes that we realize as a result of the offering and related transactions (which, depending upon a number of factors, could be up to approximately $730 million or more over 30 years or longer);
- have the ability to choose to have their NCM LLC common membership units redeemed at any time, although we will decide whether the redemption price will be paid in cash or shares of our common stock;
- have registration rights with respect to any shares of our common stock that they receive upon redemption of their NCM LLC common membership units;
- receive an aggregate of $71.8 million (based on the midpoint of the filing range) on a pro rata basis for their common membership units in NCM LLC if the underwriters fully exercise their option to purchase up to an additional 4,000,000 shares of our common stock to cover over-allotments; and
- on or about 30 days after the completion of this offering, receive all amounts due under their existing exhibitor services agreements (which were $43.8 million as of September 28, 2006), which we expect will be substantially offset by receivables from its customers.

Financing Transaction

In connection with the completion of this offering, NCM LLC will enter into a new $805.0 million senior secured credit facility with a group of lenders that will include affiliates of several of the underwriters. This facility will consist of a six-year, $80.0 million revolving credit facility and an eight-year, $725.0 million term loan facility.

Digital Cinema

On June 28, 2006, we announced the hiring of Travis Reid, former president and chief executive officer of Loews, as a consultant to lead our effort to create a financing model and establish agreements with major motion picture studios for the implementation of digital cinema (distribution of feature films in a digital format rather than a 35 mm format). We also engaged J.P. Morgan Securities Inc. to assist with structuring the financing. We expect to continue to provide services related to the design, testing and procurement of digital cinema equipment and will be reimbursed for our costs and paid a monthly fee, pursuant to an amended and restated letter agreement with our founding members relating to digital cinema. We are currently negotiating a digital cinema services agreement with an entity to be formed and owned by our founding members. Upon execution of the digital cinema services agreement, we expect that our consulting agreement with Mr. Reid and engagement letter with J.P. Morgan Securities will be assigned to the new entity. Neither NCM Inc. nor any of our subsidiaries will have an ownership interest in this new entity. Future digital cinema developments will be managed by this new entity and are thus subject to the approval of our founding members. Our provision of services to this venture could provide us with several benefits, including additional revenue from the digital cinema services agreement and possibly provide us with the ability to integrate the operational and technological needs of our advertising and digital programming events businesses into the digital cinema systems that may be deployed into theatres, if we and the founding members choose that strategy.

The Offering

Common stock offered by us	38,000,000 shares
Common stock to be outstanding immediately after this offering	38,000,000 shares[1]
Over-allotment option	We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 4,000,000 additional shares at the initial public offering price less underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock. If the underwriters exercise their option in full, we will use the net proceeds from the over-allotments to purchase 4,000,000 common membership units in NCM LLC held by our founding members on a pro rata basis at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses.
Common membership units in NCM LLC to be outstanding immediately after this offering	93,850,951 common membership units[1]
Common stock voting rights	Each share of our common stock will entitle its holder to one vote per share.
Redemption rights	Each common membership unit in NCM LLC not owned by us may be redeemed in exchange for, at our option, shares of our common stock on a one-for-one basis or a cash payment equal to the market price of one share of our common stock. If, immediately following this offering, our founding members had all of their membership units in NCM LLC redeemed in exchange for shares of our common stock, they would own an aggregate of approximately 59.5% of all outstanding shares of our common stock (or 55.2% if the underwriters exercised their over-allotment option in full).[2]
Dividend policy	Pursuant to the NCM LLC operating agreement, NCM LLC will be required to distribute to common members, on a quarterly basis, all cash that is not required to meet business needs or restricted under the terms of any outstanding indebtedness. We intend to distribute as dividends to our common stockholders a substantial portion of the distributions we receive from NCM LLC. See “Dividend Policy.”

[1] Excludes 358,977 shares of unvested restricted stock and 1,790,960 shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively.

[2] A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

Use of proceeds	We estimate that we will receive net proceeds of approximately $674.3 million assuming an estimated public offering price of $19.00 per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses of $8.0 million. We will use all of the net proceeds to purchase newly issued common membership units in NCM LLC at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses. We will purchase a number of common membership units equal to the number of shares of common stock sold in this offering. NCM LLC will pay all of the proceeds it receives from us to our founding members as a portion of the payment owed to them for their agreeing to modify our payment obligations under our exhibitor services agreements. NCM LLC will also pay $12 million to the founding members from its term loan borrowings for this purpose. Several of the underwriters have affiliates who own common stock of one or more of our founding members. See “Use of Proceeds,” “Underwriting” and “Risk Factors—Risks Related to the Offering.”
Risk factors	The “Risk Factors” section included in this prospectus contains a discussion of factors that you should carefully read and consider before deciding to invest in shares of our common stock.
Proposed Nasdaq Global Market trading symbol	NCMI

Unless otherwise stated herein, the information in this prospectus assumes that:

- a 44,291-to-1 split of membership units of NCM LLC has occurred;
- the reorganization was completed in connection with the completion of this offering;
- the underwriters have not exercised their option to purchase up to 4,000,000 additional shares of common stock to cover over-allotments of shares. If the underwriters exercise their option in full, immediately following this offering, 42,000,000 shares of common stock will be outstanding;
- the initial offering price is $19.00 per share, the midpoint of the range set forth on the cover page of this prospectus; and
- our amended and restated certificate of incorporation and amended and restated bylaws were adopted in connection with the completion of this offering, pursuant to which our board of directors will be divided into three classes, and other provisions described under “Description of Capital Stock” will become operative.

No shares of common stock are outstanding before completion of this offering. The number of shares of common stock to be outstanding after completion of this offering is based on 38,000,000 shares of our common stock to be sold in this offering and, except where we state otherwise, the common stock information we present in this prospectus excludes:

- 55,850,951 shares of common stock issuable upon redemption of NCM LLC common membership units;

- 1,790,960 shares of common stock issuable upon the exercise of outstanding employee options (after substitution of options to acquire our common stock for NCM LLC options and grant of additional options upon completion of this offering) at a weighted average exercise price of $17.38 per share;
- 358,977 shares of restricted stock (after substitution of restricted stock for NCM LLC restricted units and grant of additional restricted stock upon completion of this offering); and
- 500,000 shares of common stock we will reserve for future issuance under our equity incentive plan.

Corporate Information

We are a Delaware corporation organized on October 5, 2006, and our principal executive offices are located at 9110 E. Nichols Ave., Suite 200, Centennial, Colorado 80112-3405. The telephone number of our principal executive offices is (303) 792-3600. We maintain a website at *www.ncm.com*, on which we will post our key corporate governance documents, including our board committee charters and our code of ethics. We do not incorporate the information on our website into this prospectus and you should not consider any information on, or that can be accessed through, our website as part of this prospectus.

Summary Historical And Pro Forma Financial And Operating Data

NCM LLC was formed on March 29, 2005, by AMC and Regal as a joint venture that combined the cinema advertising and meetings and events operations of Regal's subsidiary, RCM, and the cinema advertising operations of AMC's subsidiary, NCN. On July 15, 2005, Cinemark, through a wholly-owned subsidiary, joined NCM LLC as a founding member. Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006. As a result, revenue from the sale of advertising for Cinemark's screens are only reflected in NCM LLC's unaudited historical statements of operations subsequent to those dates.

The summary historical financial and operating data for the three and nine months ended September 28, 2006, and the summary balance sheet data as of September 28, 2006, were derived from the financial statements of NCM LLC included elsewhere in this prospectus, except for the capital expenditures data of NCM LLC for the three months ended September 28, 2006, which is derived from unaudited financial statements of NCM LLC that are not included in this prospectus. The summary historical financial and operating data for the nine months ended December 29, 2005 were derived from the audited financial statements of NCM LLC included elsewhere in this prospectus.

The summary (i) unaudited pro forma consolidated statements of operations for the year ended December 29, 2005, and the three and nine months ended September 28, 2006, and (ii) unaudited pro forma condensed consolidated balance sheet at September 28, 2006, present the results of operations and financial position of NCM Inc. assuming the transactions discussed below had been completed and the contractual arrangements discussed below had been entered into as of December 31, 2004, with respect to the pro forma statements of operations and as of September 28, 2006, with respect to the pro forma balance sheet. The pro forma adjustments are based on available information and upon assumptions that management believes are reasonable in order to reflect, on a pro forma basis, the impact on the historical financial information of NCM Inc. of the historical and the transaction adjustments as described in "Unaudited Pro Forma Financial Information."

You should read this unaudited pro forma condensed consolidated financial information together with the other information contained in this prospectus, including "Corporate History and Reorganization," "Financing Transaction," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Financial Information," our audited historical financial statements and the notes thereto included elsewhere in this prospectus, and our unaudited historical interim consolidated financial statements and the notes thereto included elsewhere in this prospectus.

The unaudited pro forma condensed consolidated financial information is included for informational purposes only and does not purport to reflect the results of operations or financial position of NCM Inc. and NCM LLC that would have occurred had they operated as separate, independent companies during the periods presented. The historical results of operations of NCM LLC, RCM and NCN have been significantly impacted by related party transactions, as discussed more fully in the historical financial statements included elsewhere in this prospectus, and the future operating results of NCM Inc. will also be impacted by related party transactions. Historical and pro forma results of operations and financial condition are not necessarily indicative of what would have occurred had all transactions occurred with unrelated parties. Also, the pro forma condensed consolidated financial information should not be relied upon as being indicative of NCM Inc. or NCM LLC's results of operations or financial condition had the historical adjustments and the transaction adjustments been completed on December 31, 2004, with respect to the pro forma statements of operations and as of September 28, 2006, with respect to the pro forma balance sheet. The pro forma condensed consolidated financial information also does not project our results of operations or financial position for any future period or date.

	Nine Months Ended December 29, 2005 Historical	Year Ended December 29, 2005 Pro Forma	Nine Months Ended September 28, 2006 Historical	Nine Months Ended September 28, 2006 Pro Forma	Three Months Ended September 28, 2006 Historical	Three Months Ended September 28, 2006 Pro Forma
	($ in millions, except net income per share and total advertising contract value revenue per founding member attendee)					
Result of Operations Data						
Advertising Revenue	$ 56.0	$ 207.4	$ 128.2	$ 175.4	$ 54.9	$ 68.9
Administrative Fees—Members	30.8	—	4.3	—	0.8	—
Total Revenue	98.8	221.6	145.2	188.1	60.7	73.9
Operating Income (Loss)	(6.9)	95.7	(10.9)	84.9	(0.4)	38.9
Net Income (Loss)	(6.9)	7.5	(11.2)	8.9	(0.6)	5.5
Net Income (Loss) Per Basic Share	$ (0.19)	$ 0.20	$ (0.29)	$ 0.23	$ (0.02)	$ 0.15
Other Financial Data						
EBITDA(1)	$ (3.9)	$ 100.0	$ (7.5)	$ 88.3	$ 0.7	$ 40.0
Adjusted EBITDA(1)	4.6	108.8	(3.0)	93.4	2.2	41.8
Adjusted EBITDA Margin(1)	4.7%	49.1%	NM	49.7%	3.6%	56.5%
Capital Expenditures	$ 5.9	$ 7.3	$ 4.3	$ 4.3	$ 1.9	$ 1.9
Operating Data						
Founding Member Screens at Period End(2)	9,696	9,696	12,039	12,039	12,039	12,039
Total Screens at Period End(3)	10,766	10,766	12,973	12,973	12,973	12,973
Digital Screens at Period End(4)	8,713	8,713	11,077	11,077	11,077	11,077
Founding Member Attendance for Period(5) (in millions)	299.3	395.2	384.4	384.4	131.8	131.8
Total Advertising Contract Value(6)	$ 144.0	$ 203.7	$ 141.6	$ 171.5	$ 57.4	$ 67.6
Total Advertising Contract Value per Founding Member Attendee(6)	$ 0.48	$ 0.52	$ 0.37	$ 0.45	$ 0.44	$ 0.51

	September 28, 2006	
	NCM LLC Historical	NCM Inc. Pro Forma As Adjusted
Balance Sheet Data		
Receivables, net	$ 51.9	$ 51.9
Property and equipment	11.6	11.6
Total Assets	72.2	308.1
Indebtedness	10.0	735.0
Members'/Stockholder's Equity (Deficit)	2.1	(574.6)

Notes to the Summary Historical and Pro Forma Financial and Operating Data

1. 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, non-cash unit based costs and deferred stock compensation. Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenue. EBITDA and adjusted EBITDA do not reflect the Loews payments discussed in the following paragraph, which after this offering will be included in the calculation of adjusted EBITDA to determine our compliance with financial covenants under our new senior secured credit facility. See "Financing Transaction."

On January 26, 2006, AMC completed the acquisition of Loews. Loews has a pre-existing contract with another cinema advertising provider through May 31, 2008. Therefore, the Loews screens will become part of our national theatre network on an exclusive basis beginning on May 31, 2008, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising existing on June 1, 2008. In accordance with a Loews screen integration agreement between us and AMC, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. Effective as of January 5, 2007, NCM LLC re-allocated the common membership units in NCM LLC among the founding members to reflect the payments to be made by AMC pursuant to the terms of the Loews screen integration agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding members' theatres. These Loews payments will be made on a quarterly basis in arrears until May 31, 2008, and for accounting purposes will be recorded in members' equity and will not be reflected in NCM LLC's statements of operations. For the three months ended September 28, 2006, the Loews payments would have been $2.5 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments" for additional discussion regarding the Loews payments.

We have included EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus to provide investors with supplemental measures of our operating performance and information about the calculation of some of the financial covenants that will be contained in our new senior secured credit facility. 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. We also believe that securities analysts, investors and other interested parties frequently use EBITDA, adjusted EBITDA and adjusted EBITDA margin in the evaluation of issuers, many of which present EBITDA, adjusted EBITDA and adjusted EBITDA margin when reporting their results. Also, because of the significant changes in our operating results that will result from our acquisition of an interest in NCM LLC, the changes in the exhibitor services agreements and the financing transaction, we disclose pro forma EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus.

Adjusted EBITDA including the Loews payments is a material component of the covenants that will be imposed on us by the new senior secured credit facility. Under the new senior secured credit facility, we will be subject to financial covenant ratios that will be calculated by reference to adjusted EBITDA including the Loews payments. Non-compliance with the financial covenants contained in the senior secured credit facility could result in a default, an acceleration in the repayment of amounts outstanding and a termination of the lending commitments under the senior secured credit facility. For a description of required financial covenant levels and actual ratio calculations based on adjusted EBITDA including the Loews payments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments."

EBITDA, adjusted EBITDA and adjusted EBITDA margin are not presentations made in accordance with GAAP. As discussed above, we believe that the presentation of EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus is appropriate. However, when evaluating our results, you should not consider EBITDA, adjusted EBITDA and adjusted EBITDA margin in isolation of, or as a substitute for, measures of our financial performance as determined in accordance with GAAP, such as net income (loss). EBITDA, adjusted EBITDA and adjusted EBITDA margin have material limitations as performance measures because they exclude items that are necessary elements of our costs and operations. Because other companies may calculate EBITDA, adjusted EBITDA and adjusted EBITDA margin differently than we do, EBITDA, adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly-titled measures reported by other companies.

The following table reconciles 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 December 29, 2005 Historical	Year Ended December 29, 2005 Pro Forma	Nine Months Ended September 28, 2006		Three Months Ended September 28, 2006	
			Historical	Pro Forma	Historical	Pro Forma
			($ in millions)			
Net Income (Loss)	$ (6.9)	$ 7.5	$ (11.2)	$ 8.9	$ (0.6)	$ 5.5
Income Taxes	—	12.5	—	14.5	—	9.1
Minority Interest	—	11.2	—	13.1	—	8.2
Interest Expense	—	64.5	0.3	48.4	0.2	16.1
Depreciation and Amortization	3.0	4.3	3.4	3.4	1.1	1.1
EBITDA	$ (3.9)	$ 100.0	$ (7.5)	$ 88.3	$ 0.7	$ 40.0
Severance Plan Costs	8.5	8.5	3.4	3.4	0.7	0.7
Share-based Payment Costs	—	—	1.1	1.7	0.8	1.1
Deferred Stock Compensation	—	0.3	—	—	—	—
Adjusted EBITDA	$ 4.6	$ 108.8	$ (3.0)	$ 93.4	$ 2.2	$ 41.8
Adjusted EBITDA Margin*	4.7%	49.1%	NM	49.7%	3.6%	56.5%

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

2. 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 and Century screens for all periods presented.

3. Represents the sum of founding member screens and network affiliate screens.

4. Represents the total number of screens which are connected to our digital content network.

5. 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 and Century screens for all periods presented. The Loews and Century total attendance for the three and nine months ended September 28, 2006 were approximately 16.2 million and 12.5 million, and 48.5 million and 36.9 million, respectively.

6. 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, and $1.3 million and $3.9 million of revenue related to the beverage concessionaire agreements for Loews in the pro forma three and nine months ended September 28, 2006, as attendees for Cinemark and Loews were not included during these periods.

RISK FACTORS

Before you decide to purchase shares of our common stock, you should understand the high degree of risk involved. You should consider carefully the following risks and other information in this prospectus, including our pro forma and historical financial statements and related notes. If any of the following risks actually occur, our business, financial condition and operating results could be adversely affected. As a result, the trading price of our common stock could decline, perhaps significantly.

Risks Related to Our Business and Industry

Changes in the exhibitor services agreements with, or lack of support by, our founding members could damage our revenue, growth and profitability

The exhibitor services agreements with our founding members will be critical to our business. The three exhibitor services agreements, which will be in effect following the completion of this offering, each have a term of 30 years and provide us with a five-year right of first refusal, which begins one year prior to the end of the term of the exhibitor services agreement. The term of the exhibitor services agreements as they relate to CineMeetings and digital programming will be approximately five years with provisions for automatic renewal if certain financial performance conditions are met. Our founding members' theatres represent approximately 93% of the screens in our network as of September 28, 2006. If any one of the exhibitor services agreements were terminated, not renewed at its expiration or found to be unenforceable, it would have a material adverse effect on our revenue, profitability and financial condition.

The exhibitor services agreements require the cooperation, investment and support of the founding members, the absence of which could adversely affect us. Pursuant to the exhibitor services agreements, our founding members must make investments to replace digital network equipment within their theatres and equip newly constructed theatres with digital network equipment. If the founding members do not have adequate financial resources or operational strength, and if they do not replace equipment or equip new theatres to maintain the level of operating functionality that we have today, or if such equipment becomes obsolete, we may have to make additional capital expenditures or our advertising, CineMeetings and digital programming events revenue and operating margins may decline. If the founding members reject advertising or choose not to participate in certain CineMeetings or digital programming events under the terms of the exhibitor services agreements because they believe it would adversely affect their film attendance levels or the reputation of their company, our revenue from these businesses would be reduced.

The exhibitor services agreements allow the founding members to engage in activities that might compete with certain elements of our business, which could reduce our revenue and growth potential

The exhibitor services agreements contain certain limited exceptions to our exclusive right to use the founding members' theatres for our advertising business. The founding members will have the right to enter into strategic cross-marketing relationships with third-party, unaffiliated businesses for the purpose of generating increased attendance or revenue (other than revenue from the sale of advertising) and, subject to certain limits, can use one minute on the lobby entertainment network and certain types of lobby promotions, at no cost, for the purpose of promoting the products or services of those businesses while at the same time promoting the theatre circuit or the movie-going experience. Subject to certain limits, they can also purchase an additional minute of advertising on the lobby entertainment network for these cross-marketing promotions. The use of lobby entertainment network or lobby promotions by our founding members for these advertisements and programs could result in the founding members creating relationships with advertisers that could adversely affect our current lobby entertainment network and lobby promotions advertising revenue and profitability as well as the potential we have to grow that advertising revenue in the future. The lobby entertainment network and lobby promotions represented 2.2% and 7.2% and 2.8% and 6.1%, respectively, of our total pro forma advertising revenue for the three and nine months ended September 28, 2006. The founding members will not have the right to use their movie screens (including the *FirstLook* program or otherwise) for promoting these cross-marketing

relationships, and thus we will have the exclusive rights to advertise on the movie screens, except for limited advertising related to theatre operations, and to package such on-screen advertising with the lobby entertainment network advertising and lobby promotions.

The founding members also will have the right to install a second network of video monitors in the theatre lobbies in excess of those required to be installed by the founding members for the lobby entertainment network. This additional lobby video network, which we refer to as the founders' lobby network, is to be used by the founding members to promote products or services related to operating the theatres, such as concessions and loyalty programs. The presence of the founders' lobby network within the lobby areas could reduce the effectiveness of our lobby entertainment network, thereby reducing our current lobby entertainment network advertising revenue and profitability and adversely affecting future revenue potential associated with that marketing platform.

If the non-competition provisions of the exhibitor services agreements are deemed unenforceable, our founding members could compete against us and our business could be adversely affected

With certain limited exceptions, each of the exhibitor services agreements prohibits the applicable founding member from engaging in any of the business activities that we provide in the founding member's theatres under the exhibitor services agreement, and from owning interests in other entities that compete with us. These provisions are intended to prevent the founding members from harming our business by providing cinema advertising services directly to their theatres or by entering into agreements with third-party cinema advertising providers. However, under state and federal law, a court may determine that a non-competition covenant is unenforceable, in whole or in part, for reasons including, but not limited to, the court's determination that the covenant:

- is not necessary to protect a legitimate business interest of the party seeking enforcement;
- unreasonably restrains the party against whom enforcement is sought; or
- is contrary to the public interest.

Enforceability of a non-competition covenant is determined by a court based on all of the facts and circumstances of the specific case at the time enforcement is sought. For this reason, it is not possible for us to predict whether, or to what extent, a court would enforce the non-competition provisions contained in the exhibitor services agreements. If a court were to determine that the non-competition provisions are unenforceable, the founding members could compete directly against us or enter into an agreement with another cinema advertising provider that competes against us. Any inability to enforce the non-competition provisions, in whole or in part, could cause our revenue to decline.

If one of our founding members declares bankruptcy, our exhibitor services agreement with that founding member may be rejected, renegotiated or deemed unenforceable or our network could be adversely affected by the disposition of theatres

Each of our founding members currently has a significant amount of indebtedness which is below investment grade. Since 1999, several major motion picture exhibition companies have filed for bankruptcy. For example, each of United Artists, Edwards Theatres, Regal Cinemas, General Cinemas and Loews Cineplex filed for bankruptcy during 2000 or 2001. The industry-wide construction of larger, more expensive megaplexes featuring stadium seating in the late 1990s that rendered existing, smaller, sloped-floor theatres under long-term leases obsolete and unprofitable, were significant contributing factors to these bankruptcies. If a bankruptcy case were commenced by or against a founding member, it is possible that all or part of our exhibitor services agreement with that founding member could be rejected by a trustee in the bankruptcy case pursuant to Section 365 or Section 1123 of the United States Bankruptcy Code, or by the founding member, and thus not be enforceable. Alternatively, the founding member could seek to renegotiate the exhibitor services agreement in a manner less favorable to us than the existing agreement. In addition, the founding member could seek to sell or

otherwise dispose of theatres, which might result in the removal of those theatres from our network. Because we sell advertising based on the number of theatre patrons that will view the advertisement, a reduction in the number of theatres in our network could reduce our advertising revenue.

The markets for advertising, meeting management and digital programming content are competitive and we may be unable to compete successfully

The market for advertising is intensely competitive. Cinema advertising is a small component of the overall U.S. advertising market and thus we must compete with established, larger and better known national and local media platforms and newly emerging media platforms such as the Internet. We compete for advertising directly with all media platforms, including radio and television broadcasting, cable and satellite television services, various local print media, billboards and Internet portals and search engines.

We also compete directly with other cinema advertising companies. We expect these competitors to devote significant financial and operating resources to maintaining and growing their respective positions in the cinema advertising segment. We also expect existing competitors and new entrants to the cinema advertising business to constantly revise and improve their business models in light of challenges from us or competing media platforms. If we cannot respond effectively to advances by our competitors, our business may be adversely affected.

Our CineMeetings business facilitates live and pre-recorded events in theatre auditoriums. These events are typically scheduled from Monday through Thursday during off-peak hours while theatre attendance for movies is traditionally low. This business competes for customers with a number of venues including hotels, conference facilities, restaurants, arenas and other convention properties, as well as virtual meetings hosted on-line or over private teleconferencing networks. Accordingly, our ability to increase sales in our CineMeetings business is contingent on our ability to attract new customers and compete effectively against other well-established venues.

Our digital programming events business focuses on the licensing and distribution of entertainment programming products and the sale of sponsorships associated with that programming. It includes live and pre-recorded concerts and music events, concert and DVD product releases, theatrical premieres, Broadway plays, as well as live sports and other special events. This business competes for music, sports and other entertainment programming, as well as the associated sponsorships, with other national networks, some of which offer greater geographic reach and larger audiences. Accordingly, our ability to source a consistent flow of programming is contingent on our ability to develop and sustain relationships with content owners. Sponsorships for our digital programming events may be limited by our ability to license a consistent and significant source of content that sponsors want to be associated with.

Because we rely heavily on our founding members' ability to attract customers, any reduction in attendance at founding member theatres could decrease our revenue

Our business is affected by the success of our founding members, who operate in a highly competitive industry. From the late 1990s through 2002, the number of movie screens and the level of theatre attendance in the United States increased substantially, as movie theatres began to offer new amenities such as stadium seating, improved projection quality and superior sound systems. While box office attendance has increased in 2006 through September 30 as compared to the same period in 2005, it declined in each of 2003, 2004 and 2005. If theatre attendance declines in the future, one or more of our founding members may face financial difficulties and could be forced to sell or close theatres or reduce the number of screens it builds or upgrades. Attendance may also decline if the founding members fail to maintain their theatres and provide amenities that consumers prefer, or if they cannot compete successfully on pricing. Our founding members also may not successfully compete for licenses to exhibit quality films and are not assured a consistent supply of motion pictures since they do not have long-term arrangements with major film distributors. Any of these circumstances could reduce our revenue because our revenue depends on the number of theatre patrons who view our advertising and pre-feature show.

Significant declines in theatre attendance could reduce the attractiveness of cinema advertising

The value of our advertising business could be adversely affected by a long term multi-year decline in theatre attendance or even the perception by media buyers that our network attendance and geographic coverage were expected to decline significantly over the next several years. Factors that could reduce attendance at our network theatres include the following:

- the shortening of the "release window" between the release of major motion pictures in the theatres and release to alternative methods for delivering movies to consumers, such as DVD or HD DVD, cable television, downloads via the Internet, video discs and cassettes, video on demand, satellite, and pay-per-view services;
- any reduction in consumer confidence or disposable income in general that reduces the demand for motion pictures or adversely affects the motion picture production industry; and
- the success of first-run motion pictures, which depends upon the production and marketing efforts of the major studios and the attractiveness of the movies to patrons.

The loss of any major content partner or advertising customer could significantly reduce our revenue

Following this offering, we will derive a significant portion of our revenue from our contracts with our five content partners and our founding members' agreements to purchase on-screen advertising for their beverage concessionaires. NCM LLC's or its predecessor company's relationships with the content partners date back as far as December 2002. None of these companies individually accounted for over 10% of our pro forma revenue during the nine months ended September 28, 2006. However, in the aggregate they accounted for approximately 30.0% of our pro forma revenue during the three months ended September 28, 2006, and approximately 37.8% of our pro forma revenue during the nine months ended September 28, 2006. Because we derive a significant percentage of our total revenue from a relatively small number of large companies, the loss of any one or more of them as a customer could decrease our revenue and adversely affect our current and future operating results.

We generate our revenue almost entirely from advertising, and the reduction in spending by or loss of advertisers could have a serious adverse effect on our business

We generated approximately 93.2% of our pro forma revenue in the three months ended September 28, 2006 and 93.3% of our pro forma revenue in the nine months ended September 28, 2006, from advertising sales. A substantial portion of our advertising inventory is covered by contracts with terms of approximately one month. Advertisers will not continue to do business with us if they believe our advertising medium is ineffective or overly expensive. In addition, large advertisers generally have set advertising budgets, most of which are focused on traditional media platforms. Reductions in the size of advertisers' budgets due to local, regional or national economic trends or other factors could result in lower spending on cinema advertising in general or our advertising business in particular. If we are unable to remain competitive and provide value to our advertisers, they may reduce their advertising purchases or stop placing advertisements with us, which would negatively affect our revenue and ability to generate new business from advertising clients.

If we do not maintain our technological advantage, our business could fail to grow and revenue and operating margins could decline

Failure to successfully or cost-effectively implement upgrades to our software systems to maintain our technological competitiveness could limit our ability to increase our revenue and more effectively leverage our digital platform. Any failure by us to upgrade our technology to remain current with technological changes, including digital cinema, that may be adopted by other providers of cinema advertising or other advertising platforms could hurt our ability to compete with those companies. Under the terms of our exhibitor services agreements with our founding members, we may request that our founding members upgrade the equipment or software installed in their theatres. We must negotiate with our founding members as to the terms of such upgrade, including cost sharing terms, if any. If we are not able to come to an agreement on an upgrade request, we may elect to pay for the upgrades requested which could result in our incurring significant capital

expenditures, which could adversely affect our results of operations. In addition, the failure or delay in implementation of such upgrades or problems with the integration of our systems and software with the digital cinema systems, if such integration is pursued, could slow or prevent the growth of our business.

Our business and operations are experiencing rapid growth, and we may be unable to effectively manage or continue our growth

We have experienced, and continue to experience, rapid growth in our headcount and operations, which has placed, and will continue to place, significant demands on our management and operational infrastructure. If we do not effectively manage our growth, the quality of our services could suffer, which could negatively affect our brand, our relationships with our advertising clients and digital content suppliers and our operating results. To effectively manage this growth, we will need to continue to improve our digital content system distribution software and our internal management systems, including our advertising inventory optimization, management and reporting systems. These systems enhancements and improvements will require allocation of valuable financial and management resources. If the improvements are not implemented successfully in a timely manner or at all, our ability to manage our growth will be impaired and we may have to make significant additional expenditures to address these issues.

Our preliminary plans for developing additional revenue opportunities may not be implemented, may require substantial expenditures and may not be achieved

In addition to our strategy to grow our advertising business, CineMeetings and digital programming events businesses, we are also considering other potential opportunities for revenue growth, which we describe in "Business—Our Strategy—Develop New Marketing Platforms that Leverage Our Existing Assets." For example, we may form a joint venture to create an entertainment magazine that will be distributed in our founding member theatres, and a branded entertainment web site in connection with that magazine on which we and the joint venture may sell advertising. We may also decide to expand our network technology and sales capabilities outside of theatres. These plans are at an early stage, and we may not actually proceed with any of them. If we do choose to proceed with any of these plans, the resulting marketing platforms may not be profitable, despite our having made substantial investments.

Because we have a limited operating history, it is difficult to evaluate our business and prospects

Our predecessor company, RCM, began operations in February 2002. NCM LLC was formed on March 29, 2005, as a joint venture that combined the operations of subsidiaries of AMC and Regal. Cinemark joined as a founding member on July 15, 2005, but because it had a pre-existing contract with another cinema advertising provider, we did not begin to sell advertising in its theatres on an exclusive basis until January 1, 2006 (subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006), and its theatres were not fully integrated into our network until May 2006. As a result, we have a limited operating history from which you can compare corresponding periods and evaluate our business and our prospects. We may encounter risks and difficulties frequently experienced by newly formed companies in rapidly evolving businesses. If we are unsuccessful in executing our business strategy, we may be unable to:

- increase our revenue and expand our client base;
- operate, support, expand, develop and improve our software and other systems;
- continue to produce high operating income margins; and
- respond to technological changes.

Our historical and pro forma financial information may not be representative of our financial results as an independent public company or our future financial performance

Our historical financial information included in this prospectus does not reflect our financial condition, results of operations and cash flows as they would have been achieved during the periods presented as a separate, stand-alone public entity. Our historical financial statements do not necessarily reflect the costs that we would have incurred had we operated as an independent stand-alone public entity for all periods presented. These costs include higher corporate overhead, interest expense and income taxes.

Our historical financial information includes the consolidated financial statements of RCM, our predecessor company, for periods prior to March 2005 and does not include any information related to AMC or Cinemark. Although historical financial information on AMC's theatre advertising subsidiary, NCN, is presented herein, there is no historical financial information on the combined operations of both AMC and Regal prior to the formation of NCM LLC. Additionally, the historical financial statements of RCM and NCN include screen access charges at different rates than those in effect after the formation of NCM LLC, which rates will change again after completion of the financing transaction and reorganization.

Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006 (subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006). In addition, our historical financial information does not include any information related to theatres operated by Loews, which AMC acquired on January 26, 2006, and which will become a part of our theatre network beginning on June 1, 2008, or Century, which Cinemark acquired on October 5, 2006, and which became a part of our theatre network on an exclusive basis, subject to limited exceptions, on the closing date. The historical results of operations of NCM LLC, RCM and NCN have been significantly impacted by related party transactions that we have entered into, as further discussed in the historical financial statements included elsewhere in this prospectus, and the future operating results of NCM Inc. will also be significantly impacted by related party transactions entered into in connection with this offering. As a result, this information may not be representative of our future financial performance.

In preparing the pro forma financial information in this prospectus, we have made adjustments to the historical financial information of NCM LLC and its predecessor company based upon currently available information and upon assumptions that our management believes are reasonable in order to reflect, on a pro forma basis, the impact of the transactions contemplated by the reorganization, the financing transaction and this offering. Some of these adjustments include, among other items, the terms of the exhibitor services agreements with our founding members, adjustments to income tax provisions to account for NCM LLC's status as a limited liability company and our status as a taxable entity, and our acquisition of common membership units of NCM LLC. However, the pro forma financial information does not include adjustments for the addition of the Cinemark, Loews or Century screens. These and other estimates and assumptions used in the calculation of the pro forma financial information in this prospectus may be materially different from our actual experience as a separate, independent company. The pro forma financial information included in this prospectus does not purport to represent what our results of operations would actually have been had we operated as a separate, independent company during the periods presented, nor do the pro forma data give effect to any events other than those discussed in the unaudited pro forma financial information and related notes. See "Unaudited Pro Forma Financial Information."

We depend upon our senior management and our business may be adversely affected if we cannot retain them

Our success depends upon the retention of our experienced senior management with specialized industry and technical knowledge and/or industry relationships. We might not be able to find qualified replacements for our senior management if their services were no longer available to us; accordingly, the loss of critical members of our senior management team could have a material adverse effect on our ability to effectively pursue our business strategy and our relationships with advertisers and content partners. We do not have key-man life insurance covering any of our employees.

Our technology may infringe on rights owned by others which may interfere with our ability to provide services

We may discover that the technology we use infringes patent, copyright, or other intellectual property rights owned by others. In addition, we cannot assure you that our competitors will not claim rights in patents, copyrights, or other intellectual property that will prevent, limit or interfere with our ability to provide our services either in the United States or in international markets. Further, the laws of certain foreign countries may not protect our intellectual property rights to the same extent as do the laws of the United States.

Our revenue fluctuates from quarter to quarter and may be unpredictable, which could increase the volatility of our stock price

Typically, our revenue is lowest in the first quarter of the calendar year as advertising clients scale back their advertising budgets following the year-end holiday season, and our revenue is highest during the summer and the holiday season when theatre attendance is normally highest. However, a weak advertising market, the poor performance of films released in a given quarter or a disruption in the release schedule of films could affect results for the entire fiscal year and significantly affect quarter-to-quarter results. Because our results vary widely from quarter to quarter and may be unpredictable, our financial results for one quarter cannot necessarily be compared to another quarter and may not be indicative of our financial performance in subsequent quarters. These variations in our financial results could contribute to volatility in our stock price.

Risks Related to Our Corporate Structure

We are a holding company with no operations of our own, and will depend on distributions from NCM LLC to meet our ongoing obligations and to pay cash dividends on our common stock

We are a holding company with no operations of our own and have no independent ability to generate revenue. Consequently, our ability to obtain operating funds depends upon distributions from NCM LLC. The distribution of cash flows and other transfers of funds by NCM LLC to us will be subject to statutory and contractual restrictions based upon NCM LLC's financial performance, including NCM LLC's compliance with the covenants in its senior secured credit facility and the NCM LLC operating agreement. The NCM LLC senior secured credit facility will limit NCM LLC's ability to distribute cash to its members, including us, based upon certain leverage tests, with exceptions for, among other things, payment of our income taxes and a management fee to NCM Inc. pursuant to the terms of the management services agreement. We will be unable to pay dividends to our stockholders or pay other expenses outside the ordinary course of business if NCM LLC fails to comply with these covenants and is unable to distribute cash to us.

Pursuant to a management services agreement between us and NCM LLC, NCM LLC will make payments to us to fund our day-to-day operating expenses, such as payroll. However, if NCM LLC cannot make the payments pursuant to the management services agreement, we may be unable to cover these expenses.

As a member of NCM LLC, we will incur income taxes on our proportionate share of any net taxable income of NCM LLC. We have structured the NCM LLC senior secured credit facility to allow NCM LLC to distribute cash to its members (including us and the founding members) in amounts sufficient to cover their tax liabilities and management fees, if any. To the extent we need funds to pay such taxes or for any other purpose, and NCM LLC is unable to provide such funds because of limitations in the NCM LLC senior secured credit facility or other restrictions, it could have a material adverse effect on our business, financial condition, results of operations or prospects.

NCM LLC's substantial debt obligations could impair our financial condition or prevent us from achieving our business goals

In connection with the completion of this offering, NCM LLC will borrow $725.0 million in a term loan that will be a part of a new senior secured credit facility. See "Financing Transaction." We expect the agreements governing NCM LLC's debt obligations to contain restrictive covenants that will limit NCM LLC's ability to take specified actions and prescribe minimum financial maintenance requirements that NCM LLC must meet. Because NCM LLC will be our only operating subsidiary, complying with these restrictions may prevent NCM LLC from taking actions that we believe would help us to grow our business. For example, NCM LLC may be unable to make acquisitions, investments or capital expenditures as a result of such covenants. Moreover, if NCM LLC violates those restrictive covenants or fails to meet the minimum financial requirements, it would be in default, which could, in turn, result in defaults under other obligations of NCM LLC or us. Any such defaults could materially impair our financial condition and liquidity.

Amounts payable to our founding members have historically been paid as NCM LLC collected the related accounts receivable from its customers. Approximately 30 days following the closing of this offering, NCM LLC will repay the remaining amounts owed to our founding members under the existing exhibitor services agreements (which were $43.8 million as of September 28, 2006). To the extent that such amounts have not been funded by receivables (which were $51.9 million as of September 28, 2006), we will draw upon the revolving credit facility to satisfy the amounts owed to the founding members. NCM LLC will repay the amount drawn under the credit facility for this purpose as additional receivables are collected. The amount outstanding under the new revolving credit facility will continue to fluctuate based on working capital needs.

If NCM LLC is unable to meet its debt service obligations, it or we could be forced to restructure or refinance the obligations, seek additional equity financing or sell assets. We may be unable to restructure or refinance these obligations, obtain additional equity financing or sell assets on satisfactory terms or at all.

In addition, NCM LLC's indebtedness could have other negative consequences for us, including without limitation:

- limiting NCM LLC's ability to obtain financing in the future;
- requiring much of NCM LLC's cash flow to be dedicated to interest obligations and making it unavailable for other purposes;
- limiting NCM LLC's liquidity and operational flexibility in changing economic, business and competitive conditions which could require NCM LLC to consider deferring planned capital expenditures, reducing discretionary spending, selling assets, restructuring existing debt or deferring acquisitions or other strategic opportunities; and
- making NCM LLC more vulnerable to an increase in interest rates, a downturn in our operating performance or a decline in general economic conditions.

Our founding members or their affiliates may have interests that differ from those of our public stockholders and they may be able influence our affairs

So long as a founding member beneficially owns at least 5% of NCM LLC's issued and outstanding common membership units, approval of at least 90% of the directors then in office (provided that if the board has less than ten directors, then the approval of at least 80% of the directors then in office) will be required before we may take any of the following actions or we, in our capacity as manager of NCM LLC, may authorize NCM LLC to take any of the following actions:

- assign, transfer, sell or pledge all or a portion of the membership units of NCM LLC beneficially owned by NCM Inc.;
- acquire, dispose, lease or license assets with an aggregate value exceeding 20% of the fair market value of the business of NCM LLC operating as a going concern;
- merge, reorganize, recapitalize, reclassify, consolidate, dissolve, liquidate or enter into a similar transaction;
- incur any funded indebtedness or repay, before due, any funded indebtedness with a fixed term in an aggregate amount in excess of $15 million per year;
- issue, grant or sell shares of NCM Inc. common stock, preferred stock or rights with respect to common or preferred stock, or NCM LLC membership units or rights with respect to membership units, except under specified circumstances;
- amend, modify, restate or repeal any provision of NCM Inc.'s certificate of incorporation or bylaws or the NCM LLC operating agreement;
- enter into, modify or terminate certain material contracts not in the ordinary course of business as defined under applicable securities laws;

- except as specifically set forth in the NCM LLC operating agreement, declare, set aside or pay any redemption of, or dividends with respect to membership interests;
- amend any material terms or provisions (as defined in the Nasdaq rules) of NCM Inc.'s equity incentive plan or enter into any new equity incentive compensation plan;
- make any change in the current business purpose of NCM Inc. to serve solely as the manager of NCM LLC or any change in the current business purpose of NCM LLC to provide the services as set forth in the exhibitor services agreements; and
- approve any actions relating to NCM LLC that could reasonably be expected to have a material adverse tax effect on the founding members.

Pursuant to a director designation agreement, so long as a founding member owns at least 5% of NCM LLC's issued and outstanding common membership units, such founding member will have the right to designate a total of two nominees to our ten-member board of directors who will be voted upon by our stockholders. If, at any time, any founding member owns less than 5% of NCM LLC's then issued and outstanding common membership units, then such founding member shall cease to have any rights of designation.

If any director designee to our board designated by our founding members is not appointed to our board, nominated by us or elected by our stockholders, as applicable, then each of the founding members (so long as such founding member continues to own 5% of NCM LLC's issued and outstanding common membership units) will be entitled to approve specified actions of NCM LLC as described under "Corporate History and Reorganization—Corporate Governance Matters."

For purposes of calculating the 5% ownership threshold for the supermajority director approval rights and director designation agreement provisions discussed above, shares of our common stock held by a founding member and received upon redemption of NCM LLC common membership units will be counted toward the threshold. Common membership units issued to NCM Inc. in connection with the redemption of common membership units by a founding member will be excluded, so long as such founding member continues to hold the common stock acquired through such redemption or such founding member has disposed of such shares of common stock to another founding member. Shares of our common stock otherwise acquired by the founding members will also be excluded, unless such shares of common stock were transferred by one founding member to another and were originally received by the transferring founding member upon redemption of NCM LLC common membership units.

Under these circumstances, our corporate governance documents will allow our founding members and their affiliates to exercise a greater degree of influence in the operation of our business and that of NCM LLC and the management of our affairs and those of NCM LLC than is typically available to stockholders of a publicly-traded company. Even if our founding members or their affiliates own a minority economic interest in NCM LLC, they may be able to continue exerting such degree of influence over us and NCM LLC.

Different interests among our founding members or between our founding members and us could prevent us from achieving our business goals

For the foreseeable future, we expect that our board of directors will include directors and executive officers of our founding members and other directors who may have commercial relationships with our founding members. Our founding members compete with each other in the operation of their respective businesses and could have individual business interests that may conflict with those of the other founding members. Their differing interests could make it difficult for us to pursue strategic initiatives that require consensus among our founding members.

In addition, the structural relationship we have with our founding members could create conflicts of interest among the founding members, or between the founding members and us, in a number of areas relating to our past

and ongoing relationships. There will not be any formal dispute resolution procedures in place to resolve conflicts between us and a founding member or between founding members. We may not be able to resolve any potential conflicts between us and a founding member and, even if we do, the resolution may be less favorable to us than if we were negotiating with an unaffiliated party.

The corporate opportunity provisions in our certificate of incorporation could enable the founding members to benefit from corporate opportunities that might otherwise be available to us

Our certificate of incorporation will contain provisions related to corporate opportunities that may be of interest to both our founding members and us. It will provide that if a corporate opportunity is offered to us, NCM LLC or one or more of the officers, directors or stockholders (both direct and indirect) of NCM Inc. or a member of NCM LLC that relates to the provision of services to motion picture theatres, use of theatres for any purpose, sale of advertising and promotional services in and around theatres and any other business related to the motion picture theatre business (except services as provided in the exhibitor services agreements as from time to time amended and except as may be offered to one of our officers in his capacity as an officer), no such person shall be liable to us or any of our stockholders (or any affiliate thereof) for breach of any fiduciary or other duty by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to us. This provision applies even if the business opportunity is one that we might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so.

In addition, our certificate of incorporation and the NCM LLC operating agreement expressly provide that our founding members may have other business interests and may engage in any other businesses not specifically prohibited by the terms of the certificate of incorporation and exhibitor services agreements. If the parent companies of the founding members develop new media platforms they could compete for advertising dollars with our services. Further, we may also compete with the founding members or their affiliates in the area of employee recruiting and retention. These potential conflicts of interest could have a material adverse effect on our business, financial condition, results of operations or prospects if attractive corporate opportunities are allocated by the founding members to themselves or their other affiliates or we lose key personnel to them. The terms of our certificate of incorporation are more fully described in “Description of Capital Stock.”

The agreements between us and our founding members were made in the context of an affiliated relationship and may contain different terms than comparable agreements with unaffiliated third parties

The exhibitor services agreements and the other contractual agreements that we have with our founding members were negotiated in the context of an affiliated relationship in which representatives of our founding members and their affiliates comprised our entire board of directors. As a result, the financial provisions and the other terms of these agreements, such as covenants, contractual obligations on our part and on the part of our founding members, and termination and default provisions may be less favorable to us than terms that we might have obtained in negotiations with unaffiliated third parties in similar circumstances.

Our certificate of incorporation and bylaws contain anti-takeover protections that may discourage or prevent strategic transactions, including a takeover of our company, even if such a transaction would be beneficial to our stockholders

Provisions contained in our certificate of incorporation and bylaws, the NCM LLC operating agreement, provisions of the Delaware General Corporation Law, or DGCL, could delay or prevent a third party from entering into a strategic transaction with us, even if such a transaction would benefit our stockholders. For example, our certificate of incorporation and bylaws:

- establish supermajority approval requirements by our directors before our board may take certain actions;
- authorize the issuance of “blank check” preferred stock that could be issued by our board of directors to increase the number of outstanding shares, making a takeover more difficult and expensive;

- establish a classified board of directors;
- allow removal of directors only for cause;
- prohibit stockholder action by written consent;
- do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates; and
- provide that the founding members will be able to exercise a greater degree of influence over the operations of NCM LLC, which may discourage other nominations to our board of directors, if any director nominee designated by the founding members is not elected by our stockholders.

These restrictions could keep us from pursuing relationships with strategic partners and from raising additional capital, which could impede our ability to expand our business and strengthen our competitive position. These restrictions could also limit stockholder value by impeding a sale of us or NCM LLC.

Any future issuance of membership units by NCM LLC and subsequent redemption of such units for common stock could dilute the voting power of our common stockholders and adversely affect the market value of our common stock

The common unit adjustment agreement and the exhibitor services agreements that will be in place upon the completion of this offering provide that we will issue common membership units of NCM LLC to account for changes in the number of theatre screens our founding members operate. Historically, each of the founding members has increased the number of screens it operates. If this trend continues, NCM LLC may issue additional common membership units to the founding members to reflect their increased screen count. Each common membership unit may be redeemed in exchange for, at our option, shares of our common stock on a one-for-one basis or a cash payment equal to the market price of one share of our common stock. If a significant number of common membership units were issued to our founding members, the founding members elected to redeem such units, and we elected to issue common stock rather than cash upon redemption, the voting power of our common stockholders could be diluted. Other than the maximum number of authorized shares of common stock in our certificate of incorporation, there is no limit on the number of shares of our common stock that we may issue upon redemption of a founding member's common membership units in NCM LLC.

Our future issuance of preferred stock could dilute the voting power of our common stockholders and adversely affect the market value of our common stock

The future issuance of shares of preferred stock with voting rights may adversely affect the voting power of the holders of our other classes of voting stock, either by diluting the voting power of our other classes of voting stock if they vote together as a single class, or by giving the holders of any such preferred stock the right to block an action on which they have a separate class vote even if the action were approved by the holders of our other classes of voting stock.

The future issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. For example, investors in the common stock may not wish to purchase common stock at a price above the conversion price of a series of convertible preferred stock because the holders of the preferred stock would effectively be entitled to purchase common stock at the lower conversion price causing economic dilution to the holders of common stock.

If we or our founding members are determined to be an investment company, we would become subject to burdensome regulatory requirements and our business activities could be restricted

We do not believe that we are an "investment company" under the Investment Company Act of 1940, as amended. As sole manager of NCM LLC, we will control NCM LLC, and our interest in NCM LLC is not an

"investment security" as that term is used in the Investment Company Act. If we were to stop participating in the management of NCM LLC, our interest in NCM LLC could be deemed an "investment security" for purposes of the Investment Company Act. Generally, a company is an "investment company" if it owns investment securities having a value exceeding 40% of the value of its total assets (excluding U.S. government securities and cash items). Following this offering, our sole asset will be our equity interest in NCM LLC. A determination that such asset was an investment security could result in our being considered an investment company under the Investment Company Act. As a result, we would become subject to registration and other burdensome requirements of the Investment Company Act. In addition, the requirements of the Investment Company Act could restrict our business activities, including our ability to issue securities.

We and NCM LLC intend to conduct our operations so that we are not deemed an investment company under the Investment Company Act. However, if anything were to occur that would cause us to be deemed to be an investment company, we would become subject to restrictions imposed by the Investment Company Act. These restrictions, including limitations on our capital structure and our ability to enter into transactions with our affiliates, could make it impractical for us to continue our business as currently conducted and could have a material adverse effect on our financial performance and operations.

We also rely on representations of our founding members that they are not investment companies under the Investment Company Act. If any founding member were deemed to be an investment company, the restrictions placed upon that founding member might inhibit its ability to fulfill its obligations under its exhibitor services agreement or restrict NCM LLC's ability to borrow funds.

Risks Relating to This Offering

Our use of the proceeds from this offering to purchase membership units in NCM LLC will preclude use of those proceeds for other corporate purposes

We intend to use the net proceeds from this offering to purchase newly issued common membership units of NCM LLC, at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses. Our founding members will receive $686.3 million for their agreeing to modify our payment obligations under our exhibitor services agreements. NCM LLC will pay all of the proceeds it receives from us to our founding members in payment of a portion of this obligation. The proceeds from this offering will not be available to NCM LLC or us for other corporate purposes, such as expanding our business, which could negatively impact the value of your investment in our common stock. In addition, NCM LLC will enter into a new $805.0 million senior secured credit facility that will substantially limit its future borrowing capacity. The proceeds of the $725.0 million term loan that is part of this new credit facility will be used to redeem all the preferred membership units in NCM LLC from our founding members, to pay any shortfall in the amounts owed to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements and to pay transaction expenses. The revolving facility that is part of the new facility will be drawn upon to repay amounts outstanding under NCM LLC's existing revolving credit facility (which were $10.0 million as of September 28, 2006) and any remaining amounts owed to the founding members under the existing exhibitor services agreements that, due to timing differences, may not be funded by receivables. As a result, we or NCM LLC may not be able to sell securities or borrow money on acceptable terms, and we and NCM LLC may be unable to expand our business and operations as anticipated. If we are unable to do so, our financial results and the market for our common stock could be adversely affected.

Our tax receivable agreement with the founding members is expected to reduce the amount of overall cash flow that would otherwise be available to us and will increase our potential exposure to the financial condition of the founding members

We expect that the offering and related transactions will have the effect of reducing the amounts NCM Inc. would otherwise pay in the future to various tax authorities as a result of an increase in its proportionate share of tax basis in NCM LLC's tangible and intangible assets. We have agreed in our tax receivable agreement with the

founding members to pay to the founding members 90% of the amount by which NCM Inc.'s tax payments to various tax authorities are reduced, which could be up to approximately $730 million or more over 30 years or longer. See "Certain Relationships and Related Party Transactions—Transactions With Founding Members— Tax Receivable Agreement." After paying these reduced amounts to tax authorities, if it is determined as a result of an income tax audit or examination that any amount of NCM Inc.'s claimed tax benefits should not have been available, NCM Inc. may be required to pay additional taxes and possibly penalties and interest to one or more tax authorities. If this were to occur, and if one or more of the founding members was insolvent or bankrupt or otherwise unable to make payment under its indemnification obligation under the tax receivable agreement, then NCM Inc.'s financial condition could be materially impaired.

The substantial number of shares that will be eligible for sale in the near future could cause the market price for our common stock to decline or make it difficult for us to sell equity securities in the future

We cannot predict the effect, if any, that market sales of shares of common stock or the availability of shares of common stock for sale will have on the market price of our common stock from time to time. Sales of substantial amounts of shares of our common stock in the public market following this offering, or the perception that those sales will occur, could cause the market price of our common stock to decline or make future offerings of our equity securities more difficult. If we are unable to sell equity securities at times and prices that we deem appropriate, we may be unable to fund growth.

The 38,000,000 shares of common stock being sold in this offering will be freely tradable unless acquired by one of our affiliates. In addition, the founding members may receive up to 55,850,951 shares of common stock, which initially will be unregistered, upon redemption of their outstanding common membership units of NCM LLC. These shares of common stock will constitute "restricted securities" under the Securities Act of 1933, as amended, or the Securities Act. Provided the holders comply with the holding periods and other conditions prescribed in Rule 144 under the Securities Act, all but 78,947 of these unregistered shares of common stock cease to be restricted securities and become freely tradable.

Our officers and directors have agreed that they will not offer, sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, or publicly disclose the intention to make any such disposition, or to enter into any such arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus. The founding members have also agreed to the same restrictions for a period of 180 days after the date of this prospectus. After the lock-up period expires, our founding members will be able to exercise registration rights that we have granted them as described in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Registration Rights." We cannot predict whether substantial amounts of our common stock will be sold in the open market in anticipation of, or following any divestiture by our founding members or our directors or executive officers of their shares of our common stock.

Additionally, 358,977 shares of restricted stock will be outstanding and approximately 1,790,960 shares of our common stock will be issuable upon exercise of stock options that vest through 2012 and become exercisable beginning on January 1, 2008. We will substitute 352,661 shares of restricted stock for restricted units that will be granted to NCM LLC option holders as "IPO awards" and 1,572,960 options to acquire our common stock for options that were granted by NCM LLC throughout 2006 in connection with the completion of this offering. None of such restricted stock or options were vested as of September 28, 2006. The options issued to acquire our common stock will result in compensation expense of approximately $2.2 million per year over the vesting period of the stock options which is not a significant change in compensation expense as compared to amounts previously recognized by NCM LLC. In addition, NCM Inc. will record additional compensation expense for the restricted stock issued of approximately $1.3 million per year over the vesting period of the restricted stock. We also plan to grant options to acquire 218,000 shares of our common stock to our employees, and 6,316 shares of restricted

common stock to our non-employee directors, in connection with the completion of this offering. For these additional NCM Inc. options and restricted stock to be issued to employees and non-employee directors, NCM Inc. anticipates recording an additional $0.3 million of compensation expense per year over the vesting period. Once the options and restricted stock become vested and/or exercisable, as applicable, to the extent they are not held by one of our affiliates, the shares acquired upon vesting or exercise will be freely tradable following effectiveness of the registration statement for the shares reserved under the equity incentive plan, which we plan to file promptly after completion of this offering.

Our stock price may be volatile and may decline substantially from the initial offering price

Before this offering, there has been no public market for our common stock, and an active trading market for our common stock may not develop or continue upon completion of this offering. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of the price at which our common stock will trade after the offering.

The stock market in general has experienced extreme price and volume fluctuations in recent years. These broad market fluctuations may adversely affect the market price of our common stock, regardless of our actual operating performance. You may be unable to resell your shares at or above the public offering price because of a number of factors, including:

- actual or anticipated quarterly fluctuations in our operating results;
- changes in expectations of future financial performance or changes in estimates of securities analysts;
- changes in the market valuations of other companies;
- announcements relating to actions of other media companies, strategic relationships, acquisitions or industry consolidation;
- terrorist acts or wars; and
- general economic, market and political conditions not related to our business.

Affiliates of several of the underwriters for this offering hold interests in founding members and, therefore, have interests in this offering beyond customary underwriting discounts and commissions

As of January 5, 2007, several of the underwriters have affiliates who own common stock of one or more of our founding members. An affiliate of Citigroup Global Markets Inc. owned approximately 3.0% of AMC's common stock, less than 1.0% of Regal's common stock and less than 1.0% of Cinemark's common stock. Goldman, Sachs and Co. owned less than 1.0% of Regal's common stock. An affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.8% of Regal's common stock. An affiliate of J.P. Morgan Securities Inc. owned approximately 20.8% of AMC's common stock and less than 1.0% of Regal's common stock. An affiliate of Credit Suisse Securities (USA) LLC owned less than 1.0% of Regal's common stock, less than 1.0% of Cinemark's common stock and less than 1.0% of AMC's common stock. Banc of America Securities LLC and its affiliates owned approximately 4.3% of Regal's common stock. See "Use of Proceeds" and "Underwriting." There may be a conflict of interest between their interests as underwriters and their interests as stockholders of founding members, who will receive a payment of $686.3 million from NCM LLC upon the completion of this offering for their agreeing to modify our payment obligations under our exhibitor services agreements. As participants in this offering that are seeking to realize the value of their investment in us, these underwriters have interests beyond customary underwriting discounts and commissions.

You will experience immediate and substantial dilution in net tangible book value per share of common stock

The initial public offering price of the common stock will be substantially higher than the pro forma combined net tangible book value per share of our outstanding common stock. If you purchase shares of our common stock, you will incur immediate and substantial dilution in the amount of $27.63 per share, based on an assumed initial public offering price of $19.00 per share, which is the midpoint of the initial public offering price range set forth on

the cover of this prospectus. A $1.00 increase in the initial public offering price per share would not impact the net tangible book value. A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $19.00 (the midpoint of the range set forth on the cover page of this prospectus), would not have a meaningful impact on our net tangible book value as of September 28, 2006. See “Dilution.”

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical information, this prospectus contains forward-looking statements. The words “forecast,” “estimate,” “project,” “intend,” “expect,” “should,” “believe” and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors, including those discussed in “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the following:

- national, regional and local economic conditions that may affect the markets in which we operate;
- the levels of expenditures on advertising in general and cinema advertising in particular;
- increased competition within cinema advertising or other segments of the advertising industry;
- technological changes and innovations, including alternative methods for delivering movies to consumers;
- the popularity of major motion picture releases and level of theatre attendance;
- shifts in population and other demographics;
- our ability to renew expiring advertising contracts at favorable rates, or to replace them with new contracts that are comparably favorable to us;
- our need for, and ability to obtain, additional funding for acquisitions and operations;
- risks and uncertainties relating to our significant indebtedness following the completion of this offering;
- fluctuations in operating costs;
- capital expenditure requirements;
- changes in interest rates; and
- changes in accounting principles, policies or guidelines.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative but not exhaustive. In addition, new risks and uncertainties may arise from time to time. Accordingly, all forward-looking statements should be evaluated with an understanding of their inherent uncertainty.

Except as required by law, we assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

USE OF PROCEEDS

Based upon an estimated initial public offering price of $19.00 per share (the midpoint of the range set forth on the cover page of this prospectus), we estimate that we will receive net proceeds from this offering of approximately $674.3 million, after deducting estimated underwriting discounts and commissions in connection with this offering and estimated offering expenses of $8.0 million. See "Underwriting." If the underwriters exercise their option to purchase an additional 4,000,000 shares of our common stock to cover over-allotments of shares, we will use the net proceeds from the over-allotments to purchase an equivalent number of common membership units in NCM LLC held by our founding members on a pro rata basis at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses.

We will use all of the estimated net proceeds of approximately $674.3 million to purchase newly issued common membership units from NCM LLC at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses of $8.0 million. NCM LLC will use all of the estimated net proceeds of approximately $674.3 million it receives from us to pay a portion of the $686.3 million owed to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements. NCM LLC will also use $12.0 million from its term loan borrowings for this purpose. We will purchase a number of common membership units equal to the number of shares of common stock sold in this offering.

As of January 5, 2007, several of the underwriters have affiliates who own common stock of one or more of our founding members. An affiliate of Citigroup Global Markets Inc. owned approximately 3.0% of AMC's common stock, less than 1.0% of Regal's common stock and less than 1.0% of Cinemark's common stock. Goldman, Sachs and Co. owned less than 1.0% of Regal's common stock. An affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.8% of Regal's common stock. An affiliate of J.P. Morgan Securities Inc. owned approximately 20.8% of AMC's common stock and less than 1.0% of Regal's common stock. An affiliate of Credit Suisse Securities (USA) LLC owned less than 1.0% of Regal's common stock, less than 1.0% of Cinemark's common stock and less than 1.0% of AMC's common stock. Banc of America Securities LLC and its affiliates owned approximately 4.3% of Regal's common stock.

In connection with the completion of this offering, NCM LLC will enter into a new $805.0 million senior secured credit facility with a group of lenders that will include affiliates of several of the underwriters. This facility will consist of a six-year, $80.0 million revolving credit facility and an eight-year, $725.0 million term loan facility. The revolving credit facility will be available, subject to certain conditions, for general corporate purposes of NCM LLC and its subsidiaries in the ordinary course of business and for other transactions permitted under the credit agreement. The term loan will be due on the eighth anniversary of funding and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $698.5 million, and to pay $12.0 million to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements, and to pay transaction expenses. The revolving facility will be drawn upon to repay amounts outstanding under NCM LLC's existing $20 million revolving credit facility (which were $10.0 million as of September 28, 2006). Affiliates of Credit Suisse Securities (USA) LLC, Lehman Brothers Inc., Banc of America Securities LLC and Citigroup Global Markets Inc. are lenders under the existing revolving credit facility.

DIVIDEND POLICY

Upon completion of the offering, we will become a member and the sole manager of NCM LLC. We will be a holding company, will have no direct operations and will be able to pay dividends only from our available cash on hand and funds received from NCM LLC. We expect that most of our operating expenses will be paid by NCM LLC pursuant to the terms of a management services agreement between us and NCM LLC.

NCM LLC's operating agreement will require that it distribute to its members, on a quarterly basis, cash that is not required to meet NCM LLC's anticipated business needs and that is permitted to be distributed under the terms of its senior secured credit facility. The terms of the senior secured credit facility will limit distributions to us and other members of NCM LLC if there is a default or if we do not meet certain leverage tests. NCM LLC's ability to make any distributions to us will also depend upon other factors, including its operating results and cash flow from operations. The change from our current circuit share expense to a theatre access fee will result in lower payments to our founding members under the exhibitor services agreements than has been the case historically. We believe this reduction in payments will more than offset the expected higher interest payments under the senior secured credit facility, and allow NCM LLC to generate sufficient cash to make distributions to us in the future. We intend to distribute as dividends to our common stockholders a substantial portion of the distributions we receive from NCM LLC.

The declaration, payment, timing and amount of any future dividends payable by us will be at the sole discretion of our board of directors who will take into account general economic and business conditions, our financial condition, our available cash, our current and anticipated cash needs, and any other factors that the board considers relevant. Under Delaware law, dividends may be payable only out of surplus, which is our net assets minus our liabilities and our capital, or, if we have no surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

Any cash distributed to us by NCM LLC will not be available to NCM LLC for other corporate purposes, such as acquisitions, investments, capital expenditures or repayment of NCM LLC's term loan.

CAPITALIZATION

The following table sets forth as of September 28, 2006:

(i) the cash and cash equivalents and capitalization of NCM LLC; and

(ii) our pro forma cash and cash equivalents and capitalization on a consolidated basis with NCM LLC as adjusted to reflect (a) the incurrence of debt under the new NCM LLC senior secured credit facility, (b) the reorganization and (c) our issuance and sale of the shares of common stock in this offering at an assumed initial offering price of $19.00 per share (the midpoint of the range set forth on the cover page of this prospectus) after deducting underwriting discounts and commissions and offering expenses, the receipt of the estimated proceeds therefrom and the purchase of 38,000,000 common membership units from NCM LLC.

The table should be read in conjunction with the historical financial statements and related notes and our unaudited pro forma financial information and related notes, in each case included elsewhere in this prospectus. The data assume that there has been no exercise, in whole or in part, of the underwriters' over-allotment option to purchase additional shares of our common stock in this offering.

	As of September 28, 2006	
	NCM LLC	NCM Inc. Pro Forma As Adjusted
	($ in millions, except per share data)	
Cash and Cash Equivalents	$ 4.6	$ 4.6
Term Loan	—	725.0
Revolving Credit Facility	10.0	10.0 (1)
Members' Equity	2.1	—
Stockholder's Equity (deficit):		
Common stock; $0.01 par value; 1,000 shares authorized; none issued and outstanding on an actual basis, 38,000,000 shares issued and outstanding on a pro forma basis		0.4
Distributions in Excess of Paid-in Capital		(575.0)
Members'/Stockholder's Equity (deficit)	2.1	(574.6)(2)
Total Capitalization	$ 12.1	$ 160.4 (2)

(1) Amounts payable to our founding members have historically been paid as NCM LLC collected the related accounts receivable from its customers. Approximately 30 days following the closing of this offering, NCM LLC will repay the remaining amounts owed to our founding members under the existing exhibitor services agreements (which were $43.8 million as of September 28, 2006). To the extent that such amounts have not been funded by receivables (which were $51.9 million as of September 28, 2006), we will draw upon the revolving credit facility to satisfy the amounts owed to the founding members. NCM LLC will repay the amount drawn under the credit facility for this purpose as additional receivables are collected. The amount outstanding under the new revolving credit facility will continue to fluctuate based on working capital needs.

(2) A $1.00 increase in the initial public offering price per share would result in increases in stockholder's equity and total capitalization, as of September 28, 2006 on a pro forma basis, of $3.2 million. Separately, a 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $19.00 (the midpoint of the range set forth on the cover page of this prospectus), would result in increases in stockholders' equity and total capitalization, as of September 28, 2006 on a pro forma basis, of $14.2 million.

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the pro forma net tangible book value per share of our common stock after this offering. Dilution results from the fact that the per share offering price of the common stock is substantially in excess of the book value per share attributable to the existing stockholders for the presently outstanding stock.

As of September 28, 2006, the net tangible negative book value of NCM LLC was approximately $(0.9) million, or approximately $(0.02) per share of common stock. Net tangible book value per share represents total tangible assets less total consolidated liabilities, divided by the aggregate number of shares of common stock outstanding assuming the redemption of all current NCM LLC common membership units in exchange for an aggregate of 55,850,951 shares of common stock. Restricted stock of 358,977 is also included in the following calculations.

After giving effect to our issuance of shares of common stock in this offering, the reorganization and the financing transaction, and assuming an estimated offering price of $19.00 per share (the midpoint of the range set forth on the cover page of this prospectus), and after deducting estimated offering expenses and assuming full redemption of NCM LLC membership units held by the founding members in exchange for shares of our common stock, our pro forma net tangible negative book value as of September 28, 2006 would have been approximately $(813.50) million or $(8.63) per share of common stock.[1] This represents an immediate dilution to new investors in our common stock of approximately $27.63 per share.

The following table illustrates this per share dilution (assuming that the underwriters do not exercise their over-allotment option in whole or in part):

Initial public offering price per share		$ 19.00
Pro forma net tangible book value per share as of September 28, 2006	$ (0.02)	
Decrease in pro forma net tangible book value per share attributable to this offering, the financing transaction and the reorganization	$ (8.61)	
Pro forma net tangible book value per share after the completion of this offering, the reorganization and the financing transaction		$ (8.63)
Pro forma dilution per share to new investors		$ 27.63

If the underwriters' over-allotment option is exercised in full, the pro forma negative net tangible book value per share of common stock after giving effect to this offering, the reorganization and the financing transaction would be approximately $(8.61) per share and the dilution in pro forma net tangible book value per share of common stock to new investors would be $(27.63) per share.

The foregoing discussion and tables assume no exercise of any stock options that will be outstanding immediately following this offering. As of the date of completion of this offering, we will have outstanding options to purchase 1,790,960 shares of our common stock and 358,977 shares of restricted common stock, including options and restricted shares NCM Inc. intends to grant upon the completion of this offering. If all of these options and the entire over-allotment option were exercised, there would be less pro forma dilution to new investors of $(0.48) per share.

[1] A $1.00 increase in the initial public offering price per share would not impact the net tangible book value. A 10% increase in the number of shares of common stock would not have a meaningful impact on our net tangible book value as of September 28, 2006.

The following table summarizes, on a pro forma basis as of September 28, 2006 the difference between the total cash consideration paid by our founding members for common stock, assuming the redemption of all membership units of NCM LLC in exchange for shares of our common stock in the manner described above, and the purchasers of common stock in the public offering, before deducting estimated underwriting discounts and commissions and estimated offering expenses. Restricted stock and options are not included in the following calculations.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount (millions)	Percent	
Founding members	55,850,951	59.5%	$ (1,366.4)	NM	$ (24.47)
Purchasers of common stock	38,000,000	40.5%	722.0	NM	19.00
Total	93,850,951	100.0%	$ (644.4)	100.0%	$ (6.87)

NM = not meaningful

If the underwriters' option to purchase additional shares is exercised in full and assuming full redemption of NCM LLC membership units held by the founding members in exchange for shares of our common stock, the following will occur:

- The percentage of shares of common stock held by the founding members will decrease to approximately 55.2% of the total number of shares of common stock outstanding, and
- The number of shares of common stock held by purchasers of common stock will increase to 42,000,000 shares, or approximately 44.8% of the total number of shares of common stock outstanding after this offering.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

NCM LLC was formed on March 29, 2005, by AMC and Regal as a joint venture that combined the cinema advertising and meetings and events operations of Regal's subsidiary, RCM, and the cinema advertising operations of AMC's subsidiary, NCN. The contribution of the net assets by AMC and Regal was accounted for at historical costs. Under GAAP, RCM and NCN are considered to be the joint predecessors of NCM LLC. NCM LLC commenced operations on April 1, 2005. On July 15, 2005, Cinemark, through a wholly-owned subsidiary, joined NCM LLC as a founding member. Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006 (subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006). As a result, revenue from the sale of advertising for Cinemark's screens are only reflected in NCM LLC's unaudited historical statements of operations subsequent to January 1, 2006. On January 26, 2006, AMC acquired the Loews theatre circuit. The Loews screens will become part of our national advertising network on an exclusive basis beginning on June 1, 2008, following the expiration of Loews' pre-existing contract with another cinema advertising provider. The Loews theatres will be subject to the following: (i) during the period beginning on June 1, 2008 through November 30, 2008, the run-out of on-screen advertising and entertainment content and (ii) during the period beginning on December 1, 2008 through February 28, 2009, the right of the prior advertising provider to up to one minute of advertising inventory during the pre-feature show, in each case, for pre-existing contractual obligations that exist on May 31, 2008. In accordance with a Loews screen integration agreement between us and AMC, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. Effective as of January 5, 2007, NCM LLC re-allocated the common membership units in NCM LLC among the founding members to reflect the payments to be made by AMC pursuant to the terms of the Loews screen integration agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding member theatres. These Loews payments will be made on a quarterly basis in arrears until May 31, 2008, and, for accounting purposes, will be recorded in members' equity and will not be reflected in NCM LLC's statements of operations.

The following (i) unaudited pro forma condensed consolidated statements of operations for the year ended December 29, 2005, the three and nine months ended September 28, 2006, and (ii) the unaudited pro forma condensed consolidated balance sheet at September 28, 2006, present the consolidated results of operations and financial position of NCM Inc. assuming the transactions discussed below had been completed and the material changes to contractual arrangements discussed below, which will occur in connection with the completion of the offering and related transactions described in this prospectus, had become effective as of December 31, 2004, with respect to the pro forma statements of operations and as of September 28, 2006, with respect to the pro forma balance sheet. The pro forma adjustments are based on available information and upon assumptions that management believes are reasonable in order to reflect, on a pro forma basis, the impact of the historical adjustments listed below and the transaction adjustments listed below on the historical financial information of NCM Inc. The adjustments as set forth below are described in detail in the notes to the unaudited pro forma condensed consolidated statements of operations and the unaudited pro forma condensed consolidated balance sheet and principally include the matters set forth below.

The contractual adjustments include adjustments to reflect:

- the terms of the exhibitor services agreements to be entered into in connection with the completion of this offering (as further described in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Exhibitor Services Agreements"), which are included herein due to the significant business and financial differences from our current contractual arrangements with our founding members and which will have ongoing material significance to our results of operations, as compared to our historical results of operations, in that they (i) assign legacy contracts to NCM LLC,

(ii) make additional inventory of lobby promotions, CineMeetings and digital programming events available to NCM LLC on a pre-approved basis, (iii) make additional theatre advertising inventory available to NCM LLC to sell such inventory at stated rates to the founding members in order for them to fulfill their on-screen advertising commitments with their beverage concessionaires and (iv) change the circuit share expense to the theatre access fee, resulting in lower payments to our founding members;

- adjustments to income tax provisions to account for NCM LLC's status as a limited liability company; and
- the elimination of non-recurring restructuring charges at NCN relating to the formation of NCM LLC.

Legacy contracts are those advertising contracts entered into by RCM and NCN prior to the formation of NCM LLC.

The transaction adjustments result from:

- the completion of the non-cash recapitalization of NCM LLC pursuant to which (i) NCM LLC will split the number of outstanding common membership units so that a common membership unit can be acquired with the proceeds from the initial offering of one share of our common stock after underwriting discounts and commissions and offering expenses and (ii) founding members of NCM LLC will receive one common membership unit and one preferred membership unit in exchange for each outstanding common membership unit;
- the completion of the offering and the use of proceeds therefrom as set forth in this prospectus, including our acquisition of 40.5% of the common membership units of NCM LLC, which will be accounted for by our expected consolidation of NCM LLC, as discussed in Note 8 to the pro forma condensed consolidated balance sheet; and
- the completion of the financing transaction, pursuant to which all the preferred membership units of NCM LLC will be redeemed from the proceeds of the term loan portion of a new senior secured credit facility.

NCM LLC will redeem all the preferred membership units in NCM LLC at an aggregate price of $698.5 million. Upon payment of such amount, each preferred unit will be cancelled and the founding members shall cease to have any rights with respect to the preferred units. The purpose for issuing the preferred membership units in connection with the non-cash recapitalization, and for subsequently redeeming all the preferred membership units in connection with the offering, is to create an efficient mechanism for distributing all the redemption proceeds to our founding members.

You should read this unaudited pro forma condensed consolidated financial information together with the other information contained in this prospectus, including "Corporate History and Reorganization," "Financing Transaction," "Management's Discussion and Analysis of Financial Condition and Results of Operations," our audited historical financial statements and the notes thereto included elsewhere in this prospectus, and our unaudited historical interim consolidated financial statements and the notes thereto included elsewhere in this prospectus.

The unaudited pro forma condensed consolidated financial information is included for informational purposes only and does not purport to reflect the results of operations or financial position of NCM Inc. and NCM LLC that would have occurred had they operated as separate, independent companies during the periods presented. The historical results of operations of NCM LLC, RCM and NCN have been significantly impacted by related party transactions, as discussed more fully in the historical financial statements included elsewhere in this prospectus, and the future operating results of NCM Inc. will also be impacted by related party transactions. Historical and pro forma results of operations and financial condition are not necessarily indicative of what would have occurred had all transactions occurred with unrelated parties. Also, the pro forma condensed consolidated financial information should not be relied upon as being indicative of NCM Inc. or NCM LLC's

results of operations or financial condition had the contractual adjustments and the transaction adjustments been completed on December 31, 2004, with respect to the pro forma statements of operations and as of September 28, 2006, with respect to the pro forma balance sheet. The pro forma condensed consolidated financial information also does not project the results of operations or financial position for any future period or date.

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Fiscal Year Ended December 29, 2005

	NCM LLC Nine Months Ended December 29, 2005 Historical	RCM Three Months Ended March 31, 2005 Historical	NCN Three Months Ended March 31, 2005 Historical	NCM LLC Combined Historical[1]	Contractual Adjustments	NCM LLC Pro Forma	Transaction Adjustments	NCM Inc.* Pro Forma As Adjusted
	($ in millions, except per share data)							
Revenue:								
Advertising	$ 56.0	$ 15.6	$ 13.3	$ 84.9	$ 88.0[2] 34.5[3]	$ 207.4	$ —	$ 207.4
Administrative Fees—Members	30.8	—	—	30.8	(30.8)[2]	—	—	—
Meetings and Events	11.7	2.1	—	13.8	—	13.8	—	13.8
Other	0.3	0.1	—	0.4	—	0.4	—	0.4
TOTAL REVENUE	$ 98.8	$ 17.8	$ 13.3	$ 129.9	$ 91.7	$ 221.6	$ 0.0	$ 221.6
Expenses:								
Advertising Operating Costs	$ 6.3	$ 0.9	$ 3.3	$ 10.5	$ —	$ 10.5	$ —	$ 10.5
Meetings / Events Operating Costs	5.4	0.8	—	6.2	—	6.2	—	6.2
Network Costs	9.2	2.4	1.0	12.6	—	12.6	—	12.6
Circuit Share / Theatre Access Fee—Members	38.6	2.4	4.6	45.6	57.2[2] (66.3)[4]	36.5	—	36.5
Selling and Marketing	24.9	4.4	2.9	32.2	—	32.2	—	32.2
Administrative	9.8	3.4	1.6	14.8	—	14.8	—	14.8
Deferred Stock Compensation	—	0.3	—	0.3	—	0.3	—	0.3
Severance Plan Costs	8.5	—	—	8.5	—	8.5	—	8.5
Restructuring Charge	—	—	0.8	0.8	(0.8)[6]	—	—	—
Depreciation and Amortization	3.0	0.4	0.9	4.3	—	4.3	—	4.3
TOTAL EXPENSES	$ 105.7	$ 15.0	$ 15.1	$ 135.8	$ (9.9)	$ 125.9	$ 0.0	$ 125.9
Operating Income (Loss)	$ (6.9)	$ 2.8	$ (1.8)	$ (5.9)	$ 101.6	$ 95.7	$ 0.0	$ 95.7
Interest Expense	—	—	—	—	—	—	64.5[7]	64.5
Income / (Loss) Before Income Taxes	$ (6.9)	$ 2.8	$ (1.8)	$ (5.9)	$ 101.6	$ 95.7	$ (64.5)	$ 31.2
Income Taxes	—	1.1	(0.8)	0.3	(0.3)[5]	—	12.5[9]	12.5
Minority Interest, Net of Income Taxes	—	—	—	—	—	—	11.2[8]	11.2
NET INCOME (LOSS)	$ (6.9)	$ 1.7	$ (1.0)	$ (6.2)	$ 101.9	$ 95.7	$ (88.2)	$ 7.5
EARNINGS PER SHARE:								
Basic								$ 0.20[11]
Diluted								$ 0.20[11]
WEIGHTED AVERAGE SHARES OUTSTANDING:								
Basic								38,000,000
Diluted								93,850,951

* *As a newly formed entity, NCM Inc. will have no results of operations until the completion of the transaction contemplated hereby.*

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Quarter Ended September 28, 2006

	NCM LLC Three Months Ended September 28, 2006 Historical	Contractual Adjustments	NCM LLC Pro Forma	Transaction Adjustments	NCM Inc.* Pro Forma As Adjusted
		($ in millions, except per share data)			
Revenue:					
Advertising	$ 54.9	$ 2.5 [2] 11.5 [3]	$ 68.9	$ —	$ 68.9
Administrative Fees—Members	0.8	(0.8)[2]	—	—	—
Meetings and Events	4.8	—	4.8	—	4.8
Other	0.2	—	0.2	—	0.2
TOTAL REVENUE	$ 60.7	$ 13.2	$ 73.9	$ 0.0	$ 73.9
Expenses:					
Advertising Operating Costs	$ 2.2	$ —	$ 2.2	$ —	$ 2.2
Meetings / Events Operating Costs	1.5	—	1.5	—	1.5
Network Costs	3.5	—	3.5	—	3.5
Circuit Share / Theatre Access Fee—Members	38.0	1.7 [2] (28.1)[4]	11.6	—	11.6
Selling and Marketing	9.6	—	9.6	—	9.6
Administrative	4.1	—	4.1	0.3 [10]	4.4
Severance Plan Costs	0.7	—	0.7	—	0.7
Depreciation and Amortization	1.1	—	1.1	—	1.1
Other	0.4	—	0.4	—	0.4
TOTAL EXPENSES	$ 61.1	$ (26.4)	$ 34.7	$ 0.3	$ 35.0
Operating Income (Loss)	$ (0.4)	$ 39.6	$ 39.2	$ (0.3)	$ 38.9
Interest Expense	0.2	—	0.2	15.9[7]	16.1
Income / (Loss) Before Income Taxes	$ (0.6)	$ 39.6	$ 39.0	$ (16.2)	$ 22.8
Income Taxes	—	—	—	9.1[9]	9.1
Minority Interest, Net of Income Taxes	—	—	—	8.2[8]	8.2
NET INCOME (LOSS)	$ (0.6)	$ 39.6	$ 39.0	$ (33.5)	$ 5.5
EARNINGS PER SHARE:					
Basic					$ 0.15[11]
Diluted					$ 0.15[11]
WEIGHTED AVERAGE SHARES OUTSTANDING:					
Basic					38,000,000
Diluted					94,035,383

* *As a newly formed entity, NCM Inc. will have no results of operations until the completion of the transaction contemplated hereby.*

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Nine Months Ended September 28, 2006

	NCM LLC Nine Months Ended September 28, 2006 Historical	Contractual Adjustments	NCM LLC Pro Forma	Transaction Adjustments	NCM Inc.* Pro Forma As Adjusted
		($ in millions, except per share data)			
Revenue:					
Advertising	$ 128.2	$ 13.4 [2] 33.8 [3]	$ 175.4	$ —	$ 175.4
Administrative Fees—Members	4.3	(4.3)[2]	—	—	—
Meetings and Events	12.5	—	12.5	—	12.5
Other	0.2	—	0.2	—	0.2
TOTAL REVENUE	$ 145.2	$ 42.9	$ 188.1	$ 0.0	$ 188.1
Expenses:					
Advertising Operating Costs	$ 6.0	$ —	$ 6.0	$ —	$ 6.0
Meetings / Events Operating Costs	4.5	—	4.5	—	4.5
Network Costs	10.5	—	10.5	—	10.5
Circuit Share / Theatre Access Fee—Members	88.6	9.1 [2] (62.6)[4]	35.1	—	35.1
Selling and Marketing	27.9	—	27.9	—	27.9
Administrative	11.4	—	11.4	0.6[10]	12.0
Severance Plan Costs	3.4	—	3.4	—	3.4
Depreciation and Amortization	3.4	—	3.4	—	3.4
Other	0.4	—	0.4		0.4
TOTAL EXPENSES	$ 156.1	$ (53.5)	$ 102.6	$ 0.6	$ 103.2
Operating Income (Loss)	$ (10.9)	$ 96.4	$ 85.5	$ (0.6)	$ 84.9
Interest Expense	0.3	—	0.3	48.1[7]	48.4
Income / (Loss) Before Income Taxes	$ (11.2)	$ 96.4	$ 85.2	$ (48.7)	$ 36.5
Income Taxes	—	—	—	14.5[9]	14.5
Minority Interest, Net of Income Tax	—	—	—	13.1[8]	13.1
NET INCOME (LOSS)	$ (11.2)	$ 96.4	$ 85.2	$ (76.3)	$ 8.9
EARNINGS PER SHARE:					
Basic					$ 0.23[11]
Diluted					$ 0.23[11]
WEIGHTED AVERAGE SHARES OUTSTANDING:					
Basic					38,000,000
Diluted					93,971,088

* *As a newly formed entity, NCM Inc. will have no results of operations until the completion of the transaction contemplated hereby.*

Notes to the Unaudited Pro Forma Condensed Consolidated Statements of Operations:

1. Represents the historical operating results for NCM LLC for the nine months ended December 29, 2005, and the historical operating results of RCM and NCN for the three months ended March 31, 2005.
2. Represents 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 ($88.0 million for the nine months ended December 29, 2005, and $11.5 million and $33.8 million for the quarter and nine months ended September 28, 2006, respectively), the reversal of the related legacy contract administrative fees historically recorded by NCM LLC ($30.8 million for the nine months ended December 29, 2005, and $0.8 million and $4.3 million for the quarter and nine months ended September 28, 2006, respectively), 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 ($88.0 million for the nine months ended December 29, 2005, and $11.5 million and $33.8 million for the quarter and nine months ended September 28, 2006, respectively). Legacy advertising contracts are those contracts signed by RCM and NCN prior to the formation of NCM LLC. The pro forma impact of the exhibitor services agreements on circuit share expense is included in the pro forma adjustment described in Note 4 below.
3. Represents 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 to be 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. Inventory used to fulfill advertising commitments under the founding members' beverage concessionaire agreements had been retained by the founding members under our prior contractual arrangements with our founding members, but will be made available to NCM LLC under the exhibitor services agreements. This inventory will be sold to the founding members at a 30 second CPM equivalent, as set forth in the exhibitor services agreements, for the 90 seconds used, and the pro forma adjustment is computed by multiplying the historical founding member attendance by such CPM equivalent.
4. Represents 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 $0.07 per attendee and $800 per year per digital screen. The pro forma adjustment was computed on the basis of the pro forma levels of founding member attendance (395.2 million for the year ended December 29, 2005 and 131.8 million and 384.4 million for the three and nine months ended September 28, 2006 respectively) and average numbers of founding member digital screens (8,101 for the year ended December 29, 2005 and 10,777 and 10,525 for the three and nine months ended September 28, 2006).
5. Represents the elimination of the income tax provision of RCM and NCN related to their status as "C" corporations. Had they been part of NCM LLC during that period, they would not have recorded any income tax expense or benefit.
6. Represents the elimination of non-recurring restructuring charges incurred by NCN in connection with the formation of NCM LLC.
7. Represents interest expense, including amortization of an estimated $14.5 million of deferred financing fees, over the term of the loan related to the incurrence of an assumed $735.0 million of indebtedness under a new senior secured credit facility. Interest expense also includes the impact of an interest rate hedge agreement covering 50% of the outstanding balance on the term loan. The interest rate applicable to the term loan is assumed to be LIBOR plus 175 basis points and the fixed rate on the hedge agreement is assumed to be LIBOR plus 40 basis points. If applicable interest rate margins were to increase by 0.125%, our annual interest cost would increase by $0.45 million net of the impact of the hedge agreement. For further

discussion of the new senior secured credit facility, please see “Financing Transaction.” In addition, this adjustment includes interest expense related to the accretion of the discount on the liability to our founders under the Tax Receivable Agreement—see footnote 9 to the Unaudited Pro Forma Condensed Consolidated Balance Sheet.

8. Represents adjustments to reflect minority interest expense, net of income tax expense/(benefit) at an assumed rate of 40.0%, resulting from the founding members’ ownership of approximately 59.5% of the NCM LLC common membership units outstanding immediately after this offering.

9. Represents adjustments necessary to reflect federal and state income taxes on the income allocated from NCM LLC to NCM Inc. The assumed tax rate is 40.0%.

10. Represents incremental pro forma costs related to the replacement of options to acquire common membership units of NCM LLC with options to acquire shares of common stock of NCM Inc. and the issuance of additional option shares and restricted stock as described in “Compensation Discussion and Analysis—Substitution of NCM LLC Options and Restricted Units.” The additional equity based awards and, to a minor degree, the replacement options (which are accounted for as a modification under SFAS No. 123, “Share Based Payment”) will result in incremental compensation charges as compared to historic amounts. The restricted stock compensation is based on the estimated fair value of the options, computed using the Black-Scholes option pricing model. All equity awards are subject to vesting provisions, and compensation expense is recognized over the vesting period.

11. Basic earnings per share is calculated on the assumption that the estimated IPO shares of 38,000,000 plus the 358,977 shares of restricted stock to be issued are outstanding over the entire period. Diluted earnings per share is calculated assuming that (a) the unit option shares, as converted as described in “Compensation Discussion and Analysis—Substitution of NCM LLC Options and Restricted Units”, 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 55,850,951 shares of common stock.

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Unaudited Pro Forma Condensed Consolidated Balance Sheet

As of September 28, 2006

		NCM LLC			Transaction Adjustments			
	NCM Inc.	Historical As of September 28, 2006	Historical Adjustments	Pro Forma	Debt and Equity	Use of Proceeds	Elimination	NCM Inc. Pro Forma As Adjusted
				($ in millions)				
Cash and Cash Equivalents	$ —	$ 4.6	$ —	$ 4.6	$ 674.3 [2]	(674.3)[5]		$ 4.6
						674.3 [5]		
					720.5 [3]	(686.3)[6]		
						(708.5)[7]		
Receivables, Net	—	51.9	—	51.9	—			51.9
Other Current Assets	—	1.1	—	1.1	—			1.1
Total Current Assets	—	57.6	—	57.6	1,394.8	(1,394.8)		57.6
Property and Equipment, Net	—	11.6	—	11.6	—			11.6
Investment in NCM LLC	—	—	—	—		674.3 [5]	(674.3)[8]	—
Other Assets	—	3.0	—	3.0	14.5 [3]	(2.3)[2]		15.2
Deferred Tax Assets	—	—	—	—		223.7 [9]		223.7
TOTAL ASSETS	$ —	$ 72.2	$ —	$ 72.2	$1,409.3	(499.1)	(674.3)	$ 308.1
Accounts Payable	$ —	$ 5.0	$ —	$ 5.0	$ —			$ 5.0
Amounts Due to Members	—	43.8	—	43.8	—			43.8
Accrued Expenses	—	8.0	—	8.0	—			8.0
Deferred Revenue	—	2.2	—	2.2	—			2.2
Total Current Liabilities	—	59.0	—	59.0	—			59.0
Long-term Borrowings	—	10.0	—	10.0	735.0 [3]	(10.0)[7]		735.0
Other Liabilities	—	1.1	—	1.1	(1.1)[4]			—
Tax Payable to Members	—	—	—	—		88.7 [9]		88.7
Total Liabilities	—	70.1	—	70.1	733.9	78.7		882.7
Stockholder's Equity / (Deficit)								
Members' Capital—Common Units		2.1	—	2.1	(10.1)[1]	(686.3)[6]	708.4[8]	—
						674.3 [5]		
						(688.4)[7]		
Members' Capital—Preferred Units		—	—	—	10.1 [1]	(10.1)[7]		—
Common Stock	—	—	—	—	0.4 [2]			0.4
Distributions in excess of Paid-in Capital	—	—	—	—	673.9 [2]	135.0 [9]	(1,382.7)[8]	(575.0)
					1.1 [4]	(2.3)[2]		
Members' / Stockholder's Equity / (Deficit)	—	2.1	—	2.1	675.4	(577.8)	(674.3)	(574.6)
TOTAL LIABILITIES AND DEFICIT	$ —	$ 72.2	$ —	$ 72.2	$1,409.3	$ (499.1)	$ (674.3)	$ 308.1

Notes to the Unaudited Pro Forma Condensed Consolidated Balance Sheet:

1. Represents the adjustments to reflect the recapitalization of NCM LLC pursuant to which (i) NCM LLC will split the number of outstanding common membership units so that a common membership unit can be acquired with the proceeds from the initial offering of one share of our common stock after underwriting discounts and commissions and offering expenses and (ii) existing members of NCM LLC will receive one common membership unit and one preferred membership unit in exchange for each outstanding common membership unit.
2. Represents the adjustments to reflect the net proceeds of this offering. The offering will result in (i) an increase in stockholder's equity of $674.3 million from the issuance of common stock at the estimated public offering price of $19.00 (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses of $8.0 million, $2.3 million of which had been incurred through September 28, 2006.
3. Reflects the adjustments related to the new senior secured credit facility under which NCM LLC will incur indebtedness (assumed to be $725.0 million on the new term loan facility and $10.0 million on the revolving credit facility, a total of $735.0 million), after deducting deferred financing fees of $14.5 million. For further discussion, see "Financing Transaction."
4. Represents the reclassification of the liability under NCM LLC's unit option plan to distributions in excess of paid-in capital for the replacement of the currently outstanding unit options with NCM Inc. stock options, which options are expected to qualify for equity accounting. The existing unit option plan contains provisions that, under certain circumstances, would require NCM LLC to redeem the intrinsic value of the options for cash. The substituted options for the common stock of NCM Inc. will not include terms that would allow the holders to redeem their options for cash.
5. Represents an investment of $674.3 million to acquire a 40.5% interest in NCM LLC.
6. Represents the payment of $686.3 million from NCM LLC to the founding members ($674.3 million of which will come from the proceeds NCM LLC receives from NCM Inc. and $12.0 million of which will come from the new term loan facility) in connection with the modification of the exhibitor services agreements, which will be accounted for as a special distribution because the acquisition of intangibles (such as contractual rights) from the founding members must be recorded as a distribution to the extent the payment exceeds the founding members' historical cost of intangibles.
7. With the proceeds from the senior secured credit facility, NCM LLC will repay $10.0 million outstanding as of September 28, 2006, under its existing credit facility and redeem all of the preferred membership units of the founding members in NCM LLC for an aggregate price of $698.5 million.
8. Reflects the adjustments related to the expected consolidation of NCM LLC by NCM Inc., including the classification of the minority interest of NCM LLC as a portion of NCM Inc.'s distributions in excess of paid-in-capital. NCM LLC will have negative members' equity because (i) the redemption of all of the preferred membership units will be for an amount in excess of total book value of members' equity prior to the redemption and (ii) the payment of the net proceeds from the sale of membership units by NCM LLC to the founding members in connection with the modification of the exhibitor services agreements, which will be treated as a distribution. NCM Inc., as managing member of NCM LLC, expects to consolidate NCM LLC under the provisions of EITF Consensus 04-5. We expect that NCM Inc. will consolidate NCM LLC. EITF Consensus 04-5 provides that a managing member is presumed to control, and therefore should consolidate, a limited liability company that is not a variable interest entity under FASB Interpretation No. 46(R). The presumption of control can be overcome if the other members can cause the liquidation of the limited liability company, remove the managing member without cause, or if the other members have substantive participating rights in decisions affecting the entity's ordinary course of business. The non-managing members will not have the ability to cause liquidation or to remove NCM Inc. as manager without cause.

We have assessed the various matters that would require a supermajority vote of the board of NCM Inc. and have concluded that these rights are "protective rights" under EITF Consensus 04-5, given that they address matters that are not expected to be addressed in directing and carrying out NCM LLC's current business activities. Should a circumstance arise in the future under which the founding members become entitled to approve specific actions of NCM LLC as described under "Corporate History and Reorganization—Corporate Governance Matters", NCM Inc. would no longer consolidate NCM LLC and instead would apply the equity method of accounting for its interest in NCM LLC.

9. As a result of the distributions made to the founding members in connection with the redemption of all of the preferred units and the payments made to the founding members in connection with the modification of the exhibitor services agreements, assets that are amortizable for federal income tax purposes, but not recognized under GAAP, will be created. NCM Inc. and the founding members will enter into a tax receivable agreement (see "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Tax Receivable Agreement") under which NCM Inc. will effectively make cash payments to the founding members in amounts equal to 90% of NCM Inc.'s actual tax benefit realized as a result of this amortization. NCM Inc. will record a deferred tax asset equal to the future tax benefits of the tax amortization, estimated at $223.7 million and a credit to a long-term payable of $201.3 million, which has been reflected at its discounted value of $88.7 million and a credit to distributions in excess of paid-in capital estimated at $135.0 million.

SELECTED HISTORICAL FINANCIAL AND OPERATING DATA

The following table sets forth our historical selected financial and operating data for the periods indicated.

The selected financial and operating data should be read together with the other information contained in this prospectus, including "Corporate History and Reorganization," "Financing Transaction," "Management's Discussion and Analysis of Financial Condition and Results of Operations," the audited historical financial statements and the notes thereto included elsewhere in this prospectus, and the unaudited historical interim consolidated financial statements and the notes thereto included elsewhere in this prospectus.

The statement of operations data for the nine months ended September 28, 2006, and the balance sheet data as of September 28, 2006, were derived from the audited financial statements of NCM LLC included elsewhere in this prospectus. The statement of operations data for the nine months and three months ended September 29, 2005 and the three months ended September 28, 2006 were derived from unaudited financial statements of NCM LLC included elsewhere in this prospectus. The statement of operations data for the nine months ended December 29, 2005 and September 28, 2006, and the balance sheet data as of December 29, 2005, were derived from the audited financial statements of NCM LLC included elsewhere in this prospectus. The statement of operations data for RCM for the three months ended March 31, 2005, and the years ended December 30, 2004, and January 1, 2004, and the balance sheet data as of December 30, 2004, were derived from the audited financial statements of RCM, which are included elsewhere in this prospectus. The statement of operations data for the period ended December 26, 2002 and the balance sheet data as of December 26, 2002, January 1, 2004 and March 31, 2005 were derived from the unaudited financial statements of RCM, which are not included in this prospectus. The balance sheet of NCN as of April 1, 2005 and the statement of operations data for NCN for the 14 weeks ended March 31, 2005 and the 38 weeks from April 2, 2004 through December 23, 2004 and the 53 weeks ended April 1, 2004, were derived from the audited financial statements of NCN, which are included elsewhere in this prospectus. The statement of operations data for the 53 weeks ended April 3, 2003 were derived from the unaudited financial statements of NCN, which are not included in this prospectus. We do not present results for the nine months ended September 28, 2006, on a comparative basis to the nine months ended September 29, 2005, due to the first quarter of 2005 not including any advertising inventory for the Cinemark screens and due to differences in the structure of circuit share expense, both of which limit comparability of revenue and expenses for such reporting periods. RCM was formed in April 2002 and therefore there is no information for RCM for time periods prior to 2002. We have included results for our joint predecessor NCN for comparable periods of time to those presented for our joint predecessor RCM. As a newly formed, nominally capitalized entity, we have had no operations to date and, therefore, the information below is presented only for NCM LLC and its predecessor companies.

These historical financial statements do not reflect what our results of operations and financial position would have been had we been a stand-alone, public company for the periods presented. Specifically, our historical results of operations do not give effect to the matters set forth below:

- the terms of our exhibitor services agreements, which differ from our prior contractual arrangements with our founding members and will have on going material significance to our results of operations, (i) assign legacy contracts to NCM LLC, (ii) make additional inventory of lobby promotions, CineMeetings and digital programming events available to NCM LLC on a pre-approved basis, (iii) make additional theatre advertising inventory available to NCM LLC, to sell such inventory at stated rates to the founding members in order for them to fulfill their on-screen advertising commitments to their beverage concessionaires, and (iv) change the formula for the calculation of the circuit share expense (known as the theatre access fee in the exhibitor services agreements as further described in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Exhibitor Services Agreements");
- adjustments to income tax provisions to account for our status as a taxable entity with an ownership interest in NCM LLC;

- the elimination of non-recurring restructuring charges at NCN relating to the formation of NCM LLC;
- the completion of the non-cash recapitalization of NCM LLC pursuant to which existing members of NCM LLC will receive one common membership unit and one preferred membership unit in exchange for each outstanding common membership unit;
- the completion of the financing transaction, pursuant to which the preferred membership units to be issued to the founding members in a non-cash recapitalization of NCM LLC will be redeemed from the proceeds of a term loan that is part of our new senior secured credit facility;
- the completion of the offering and the use of proceeds therefrom as set forth in this prospectus, including our acquisition of 40.5% of the common membership units in NCM LLC, which will be accounted for by our expected consolidation of NCM LLC; and
- the payment by NCM LLC of all of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements.

	Predecessor—National Cinema Network, Inc.				Predecessor—Regal CineMedia Corporation				National CineMedia, LLC				
	Year Ended April 3, 2003	Year Ended April 1, 2004	Thirty-eight Week Period Ended December 23, 2004	Fourteen Week Period Ended March 31, 2005	Period Ended December 26, 2002	Year Ended January 1, 2004	Year Ended December 30, 2004	Three Months Ended March 31, 2005	Nine Months Ended December 29, 2005	Six Months Ended September 29, 2005	Nine Months Ended September 28, 2006	Three Months Ended September 29, 2005	Three Months Ended September 28, 2006
	($ in millions, except total advertising contract value per founding member attendee)												
Result of Operations Data													
Revenue:													
Advertising	$ 68.9	$ 69.9	$ 56.5	$ 15.5	$ 21.8	$ 65.2	$ 83.6	$ 15.6	$ 56.0	$ 24.8	$ 128.2	$ 15.8	$ 54.9
Administrative Fees—Members	—	—	—	—	—	—	—	—	30.8	23.2	4.3	10.4	0.8
Meetings and Events	—	—	—	—	2.7	7.0	11.5	2.1	11.7	6.1	12.5	2.4	4.8
Other	—	—	—	—	—	0.2	0.2	0.1	0.3	—	0.2	—	0.2
TOTAL REVENUE	68.9	69.9	56.5	15.5	24.5	72.4	95.3	17.8	98.8	54.1	145.2	28.6	60.7
Expenses:													
Advertising Operating Costs	18.7	17.9	11.3	3.5	2.8	4.4	3.7	0.9	6.3	3.9	6.0	1.7	2.2
Meetings/Events Operating Costs	—	—	—	—	0.6	2.1	3.9	0.8	5.4	2.4	4.5	0.9	1.5
Network Costs	0.8	1.6	2.3	1.1	1.8	5.0	8.1	2.4	9.2	5.7	10.5	2.9	3.5
Circuit Share/Theatre Access Fee—Members	14.6	18.7	18.6	5.5	10.5	15.3	16.6	2.4	38.6	16.8	88.6	10.6	38.0
Selling and Marketing	17.6	15.1	10.0	3.2	4.1	11.7	15.9	4.4	24.9	15.1	27.9	7.6	9.6
Administrative	13.1	9.5	6.1	1.9	6.7	10.3	10.8	3.4	9.8	6.2	11.4	3.4	4.1
Deferred Stock Compensation	—	—	—	—	1.0	1.4	1.4	0.3	—	—	—	—	—
Severance Plan Costs	—	—	—	—	—	—	—	—	8.5	6.1	3.4	2.4	0.7
Depreciation and Amortization	4.7	2.4	0.9	1.0	0.5	0.9	1.0	0.4	3.0	1.9	3.4	0.9	1.1
Other	0.1	1.4	—	0.8	—	—	—	—	—	—	0.4	—	0.4
TOTAL EXPENSES	69.6	66.6	49.2	17.0	28.0	51.1	61.4	15.0	105.7	58.1	156.1	30.4	61.1
Operating Income/ (Loss)	(0.7)	3.3	7.3	(1.5)	(3.5)	21.3	33.9	2.8	(6.9)	(4.0)	(10.9)	(1.8)	(0.4)
Interest Expense, Net	—	—	—	—	—	—	—	—	—	—	0.3	—	0.2
Income/(Loss) Before Income Taxes	(0.7)	3.3	7.3	(1.5)	(3.5)	21.3	33.9	2.8	(6.9)	(4.0)	(11.2)	(1.8)	(0.6)
Income Taxes	(0.3)	1.4	3.0	(0.6)	(1.4)	8.4	13.3	1.1	—	—	—	—	—
NET INCOME (LOSS)	$ (0.4)	$ 1.9	$ 4.3	$ (0.9)	$ (2.1)	$ 12.9	$ 20.6	$ 1.7	$ (6.9)	$ (4.0)	$ (11.2)	$ (1.8)	$ (0.6)
Other Financial Data													
EBITDA(1)	$ 4.0	$ 5.7	$ 8.2	$ (0.5)	$ (3.0)	$ 22.2	$ 34.9	$ 3.2	$ (3.9)	$ (2.1)	$ (7.5)	$ (0.9)	$ 0.7
Adjusted EBITDA(1)	$ 4.0	5.7	8.2	(0.5)	(2.0)	23.6	36.3	3.5	4.6	4.0	(3.0)	1.5	2.2
Adjusted EBITDA Margin(1)	5.8%	8.2%	14.5%	NM	NM	32.6%	38.1%	19.7%	4.7%	7.4%	NM	5.2%	3.6%
Capital Expenditures	$ 1.4	$ 0.1	$ —	$ —	$ 2.6	$ 1.3	$ 2.7	$ 1.4	$ 5.9	$ 3.1	$ 4.3	$ 1.8	$ 1.9

	Predecessor—National Cinema Network, Inc.				Predecessor—Regal CineMedia Corporation				National CineMedia, LLC				
	Year Ended April 3, 2003	Year Ended April 1, 2004	Thirty-eight Week Period Ended December 23, 2004	Fourteen Week Period Ended March 31, 2005	Period Ended December 26, 2002	Year Ended January 1, 2004	Year Ended December 30, 2004	Three Months Ended March 31, 2005	Nine Months Ended December 29, 2005	Six Months Ended September 29, 2005	Nine Months Ended September 28, 2006	Three Months Ended September 29, 2005	Three Months Ended September 28, 2006
	($ in millions, except advertising contract value per founding member attendee)												
Operating Data													
Founding Member Screens at Period End(2)	3,152	3,168	3,170	3,144	5,663	6,045	6,273	6,258	9,696	9,693	12,039	9,693	12,039
Total Screens at Period End(3)	7,711	7,297	5,026	5,001	5,663	6,045	6,565	6,550	10,766	10,763	12,973	10,673	12,973
Digital Screens at Period End(4)	162	1,173	2,523	2,523	1,765	4,584	5,303	5,674	8,713	8,426	11,077	8,426	11,077
Total Advertising Contract Value	$ 68.9	$ 69.9	$ 56.5	$ 15.5	$ 21.8	$ 65.2	$ 83.6	$ 15.6	$ 144.0	$ 91.1	$ 141.6	$ 45.5	$ 57.4
Founding Member Attendance for Period (in millions)(5)	166.7	163.3	118.5	41.5	210.0	265.6	253.8	58.6	299.3	197.9	384.4	98.1	131.8
Total Advertising Contract Value per Founding Member Attendee(6)	$ 0.41	$ 0.43	$ 0.48	$ 0.37	$ 0.10	$ 0.25	$ 0.33	$ 0.27	$ 0.48	$ 0.46	$ 0.37	$ 0.46	$ 0.44

	Predecessor—National Cinema Network, Inc.				Predecessor—Regal CineMedia Corporation				National CineMedia, LLC	
	As of April 3, 2003	As of April 1, 2004	As of December 23, 2004	As of March 31, 2005	As of December 26, 2002	As of January 1, 2004	As of December 30, 2004	As of March 31, 2005	As of December 29, 2005	As of September 28, 2006
	($ in millions)									
Balance Sheet Data										
Receivables, Net	$ 13.4	$ 14.4	$ 26.2	$ 20.1	$ 10.0	$ 20.6	$ 28.8	$ 15.8	$ 36.6	$ 51.9
Property and Equipment, Net	3.8	2.0	0.7	0.7	2.1	2.5	4.2	5.2	10.0	11.6
Total Assets	20.4	18.2	27.8	60.8	13.0	28.0	49.4	48.2	48.8	72.2
Borrowings	—	—	—	—	0.0	0.0	0.0	0.0	1.3	10.0
Members'/Stockholder's equity	(0.6)	1.3	5.6	0.1	6.0	18.9	39.5	41.2	9.8	2.1

Notes to the Selected Historical Financial and Operating Data

1. 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 provision (benefit), and depreciation and amortization expense. Adjusted EBITDA excludes from EBITDA severance plan costs, non-cash unit based costs and deferred stock compensation. Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenue. EBITDA and adjusted EBITDA do not reflect the Loews payments discussed in the following paragraph, which after this offering will be included in the calculation of adjusted EBITDA to determine our compliance with financial covenants under our new senior secured credit facility. See "Financing Transaction."

On January 26, 2006, AMC completed the acquisition of Loews. Loews has a pre-existing contract with another cinema advertising provider through May 31, 2008. Therefore, the Loews screens will become part of our national theatre network on an exclusive basis beginning on June 1, 2008 (subject to the run-out of certain pre-existing contractual obligations for on-screen advertising existing on May 31, 2008). In accordance with a Loews screen integration agreement between us and AMC, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. Effective as of January 5, 2007, NCM LLC re-allocated the common membership units in NCM LLC among the founding members to reflect the payments to be made by AMC pursuant to the terms of the Loews screen integration agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding members' theatres. These Loews payments will be made on a quarterly basis in arrears until May 31, 2008 and will be recorded directly to our members' equity accounts and it will not be reflected in NCM LLC's statements of operations. For the three months ended September 28, 2006 the Loews payment would have been $2.5 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments" for additional discussion regarding the Loews payments.

We have included EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus to provide investors with supplemental measures of our operating performance and information about the calculation of some of the financial covenants that will be contained in our new senior secured credit facility. 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. We also believe that securities analysts, investors and other interested parties frequently use EBITDA, adjusted EBITDA and adjusted EBITDA margin in the evaluation of issuers, many of which present EBITDA, adjusted EBITDA and adjusted EBITDA margin when reporting their results. Also, because of the significant changes in our operating results that will result from our acquisition of an interest in NCM LLC, the changes in the exhibitor services agreements and the financing transaction, we disclose pro forma EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus.

Adjusted EBITDA including the Loews payments is a material component of the covenants that will be imposed on us by the new senior secured credit facility. Under the new senior secured credit facility, we will be subject to financial covenant ratios that will be calculated by reference to adjusted EBITDA including the Loews payments. Non-compliance with the financial covenants contained in the senior secured credit facility could result in a default, an acceleration in the repayment of amounts outstanding and a termination of the lending commitments under the senior secured credit facility. For a description of required financial covenant levels and actual ratio calculations based on adjusted EBITDA including the Loews payments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments."

EBITDA, adjusted EBITDA and adjusted EBITDA margin are not presentations made in accordance with GAAP. As discussed above, we believe that the presentation of EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus is appropriate. However, when evaluating our results, you should not consider EBITDA, adjusted EBITDA and adjusted EBITDA margin in isolation of, or as a substitute for, measures of our financial performance as determined in accordance with GAAP, such as net income (loss). EBITDA, adjusted EBITDA and adjusted EBITDA margin have material limitations as performance measures because they exclude items that are necessary elements of our costs and operations. Because other companies may calculate EBITDA, adjusted EBITDA and adjusted EBITDA margin differently than we do, EBITDA, adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly-titled measures reported by other companies.

The following table reconciles net income (loss) to EBITDA, adjusted EBITDA and adjusted EBITDA margin for the periods presented:

	Predecessor—National Cinema Network, Inc.				Predecessor—Regal CineMedia Corporation				National CineMedia, LLC			
	Year Ended April 3, 2003	Year Ended April 1, 2004	Thirty-eight Week Period Ended December 23, 2004	Fourteen Week Period Ended March 31, 2005	Period Ended December 26, 2002	Year Ended January 1, 2004	Year Ended December 30, 2004	Three Months Ended March 31, 2005	Nine Months Ended December 29, 2005	Nine Months Ended September 28, 2006	Three Months Ended September 29, 2005	Three Months Ended September 28, 2006
							($ in millions)					
Net Income (Loss)	$ (0.4)	$ 1.9	$ 4.3	$ (0.9)	$ (2.1)	$ 12.9	$ 20.6	$ 1.7	$ (6.9)	$ (11.2)	$ (1.8)	$ (0.6)
Income Taxes	(0.3)	1.4	3.0	(0.6)	(1.4)	8.4	13.3	1.1	—	—	—	—
Interest Expense, Net	—	—	—	—	—	—	—	—	—	0.3	—	0.2
Depreciation and Amortization	4.7	2.4	0.9	1.0	0.5	0.9	1.0	0.4	3.0	3.4	0.9	1.1
EBITDA	$ 4.0	$ 5.7	$ 8.2	$ (0.5)	$ (3.0)	$ 22.2	$ 34.9	$ 3.2	$ (3.9)	$ (7.5)	$ (0.9)	$ 0.7
Severance Plan Costs	—	—	—	—	—	—	—	—	8.5	3.4	2.4	0.7
Share-based Compensation	—	—	—	—	—	—	—	—	—	1.1	—	0.8
Deferred Stock Compensation	—	—	—	—	1.0	1.4	1.4	0.3	—	—	—	—
Adjusted EBITDA	$ 4.0	$ 5.7	$ 8.2	$ (0.5)	$ (2.0)	$ 23.6	$ 36.3	$ 3.5	$ 4.6	$ (3.0)	$ 1.5	$ 2.2
Adjusted EBITDA Margin*	5.8%	8.2%	14.5%	NM	NM	32.6%	38.1%	19.7%	4.7%	NM	5.2%	3.6%

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

2. Represents the total number of screens within our advertising network operated by our founding members. Excludes Loews and Century screens for all periods presented.

3. Represents the sum of founding member screens and network affiliate screens.

4. Represents the total number of screens which are connected to our digital content network.

5. Represents the total attendance within our advertising network in theatres operated by our founding members. Excludes Loews and Century screens for all periods presented. The Loews and Century total attendance for the three and nine months ended September 28, 2006 were approximately 16.2 million and 12.5 million, and 48.5 million and 36.9 million, respectively.

6. 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, and $1.3 million and $3.8 million of revenue related to the beverage concessionaire agreements for Loews in the pro forma three and nine months ended September 28, 2006, as attendees for Cinemark and Loews were not included during those periods.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our historical financial statements and the related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that are subject to known and unknown risks and uncertainties. Actual results and the timing of events may differ significantly from those expressed or implied in such forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this prospectus.

Our historical financial data discussed below reflects the historical results of operations and financial position of NCM LLC. Accordingly, the historical financial data does not give effect to the reorganization, the completion of this offering and the financing transaction. See "Corporate History and Reorganization," "Financing Transaction" and "Unaudited Pro Forma Financial Information" included elsewhere in this prospectus.

Overview

Our revenue is principally derived from the sale of advertising and, to a lesser extent, from our CineMeetings and digital programming events businesses. Upon completion of this offering, we will have long-term exhibitor services agreements with our founding members—AMC, Cinemark and Regal, the three largest motion picture exhibition companies in the United States—and multi-year agreements with several other theatre operators that provide access to their theatres to distribute our content, whom we refer to as network affiliates. The exhibitor services agreements grant us exclusive rights, subject to limited exceptions, to sell advertising and meeting services and distribute entertainment programming in those theatres using our digital content network technology. The network affiliate agreements grant us exclusive rights, subject to limited exceptions, to sell advertising on their theatre screens. Most of our advertising, CineMeetings and digital programming events are distributed to these theatres over our proprietary digital content network.

Our national on-screen and lobby entertainment network advertising contracts with clients typically specify the number of theatre attendees, or impressions, to be delivered for a four- or five-week advertising campaign and the unit price per thousand impressions, or CPM, for a 30-second advertising unit. Our regional and local on-screen advertising contracts with clients typically specify the number of screens, duration of time (typically one to several weeks) and the unit price (typically a cost per screen per week) for an advertising campaign. Typically there are a minimum of 11 national 30-second advertising units and a minimum of 14 local 15-second units available in any advertising campaign within the *FirstLook* pre-feature program. The number of national or local units can be expanded to a certain extent depending on market demand. Programming on our lobby entertainment network consists of an approximately 30 minute loop of content segments and advertising. Our lobby promotions contracts are based on a standardized rate card for each product that typically specifies the number of impressions to be delivered. Our CineMeetings revenue is derived from the rental of theatre auditoriums, and the provision of catering services and network and audio visual services that are sold as part of our meeting and event services. Our digital programming revenue is derived from the sale of tickets to the general public for music, sporting and other entertainment events and the sale of event sponsorships for an individual event or a series of events.

Our advertising rates are generally based on either contracts with our content partners and other advertisers or are driven by the demand in the advertising marketplace, including television and other segments of national, regional and local advertising. Our national on-screen CPMs vary by the time of year and the placement within our pre-feature program. Our founding members and certain of our network affiliates report to us each theatre's attendance by film and film rating category on a weekly or monthly basis. The number of people in the auditorium at the time an advertisement is presented is based on the exhibitor's attendance reports. We calculate the number of impressions delivered against advertising contracts by multiplying the attendance data received from the exhibitors by the number of patrons in their seat at a given time prior to the advertised show time. The percentage is based on independent third-party research. If, during any contract period we under-deliver the number of contracted impressions, we will be obligated to either provide "make-good" advertising units in a

subsequent period (and defer the recognition of the related revenue) or refund a pro rata portion of the contract amount in cash to the client. Historically, in the majority of cases, clients have asked us to "make-good" rather than to refund cash.

To monitor our national advertising business, our management team typically reviews the average CPMs per 30-second units sold within the *FirstLook* pre-feature program or lobby entertainment network and the percentage of impressions sold of total available impressions as a measure of inventory utilization. We also monitor the local and regional average rates per screen per week and number of units sold per theatre. Our primary management metrics for the CineMeetings business include the number of events and the revenue per event location. To monitor our digital programming events business revenue, we typically track the number of tickets sold, average ticket prices, revenue per location and events per given period. EBITDA, adjusted EBITDA and adjusted EBITDA margin are also measures used by management to measure operating performance.

The significant expenses associated with our business historically have included (i) selling and marketing expenses, (ii) network operations and maintenance costs, (iii) advertising and event costs, (iv) administrative costs and (v) "circuit share" expenses to our founding members under the current agreements with our founding members. Our selling and marketing expenses include the base salaries and commissions of our advertising sales staff and expenses associated with marketing, public relations and research departments. Network operations and maintenance costs relate to the personnel and other costs associated with our content production and post-production activities, costs associated with operating our network operations center, satellite bandwidth costs and maintenance of the network software and hardware. Advertising and event costs relate primarily to production and fulfillment of non-digital advertising and payments based on a sharing of revenue with our network affiliates and the direct costs associated with CineMeetings and digital programming events. Circuit share payments are the payments made to our founding members for the right to provide our services in their theatres using our digital content network and prior to this offering have represented substantially all of our earnings before interest, income taxes, depreciation and amortization, or EBITDA. Our administrative costs primarily consist of salaries and bonuses for our administrative staff and occupancy costs. In connection with the completion of this offering, we will enter into 30-year exhibitor services agreements (with a right of first refusal, which begins one year prior to the end of the term of the agreement) with each of our founding members. The exhibitor services agreements will provide for the payment of a theatre access fee, in lieu of circuit share expense, comprised of a payment per theatre attendee and a payment per digital screen, both of which escalate over time, but which are expected to result in significantly lower payments as a percentage of our revenue than have been required historically.

Our operating results may be affected by a variety of internal and external factors and trends described more fully below:

- *Pre-feature show content.* We have sought to make our *FirstLook* pre-show both entertaining for theatre audiences and an effective advertising platform for our clients. If the theatre audiences or advertisers do not respond as we anticipate to our pre-feature show format or content, our advertising revenue could be adversely affected.
- *Trends in advertising.* As advertisers continue to shift spending to non-traditional, targeted media platforms from traditional media such as television, newspapers and billboards, our advertising business could benefit from this trend.
- *Theatre attendance.* Theatre attendance depends to a significant degree on the quality of the motion pictures distributed by the movie studios to the film exhibitors as well as the development of other distribution platforms. Although theatre attendance declined from 2001 to 2005, during this time, cinema advertising revenue significantly increased as a result of better visibility of the medium and the use of digital technology, which enhanced the reach and overall value proposition of cinema advertising. However, as cinema advertising matures, this trend may not continue and our revenue growth rates may decline as theatre attendance declines.
- *Addition of theatres.* As theatres are added to our digital in-theatre network (either as our founding members acquire theatres such as in the case of the Century acquisition or as we add new network

affiliates), due to the scalable nature of our business, we expect our revenue to increase with minimal additional capital or operating expenditures.

- *Growth of our meetings and digital programming businesses.* Our ability to grow our meetings and digital programming businesses depends on our success in growing our customers' awareness of these services through effective marketing.

We have a 52-week or 53-week fiscal year ending on the first Thursday after December 25. Fiscal years 2004, 2005 and 2006 contained 52 weeks, while fiscal year 2003 contained 53 weeks. Throughout this prospectus, we refer to our fiscal years as set forth below:

Fiscal Year Ended	Reference in this Prospectus
December 28, 2006	2006
December 29, 2005	2005
December 30, 2004	2004
January 1, 2004	2003

Our Company Following the Completion of this Offering

Prior to the completion of this offering, NCM LLC has been wholly-owned by our founding members. In connection with this offering, we will purchase newly issued common membership units from NCM LLC and will become a member and the sole manager of NCM LLC. We intend to enter into several agreements to effect the reorganization and the financing transaction and to define and regulate the relationships among NCM LLC and the founding members after the completion of these transactions. For more information about the agreements discussed below and the other agreements between us, NCM LLC and the founding members, see "Certain Relationships and Related Party Transactions—Transactions with Founding Members."

Exhibitor Services Agreements

The exhibitor services agreements that we and the founding members will enter into in connection with this offering will significantly change the structure of NCM LLC's payments to the founding members. Under the current contractual arrangements, NCM LLC makes quarterly circuit share payments to the founding members based on varying percentages of advertising revenue. Under the exhibitor services agreements, we will make monthly theatre access fee payments to the founding members, comprised of a payment per theatre attendee of $0.07 which will increase by 8% every five years with the first such increase taking effect after the end of fiscal 2011 and a payment per digital screen of $66.67 which will increase 5% per year beginning at the end of fiscal 2007. These payments will be adjusted for any advertising exhibited by some, but not all, theatres or founding members because of content objections or technical capacity. The theatre access fee paid in the aggregate to all founding members annually will not be less than 12% of NCM LLC's aggregate annual advertising revenue as defined in the exhibitor services agreements, or it will be adjusted upward to reach this minimum payment. The theatre access fee will replace the current circuit share expenses, which will significantly reduce the contractual amounts paid to our founding members from the historical amounts. Also, under the modified exhibitor services agreements, NCM LLC revenue will increase significantly due to the payments from the founding members for the display of up to 90 seconds of on-screen advertising under beverage concessionaire agreements at an agreed upon rate. For more information on the exhibitor services agreements, see "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Exhibitor Services Agreements."

Loews Payments

On January 26, 2006, AMC acquired the Loews theatre circuit. The Loews screen integration agreement, effective as of January 5, 2007, between NCM LLC and AMC in connection with this offering, commits AMC to cause the theatres it acquired from Loews to participate in the exhibitor services agreements beginning on June 1,

2008. These U.S.-based Loews screens will become part of our national advertising network on an exclusive basis beginning on June 1, 2008, following the expiration of Loews' pre-existing contract with another cinema advertising provider. The Loews theatres will be subject to the following limitations: (i) during the period beginning on June 1, 2008 through November 30, 2008, the run-out of on-screen advertising and entertainment content and (ii) during the period beginning on December 1, 2008 through February 28, 2009, the right of the prior advertising provider to up to one minute of advertising during the pre-feature show, in each case, for pre-existing contractual obligations that exist on May 31, 2008. In accordance with a Loews screen integration agreement between us and AMC, which will be amended and restated in connection with this offering, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. Effective as of January 5, 2007, NCM LLC re-allocated the common membership units in NCM LLC among the founding members to reflect the payments to be made by AMC pursuant to the terms of the Loews screen integration agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding member theatres. These Loews payments will be made on a quarterly basis in arrears until May 31, 2008 and for the three months ended September 28, 2006, would have been $2.5 million. The payments, for accounting purposes, will be recorded directly to our members' equity accounts and will not be reflected in NCM LLC's statements of operations.

Debt Financings

In connection with entering into the senior secured credit facility under which NCM LLC will borrow $805.0 million, as discussed in "—Financial Condition and Liquidity—Financings—New senior secured credit facility." NCM LLC expects interest expense to increase significantly based on the outstanding level of the facility as compared to our historical borrowing levels.

Other

Subsequent to the completion of the offering, we expect administrative costs to increase by approximately $2.5 to $3.0 million compared to expenses incurred as a private company. These incremental costs include regulatory filing and compliance costs, salaries and benefits costs for additional staffing, additional insurance costs and costs of investor relations.

Basis of Presentation

Our historical financial information discussed herein has been derived from the financial statements and accounting records of NCM LLC for the nine months ended December 29, 2005, the three and nine months ended September 28, 2006, and the three months ended September 29, 2005, from the financial statements and accounting records of our joint predecessor company RCM for the fiscal years ended January 1, 2004 and December 30, 2004 and for the three months ended March 31, 2005 and from the financial statements and accounting records of our joint predecessor company NCN for the fiscal year ended April 1, 2004, the thirty-eight week period ended December 23, 2004 and the fourteen week period ended March 31, 2005.

Results of Operations

The following table summarizes our historical results of operations and the results of operations of RCM:

	Predecessor-National Cinema Network, Inc.			Predecessor-Regal CineMedia Corporation			National CineMedia, LLC			
				Years Ended					Three Months Ended	
	Year Ended April 1, 2004	Thirty-eight Week Period Ended December 23, 2004	Fourteen Week Period Ended March 31, 2005	January 1, 2004	December 30, 2004	Three Months Ended March 31, 2005	Nine Months Ended December 29, 2005	Nine Months Ended September 28, 2006	September 29, 2005	September 28, 2006
						($ in millions)				
Revenue:										
Advertising	$ 69.9	$ 56.5	$ 15.5	$ 65.2	$ 83.6	$ 15.6	$ 56.0	$ 128.2	$ 15.8	$ 54.9
Administrative Fees—Members	—	—	—	—	—	—	30.8	4.3	10.4	0.8
Meetings and Events	—	—	—	7.0	11.5	2.1	11.7	12.5	2.4	4.8
Other	—	—	—	0.2	0.2	0.1	0.3	0.2	—	0.2
TOTAL REVENUE	69.9	56.5	15.5	72.4	95.3	17.8	98.8	145.2	28.6	60.7
Expenses:										
Operating Costs	19.5	13.6	4.6	11.5	15.7	4.1	20.9	21.4	5.5	7.6
Selling and Marketing Costs	15.1	10.0	3.2	11.7	15.9	4.4	24.9	27.9	7.6	9.6
Circuit Share Costs—Members	18.7	18.6	5.5	15.3	16.6	2.4	38.6	88.6	10.6	38.0
Administrative Costs	10.9	6.1	2.7	10.3	10.8	3.4	9.8	11.4	3.4	4.1
Deferred Stock Compensation and Severance Plan Costs	—	—	—	1.4	1.4	0.3	8.5	3.4	2.4	0.7
Depreciation and Amortization	2.4	0.9	1.0	0.9	1.0	0.4	3.0	3.4	0.9	1.1
TOTAL EXPENSES	66.6	49.2	17.0	51.1	61.4	15.0	105.7	156.1	30.4	61.1
Operating Income (Loss)	3.3	7.3	(1.5)	21.3	33.9	2.8	(6.9)	(10.9)	(1.8)	(0.4)
Interest Expense, Net	—	—	—	—	—	—	—	0.3	—	0.2
Income/(Loss) Before Income Taxes	3.3	7.3	(1.5)	21.3	33.9	2.8	(6.9)	(11.2)	(1.8)	(0.6)
Income Taxes	1.4	3.0	(0.6)	8.4	13.3	1.1	—	—	—	—
NET INCOME (LOSS)	$ 1.9	$ 4.3	$ (0.9)	$ 12.9	$ 20.6	$ 1.7	$ (6.9)	$ (11.2)	$ (1.8)	$ (0.6)

Factors Affecting Comparability of Results of Operations

Our joint predecessor company, RCM, provided advertising services to the Regal theatre circuit during fiscal 2002, 2003, 2004, and the first quarter of fiscal 2005. Additionally, beginning in October 2004, RCM provided advertising services to one network affiliate. Our joint predecessor company, NCN, provided advertising services to the AMC theatre circuits and various network affiliates during its fiscal or other periods ended 2003, 2004, 2005 and the first quarter of fiscal 2005.

NCM LLC was formed on March 29, 2005, by AMC and Regal as a joint venture that combined the cinema advertising and meetings and events operations of Regal's subsidiary, RCM, and the cinema advertising operations of AMC's subsidiary, NCN. On July 15, 2005, Cinemark joined NCM LLC as a founding member. Upon becoming a member of NCM LLC, each founding member entered into an exhibitor services agreement with NCM LLC, which will remain in effect until the founding members enter into new exhibitor services agreements upon the completion of this offering. Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006. By May 2006, all of Cinemark's digital screens were connected to our digital content network.

In addition to the impact on comparability of the addition of the Cinemark screens during 2006, comparability of NCM LLC's results between 2006 and 2005, and comparability of NCM LLC's 2005 results with those of its predecessors is limited by the fact that NCM LLC began operations April 1, 2005. Thus, it had only six months of operations for the period ended September 29, 2005, and direct comparison to the year-to-date results for the nine-month period ended September 28, 2006 is not possible.

Because of NCM LLC's formation date, there are no comparable full year periods available, except for those of each of our predecessor entities, for which it is possible to compare RCM's calendar year 2004 results to those of 2003, and NCN's fiscal year 2005 results to those of 2004.

On October 5, 2006, Cinemark completed the acquisition of the Century theatre circuit and the Century screens have been added to our network on an exclusive basis upon completion of the acquisition. The addition of the Century theatre network will affect the comparability of future results.

At our formation, each of AMC and Regal retained their pre-existing advertising contracts and we administered those contracts on behalf of those founding members for an administrative fee equal to 35% of total revenue through December 29, 2005 and 32% thereafter. Over time as these "legacy" advertising contracts were fulfilled and we entered into new contracts directly with advertisers, the administrative fees declined and our advertising revenue increased. The total underlying legacy contract value was approximately equal to our administrative fees during that period divided by the appropriate administrative fee percentage. Therefore, we believe the most meaningful metric to ascertain the growth of our advertising revenue among all historical periods presented is the total amount of our advertising revenue plus the legacy contract value. We also refer to total advertising contract value, divided by the total number of founding member attendees as total advertising contract value per founding member attendee. We believe this metric is helpful to analyze advertising revenue performance across our reporting periods, and provides a measure of revenue which is independent of the number of theatres in our network for which advertising services are being provided.

The increases in the size of the network, as well as differences in the structure of circuit share expense, limit the comparability of operating expenses for all reporting periods except for fiscal 2004 and fiscal 2003 and comparisons of each joint predecessor to its own operations. Therefore, certain components of operating expenses, including selling and marketing, administrative, and depreciation expense, will be analyzed on the basis of cost per founding member attendee. Deferred stock compensation and severance plan costs are not generally related to the number of founding member attendees. Deferred stock compensation expense was
recorded by RCM and relates to Regal stock option grants made to RCM employees. At the time of the formation

of NCM LLC, remaining unvested in-the-money Regal stock option grants were converted to a series of cash payments to each option grantee, subject to a continuation of employment requirement, and have been accounted for as an expense by NCM LLC. These costs declined from $2.4 million during the three months ended September 29, 2005 to $0.7 million during the three months ended September 28, 2006, and will continue to decline as the participants in the severance plan receive their final payments.

Circuit share expense is currently recorded as a percentage of revenue based upon the exhibitor services agreements between NCM LLC and the founding members. Before the formation of NCM LLC, when RCM operated as a stand-alone entity, payments were made to RCM's parent, Regal, through inter-company transfers which are described as circuit share expense in the table above. The circuit share expense for NCN prior to the formation of RCM represents payments made by NCN to other theatre circuits under agreements to display advertising at their theatres. Upon the completion of this offering, the circuit share expense currently paid by NCM LLC to the founding members will be converted to a theatre access fee calculated as described above in connection with the amendment and restatement of the exhibitor services agreements. Since circuit share expense is a significant portion of operating expenses, it is discussed as a separate category in the Results of Operations discussion below.

The following table presents total advertising contract value and operating expenses per founding member attendee for the periods presented, which will be discussed further below.

	Predecessor-National Cinema Network, Inc.			Predecessor-Regal CineMedia Corporation			National CineMedia, LLC				
				Years Ended		Three Months Ended		Nine Months Ended		Three Months Ended	
	Year Ended April 1, 2004	Thirty-eight Week Period Ended December 23, 2004	Fourteen Week Period Ended March 31, 2005	January 1, 2004	December 30, 2004	March 31, 2005	Nine Months Ended December 29, 2005	September 29, 2005	September 28, 2006	September 29, 2005	September 28, 2006
Total Advertising Contract Value ($ in millions)	$ 69.9	$ 56.5	$ 15.5	$ 65.2	$ 83.6	$ 15.6	$ 144.0	$ 106.7	$ 141.6	$ 45.5	$ 57.4
Total Advertising Contract Value per Founding Member Attendee	$ 0.43	$ 0.48	$ 0.37	$ 0.25	$ 0.33	$ 0.27	$ 0.48	$ 0.42	$ 0.37	$ 0.46	$ 0.44
Total Operating Expenses per Founding Member Attendee	$ 0.29	$ 0.26	$ 0.28	$ 0.13	$ 0.17	$ 0.21	$ 0.20	$ 0.19	$ 0.17	$ 0.18	$ 0.17

Results of Operations

Three months ended September 28, 2006 and September 29, 2005

Revenue. Total revenue increased from $28.6 million during the three months ended September 29, 2005 to $60.7 million during the three months ended September 28, 2006, an increase of $32.1 million, or 112.2%. This increase was the result of a combination of higher national advertising CPMs, which increased by 2%, and an increase in founding member screens of 2,346, or 24%, primarily due to the addition of Cinemark, as well as a decrease in legacy contract revenue of $27.4 million, or 92% (which was then available to be contracted directly with the advertisers by NCM LLC thereby increasing our revenue), and a 100% increase in CineMeetings revenue due to an increase in event count of 26% and due to the variable nature of the revenue generated by each

event. Total advertising contract value increased from $45.5 million during the three months ended September 29, 2005 to $57.4 million during the three months ended September 28, 2006, an increase of
$11.9 million, or 26.2%. This increase was primarily a result of higher national advertising CPMs and an
increase in founding member screens. Total advertising contract value per founding member attendee decreased from $0.46 during the three months ended September 29, 2005 to $0.44 during the three months ended September 28, 2006, a decrease of $0.02, or 4.4%. This decrease was primarily due to the addition of Cinemark as a founding member and the absorption of those additional screens into our sales process, offset by higher national advertising CPMs.

Operating expenses. Total operating expenses increased from $17.4 million during the three months ended September 29, 2005 to $22.4 million during the three months ended September 28, 2006, an increase of $5.0 million, or 28.7%. This increase was due to a combination of costs associated with an increase in founding
member screens of 2,346, or 24%, primarily due to the addition of the Cinemark screens to our network, and increased affiliate and sales commission expense of $1.0 million, or 34%, related to higher revenue, as well as increased administrative expenses of $0.7 million, or 21%, due to additional staffing and infrastructure to support the growth of NCM LLC. Total operating expenses per founding member attendee decreased from $0.18 during the three months ended September 29, 2005 to $0.17 during the three months ended September 28, 2006, a decrease of $0.01, or 5.6%. This decrease was primarily due to the better absorption of fixed operating expenses on the additional Cinemark theatres.

Circuit share expense. Circuit share expense increased from $10.6 million for the three months ended September 29, 2005 to $38.0 million for the three months ended September 28, 2006, an increase of $27.4 million, or 258.5%. The increase in circuit share expense was primarily due to the increase in levels of revenue during the period, as discussed above, and to a lesser extent, due to the change in the structure of the circuit share agreement which increased the circuit share rate from 65% in 2005 to 68% in 2006. The increase in circuit share expense as a percentage of total revenue to 63% for the three months ended September 28, 2006 from 37% for the three months ended September 29, 2005 is due to changes in the percentage of the circuit share expense, as well as a decline in legacy revenue, which decreased administrative fee revenue but increased circuit share expense. As noted above, upon completion of this offering, the circuit share expense currently paid to the founding members will be converted to a theatre access fee, which is expected to result in significantly lower expense.

Net income (loss). Net loss decreased from $1.8 million during the three months ended September 29, 2005 to $0.6 million during the three months ended September 28, 2006, a decrease of $1.2 million, or 66.7%. Higher total revenue was offset by an increase in expenses as noted above including staffing and infrastructure to support current and anticipated future growth by NCM LLC, and an increase in the percentage of circuit share costs as a percentage of total revenue, as discussed above. The decrease in the net loss is primarily due to the decrease in the level of deferred stock compensation and severance plan compensation costs of $1.7 million or 71%, offset slightly by increases in expenses as noted above, which decreased due to the change in the plan between years.

Nine months ended September 28, 2006 and September 29, 2005

For purposes of this analysis, the nine month period ended September 29, 2005 includes revenue, total advertising contract value, operating expenses, circuit share expense and net income (loss) of our joint predecessors, RCM and NCN for the quarter ended March 31, 2005, and the results of NCM LLC for the six months ended September 29, 2005.

Revenue. Total revenue generated by our joint predecessors, RCM and NCN, respectively, was $17.8 million and $15.5 million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total revenue generated by NCM LLC from April 1, 2005 through September 29, 2005 was $54.1 million. Total revenue generated by NCM LLC for the nine month period ended September 28, 2006 was $145.2 million. This

increase was the result of a combination of higher national advertising CPMs, which increased by 3% between NCM LLC's period ended September 29, 2005 and September 28, 2006, and an expansion of our network, including the increase in founding member screens of 2,346, or 24%, primarily due to the addition of Cinemark, as well as a decrease in legacy contract revenue between NCM LLC's period ended September 29, 2005 and September 28, 2006 of $53.1 million, or 396% (which was then available to be contracted directly with the advertisers by NCM LLC thereby increasing our revenue), and a 52% increase in CineMeetings revenue due to an increase in event count of 62% and due to the variable nature of the revenue generated by each event.

Total advertising contract value of NCM LLC's joint predecessors, RCM and NCN, respectively, was $15.6 million and $15.5 million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total advertising contract value of NCM LLC from April 1, 2005 through September 29, 2005 was $91.1 million. Total advertising contract value of NCM LLC for the nine month period ended September 28, 2006 was $141.6 million. This increase was primarily the result of higher national advertising CPMs and the expansion of our network, as discussed above. Total advertising contract value per founding member attendee of our joint predecessors, RCM and NCN, respectively, was $ 0.27 and $0.37 during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total advertising contract value per founding member of NCM LLC from April 1, 2005 through September 29, 2005 was $0.46. Total advertising contract value per founding member attendee of NCM LLC for the nine month period ended September 28, 2006 was $0.37. This decrease was the result of the impact of restrictions on our ability to sell national advertising on Cinemark's screens between January 1, 2006 and April 1, 2006, coupled with slight reductions in local advertising inventory utilization as the existing Cinemark clients were transitioned to our *FirstLook* format and revenue reductions related to the expiration of certain network affiliate agreements which we chose not to renew.

Operating Expenses. Total operating expenses generated by our joint predecessors, RCM and NCN, respectively, were $12.3 million and $11.5 million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total operating expenses of NCM LLC from April 1, 2005 through September 29, 2005 were $35.2 million. Total operating expenses of NCM LLC for the nine month period ended September 28, 2006 were $64.1 million. This increase was primarily due to increased cost levels due to the addition of Cinemark screens to our network, and increased affiliate and commission expenses related to higher revenue. Direct comparison, however, is not possible between the periods because certain expenses which were incurred by our founding members would have been duplicative during their comparative periods, including costs for administrative services including human resources, legal services, accounting services, and other managerial expenses for positions which would have been eliminated when the joint venture was formed, such as sales staff executives. Upon formation of NCM LLC, these duplicative services were eliminated.

Total operating expense per founding member attendee of our joint predecessors, RCM and NCN, respectively, was $0.21 and $0.28 during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total operating expense per founding member attendee of NCM LLC from April 1, 2005 through September 29, 2005 was $0.18. Total operating expense per founding member attendee of NCM LLC for the nine month period ended September 28, 2006 was $0.17. This decrease was due to a combination of the addition of Cinemark as a founding member and the absorption of those additional screens into our sales process, as well as the elimination of certain of the duplicative expenses incurred by the joint predecessors discussed above.

Circuit share expense. Circuit share expense generated by our joint predecessors, RCM and NCN, respectively, was $2.4 million and $5.5 million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and circuit share expense of NCM LLC from April 1, 2005 through September 29, 2005 was $16.8 million. Total circuit share expense of NCM LLC for the nine month period ended September 28, 2006 was $88.6 million. The increase in circuit share expense was primarily due to the increase in levels of revenue during the period, as discussed above, and to a lesser extent, due to the change in the structure of the circuit share agreement which increased the circuit share rate from 65% in 2005 to 68% in 2006. As noted above, upon completion of this offering, the circuit share expense currently paid to the founding members will be converted to a theatre access fee, which is expected to result in significantly lower expense.

Net income (loss). Net income (loss) generated by our joint predecessors, RCM and NCN, respectively, was $1.7 million and $(0.9) million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and the net income (loss) of NCM LLC from April 1, 2005 through September 29, 2005 was $(4.0) million. Total net loss of NCM LLC for the nine month period ended September 28, 2006 was $(11.2) million. Higher total revenue was more than offset by an increase in operating expenses, due to growth experienced by the company, and an increase in the percentage of circuit share costs as a percentage of total revenue. The increase in circuit share expense as a percentage of total revenue is due to changes in the percentage of the circuit share expense, as well as a decline in legacy revenue, which decreased administrative fees but increased circuit share expense. As noted, the comparability of the net income of the period is also limited due to the addition of the Cinemark theatres to our network in 2006.

Years ended December 29, 2005 and December 30, 2004

For purposes of this analysis, the twelve month period ended December 29, 2005 will include revenue, advertising contract value, operating expenses, circuit share expense and net income (loss) of our joint predecessors, RCM and NCN for their quarter ended March 31, 2005, and the results of NCM LLC for the nine months ended December 29, 2005. In addition, for purposes of this analysis, the fiscal year 2004 period used for comparison of our predecessor NCN will include its thirty-eight week period ended December 23, 2004 combined with its fourteen week period ended March 31, 2005. (During its fiscal year ended March 31, 2005, NCN's parent was acquired, resulting in its operating results being reported in pre- and post-acquisition periods.)

Revenue. Total revenue generated by our joint predecessors, RCM and NCN, respectively, was $95.3 million and $72.0 million during their 2004 fiscal year periods (described above). Total revenue generated by our joint predecessors, RCM and NCN, respectively, was $17.8 million and $15.5 million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total revenue generated by NCM LLC from April 1, 2005 through December 29, 2005 was $98.8 million. Total advertising contract value and advertising contract value per founding member attendee of our joint predecessors, RCM and NCN, respectively, was $83.6 million and $0.33 and $72.0 million and $0.45 during their 2004 fiscal year periods. Total advertising contract value and advertising contract value per founding member attendee of our joint predecessors, RCM and NCN, respectively, was $15.6 million and $0.27 and $15.5 million and $0.37 during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and total advertising contract value and advertising contract value per founding member attendee of NCM LLC from April 1, 2005 through December 29, 2005 was $144.0 million and $0.48. While total revenue decreased at NCM LLC for its nine month period in 2005, the advertising contract value and advertising contract value per founding member attendee increased. This increase is due to the expansion of the network between 2004 and 2005, with an increase of approximately 5% in founding member screens, as well as the impact of the expansion of our national advertising client base, accompanied by increased regional advertising revenue due to the expansion of the regional on-screen inventory and the local advertising sales team.

Operating Expenses. Total operating expenses and operating expense per founding member attendee generated by our joint predecessors, RCM and NCN, respectively, were $43.4 million and $0.17 and $42.1 million and $0.26 during their 2004 fiscal year periods. Total operating expenses and operating expense per founding member attendee of our joint predecessors, RCM and NCN, respectively, were $12.3 million and $0.21 and $11.5 million and $0.28 during their periods ended March 31, 2005 and total operating expenses and operating expense per founding member attendee of NCM LLC from April 1, 2005 through December 29, 2005 were $58.6 million and $0.20. The decrease in operating expenses is due to the elimination of certain duplicative operating and administrative expenses, and despite increases in selling and marketing expenses due to growth in the local sales personnel due to the increase in the number of founding member theatres noted above.

Net Income. Net income (loss) generated by our joint predecessors, RCM and NCN, respectively, was $20.6 and $3.4 million during their 2004 fiscal year periods. Net income (loss) generated by our joint predecessors, RCM and NCN, was $1.7 million and $(0.9) million during their quarter ended March 31, 2005 (prior to the formation of NCM LLC) and the net loss of NCM LLC from April 1, 2005 through December 29, 2005 was

$(6.9) million. The decrease is primarily attributable to the decrease in revenue noted above, offset by a slight decrease in expenses also discussed above, and due to the impact of the increase in the circuit share expenses, which were impacted in the nine month period for NCM LLC due to the increase in the percentage of circuit share expense, and due to the increases in deferred stock compensation expense noted previously, and increases in levels of depreciation and amortization due to the incremental growth of NCM LLC.

Years ended December 30, 2004 and January 1, 2004—Regal CineMedia Corporation

Revenue. Total revenue of RCM increased from $72.4 million during the year ended January 1, 2004 to $95.3 million during the year ended December 30, 2004, an increase of $22.9 million, or 31.6%. This increase was primarily due to the expansion of RCM's digital network capabilities and advertising client base, accompanied by significant growth in CineMeetings due to an increased number of events. Total advertising contract value of RCM increased from $65.2 million during the year ended January 1, 2004 to $83.6 million during the year ended December 30, 2004, an increase of $18.4 million, or 28.2%. Total advertising contract value per founding member attendee increased from $0.25 during the year ended January 1, 2004 to $0.33 in the year ended December 30, 2004, an increase of $0.08, or 32.0%. The expansion of RCM's digital network capabilities and advertising client base were the primary reason for the increase in total advertising contract value and total advertising contract value per founding member attendee.

Operating expenses. Total operating expenses of RCM increased from $34.4 million during the year ended January 1, 2004 to $43.4 million during the year ended December 30, 2004, an increase of $9.0 million, or 26.2%. This increase was primarily due to growth in operating and sales commission expenses resulting from the higher revenue levels and the greater numbers of screens included in the digital content network. Total operating expenses per founding member attendee increased from $0.13 during the year ended January 1, 2004 to $0.17 in the year ended December 30, 2004, an increase of $0.04, or 30.8%. This increase was due to operating and sales commission expenses resulting from the higher revenue levels.

Net income. Net income of RCM increased from $12.9 million during the year ended January 1, 2004 to $20.6 million during the year ended December 30, 2004, an increase of $7.7 million, or 59.7%. The increase is primarily due to increased revenue and better absorption of fixed cost.

Years ended March 31, 2005 and April 1, 2004—National Cinema Network, Inc.

For purposes of this analysis, the fiscal year end March 31, 2005 period used for comparison of NCN includes its thirty-eight week pre-acquisition period ended December 23, 2004 combined with its post-acquisition fourteen week period ended March 31, 2005.

Revenue. Total revenue of NCN was $69.9 million during the fiscal year ended April 1, 2004 compared to $56.5 million for the thirty-eight weeks ended December 23, 2004 and $15.5 million for the fourteen weeks ended March 31, 2005. Total advertising contract value per founding member attendee was $0.43 for the fiscal year ended April 1, 2004 and was $0.45 for the fiscal year ended March 31, 2005. The increase in revenue was due to increases in advertising sold on the founding member theatre circuit, offset slightly by decreases in revenue for advertising sold on other affiliate circuits. The decrease in revenue for advertising sold on other affiliate circuit theatres was due to an initiative at NCN to reduce the number of marginally profitable contracts with such affiliate circuits. In addition, a portion of the increase was due to advertising contracts which were entered into in the latter portion of fiscal 2004 which were in place for both periods in fiscal 2005.

Operating expenses. Total operating expenses of NCN decreased from $47.9 million during the fiscal year ended April 1, 2004 to $42.1 million during the fiscal year ended March 31, 2005, a decrease of $5.8 million or 12%. Total operating expenses per founding member attendee were $0.29 for the fiscal year ended April 1, 2004 and were $0.26 per founding member attendee for the fiscal year ended March 31, 2005. The decrease in operating expense was primarily due to the reduction in overhead costs, including administration and selling expenses, associated with certain restructuring undergone by NCN during the 2005 period.

Circuit share expense. Circuit share expense for advertising sold on the founding member circuit increased from $18.7 million during the fiscal year ended April 1, 2004 to $24.1 for the fiscal year ended March 31, 2005, an increase of $5.4 million, or 28.9%. The increase was primarily due to increases in advertising sold on the founding member theatre circuit, and an increase in the percentage of circuit share expense for founding member circuit as a percentage of circuit share revenue for advertising sold on the founding member circuit, as well as an increase in the circuit share allocation percentage of a significant contract.

Net Income. Net income of NCN increased from $1.9 million for the fiscal year ended April 1, 2004 to $3.4 million for the fiscal year ended March 31, 2005, an increase of $1.5 million, or 79%. This increase was the result of the combination of the higher levels of revenue and the lower levels of expenses.

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, non-cash unit based costs and deferred stock compensation. Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenue. EBITDA and adjusted EBITDA do not reflect the Loews payments discussed above, which after this offering will be included in the calculation of adjusted EBITDA including the Loews payments to determine our compliance with financial covenants under our new senior secured credit facility. See “Financing Transaction.” AMC will make Loews payments to NCM LLC pursuant to the Loews screen integration agreement, which for the three months ended September 28, 2006, would have been $2.5 million. See “—Our Company Following the Completion of This Offering—Loews Payments” for additional discussion regarding the Loews payments.

We have included EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus to provide investors with supplemental measures of our operating performance and because they are the basis for an important financial covenant that will be contained in our new senior secured credit facility. 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. We also believe that securities analysts, investors and other interested parties frequently use EBITDA, adjusted EBITDA and adjusted EBITDA margin in the evaluation of issuers, many of which present EBITDA, adjusted EBITDA and adjusted EBITDA margin when reporting their results. Also, because of the significant changes in our operating results that will result from our acquisition of an interest in NCM LLC, the changes in the exhibitor services agreements and the financing transaction, we disclose pro forma EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus. See “Unaudited Pro Forma Financial Information.”

EBITDA, adjusted EBITDA and adjusted EBITDA margin are not presentations made in accordance with GAAP. As discussed above, we believe that the presentation of EBITDA, adjusted EBITDA and adjusted EBITDA margin in this prospectus is appropriate. However, when evaluating our results, you should not consider EBITDA, adjusted EBITDA and adjusted EBITDA margin in isolation of, or as a substitute for, measures of our financial performance as determined in accordance with GAAP, such as net income (loss). EBITDA, adjusted EBITDA and adjusted EBITDA margin have material limitations as performance measures because they exclude items that are necessary elements of our costs and operations. Because other companies may calculate EBITDA, adjusted EBITDA and adjusted EBITDA margin differently than we do, EBITDA, adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly-titled measures reported by other companies.

The following table reconciles net income (loss) to EBITDA and adjusted EBITDA on a historical and pro forma basis for the periods presented:

	NCM LLC Nine Months Ended December 29, 2005 Historical	NCM LLC, RCM, & NCN Year Ended December 29, 2005 Pro Forma	NCM LLC			
			Nine Months Ended September 28, 2006		Three Months Ended September 28, 2006	
			Historical	Pro Forma	Historical	Pro Forma
			($ in millions)			
Net Income (Loss)	$ (6.9)	$ 7.5	$ (11.2)	$ 8.9	$ (0.6)	$ 5.5
Income Taxes	—	12.5	—	14.5	—	9.1
Minority Interest	—	11.2	—	13.1	—	8.2
Interest Expense	—	64.5	0.3	48.4	0.2	16.1
Depreciation and Amortization	3.0	4.3	3.4	3.4	1.1	1.1
EBITDA	$ (3.9)	$ 100.0	$ (7.5)	$ 88.3	$ 0.7	$ 40.0
Severance Plan Costs	8.5	8.5	3.4	3.4	0.7	0.7
Share-based Compensation Costs	—	—	1.1	1.7	0.8	1.1
Deferred Stock Compensation	—	0.3	—	—	—	—
Adjusted EBITDA	$ 4.6	$ 108.8	$ (3.0)	$ 93.4	$ 2.2	$ 41.8
Adjusted EBITDA Margin*	4.7%	49.1%	NM	49.7%	3.6%	56.5%

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

Financial Condition and Liquidity

Liquidity and Capital Resources

Sources of capital and capital requirements. Upon the completion of this offering, our primary sources of liquidity and capital resources will be cash flows generated from distributions from our operating subsidiary, NCM LLC, and availability of up to $80.0 million under a revolving credit facility. NCM LLC's historical sources of liquidity and capital resources have been cash flows generated from its business activities, working capital from our founding members, availability of up to $20 million under a revolving credit facility and available cash and cash equivalents.

Management believes that future funds generated from our operations and available borrowing capacity of up to $80.0 million under our new revolving credit facility to be entered into upon the completion of this offering will be sufficient to fund quarterly dividends, our debt service requirements, working capital requirements and capital expenditure requirements, through the next 12 months. We expect to draw upon the new credit facility at closing to repay amounts outstanding under NCM LLC's existing revolving credit facility (which were $10.0 million as of September 28, 2006) and any remaining amounts owed to the founding members under the existing exhibitor services agreements that, due to timing differences, may not be funded by receivables.

Our short and long term cash requirements consist of minimum annual payments under our operating leases for our headquarters and regional offices and capital expenditures. Minimum annual operating lease requirements are included in our direct operating expenses, which have historically been satisfied by cash flow from operations. For fiscal 2007, we are committed to $1.6 million of annual operating lease payments.

Capital expenditures. Our capital expenditures and those of RCM have typically been related to equipment required for our network operations center and content production and post-production activities, digital content system, or DCS, and "back-office" software upgrades, office leasehold improvements, desktop equipment for use by our employees, and in certain cases, a portion of the costs necessary to digitize all or a portion of a network affiliate's theatres. Our capital expenditures were $5.9 million and $4.3 million for the nine months ended December 29, 2005 and nine months ended September 28, 2006, respectively, and $1.8 million and $1.9 million

for the three months ended September 29, 2005 and September 28, 2006, respectively. The capital expenditures of RCM for the years ended December 30, 2004 and January 1, 2004 were $2.7 million and $1.3 million, respectively. The capital expenditures of NCN for the fiscal years ended March 31, 2005 and April 1, 2004 were de minimus. Our capital expenditures have typically been satisfied through a combination of cash flow from operations and from financing sources, while RCM's capital expenditures were satisfied by cash flow from operations and working capital from Regal. All capital expenditures related to the digital content network within our founding members' theatres have been made, and under the exhibitor services agreements, we expect they will continue to be made, by the founding members rather than NCM LLC or RCM.

We expect to make approximately $6.0 million to $8.0 million of capital expenditures in fiscal 2007, primarily for ordinary course maintenance of our digital content system and upgrades to our distribution software and our internal management systems, including our advertising inventory optimization, management and reporting systems. We expect these upgrades and improvements, which are intended to provide additional scheduling and placement flexibility for our clients, will enhance our operating efficiencies, including allowing us to better manage our advertising inventory, and prepare us for continued growth. These capital expenditures may be increased in connection with expenditures made in theatres operated by any new network affiliates. We expect that these additional expenditures, if any, would be supported by additional cash flows associated with those new network affiliates. The commitments associated with our and RCM's operating leases and capital expenditure requirements are included in "—Contractual and Other Obligations" below.

Cash Flows

The following table summarizes our historical cash flows.

	Predecessor-National Cinema Network, Inc.			Predecessor-Regal CineMedia Corporation		National CineMedia, LLC			
				Years Ended					
	Year Ended April 1, 2004	38 Weeks Ended December 23, 2004	14 Weeks Ended March 31, 2005	January 1, 2004	December 30, 2004	Nine Months Ended December 29, 2005	Nine Months Ended September 28, 2006	Three Months Ended September 29, 2005	Three Months Ended September 28, 2006
						($ in millions)			
Cash provided by (used in):									
Operating activities	$ 1.1	$ (2.1)	$ 2.5	$ 6.4	$ 15.9	$ (2.9)	$ 1.1	$ 2.9	$ 3.1
Investing activities	0.3	0.4	0.1	(1.3)	(2.7)	(5.9)	(4.0)	(1.8)	(1.6)
Financing activities	(1.4)	1.7	(2.6)	(4.7)	(11.2)	8.8	7.5	2.3	1.6

Operating Activities

The significant growth in the number of theatres for which advertising services were provided limits the comparability of operating results from period to period. However, since the formation of NCM LLC, there has been negative cash flow from operations, as compared to positive cash flow from operations for RCM and marginal cash flows and uses from NCN. This results from the higher level of circuit share payments upon the formation of NCM LLC compared to the amount and timing of inter-company transfers made by RCM to its parent, Regal, when RCM operated as a wholly-owned subsidiary of Regal and affiliate payments made by NCN, when operated prior to the formation of NCM. Also, as screens have been added, as inventory utilization has increased and as legacy contracts have been replaced with our own advertising contracts, the amount of accounts receivable has grown, which has required the use of operating cash.

We believe that the cash flow related to operating activities in recent historic periods are not representative of the cash flow we expect following the completion of this offering and the entry into the new senior secured credit facility. We expect our circuit share expense to be reduced as a percentage of revenue and our interest costs to increase. See "—Liquidity and Capital Resources" above.

Investing Activities

Cash used in investing activities during all periods relates to investments in our network software and in corporate management systems and purchases of equipment necessary to service the expansion of network affiliate theatre screens and, to a lesser extent, for leasehold improvements and office equipment associated with an expansion of employee headcount. The cash provided in prior periods at NCN was due to the sale of previously held long-term assets and lack of significant capital expenditures.

Financing Activities

Cash provided by financing activities for NCM LLC during the nine months ended December 29, 2005 was primarily related to the sale of membership units to Cinemark. Cash provided by financing activities in the other periods resulted from short-term borrowings. Cash used in financing activities by RCM resulted from remittances of excess cash to RCM's parent company. Financing sources and uses at NCN related to repayments and advances on intercompany receivables. We believe that cash flow related to financing activities of the historic periods will not be representative of our cash flow expected after the completion of this offering, due to our entry into the new senior secured credit facility and other changes in financial structure that will occur in conjunction with the offering of our common stock.

As of September 28, 2006 and December 29, 2005, we had the following debt outstanding and cash and equivalents (in millions of dollars):

	September 28, 2006	December 29, 2005
Borrowings	$ 10.0	$ 1.3
Cash and cash equivalents	$ 4.6	$ —

The cash balance at the end of the historical periods has been typically low, as circuit share payments are made to the founding members out of excess cash. After this offering we also expect to have low cash balances due to quarterly dividends we expect to pay pursuant to our dividend policy.

Financings

Demand note. On March 29, 2005, NCM LLC signed an amended and restated demand promissory note, or the demand note, with the founding members, under which NCM LLC could borrow up to $11.0 million on a revolving basis. Borrowings under the demand note were funded by the founding members pro rata to their ownership of units. Interest was payable monthly, at 200 basis points over LIBOR. Interest paid to the founding members during the three months ended June 30, 2005 was less than $0.1 million. On March 22, 2006, the demand note was cancelled and replaced by the credit facility discussed below.

Existing NCM LLC credit facility. On March 22, 2006, NCM LLC entered into a $20.0 million secured revolving credit facility, with a $2.0 million letter of credit facility, with Citicorp North America, Inc., Citigroup Global Markets Inc., Bank of America, N.A., Credit Suisse, Cayman Islands Branch and Lehman Commercial Paper Inc. Borrowings under the facility bear interest, at NCM LLC's option, at either Adjusted LIBOR plus 1.375% or ABR plus 0.375%. "Adjusted LIBOR" means the rate at approximately 11:00 a.m., London time, two business days before the commencement of the relevant interest period, for dollar deposits with a maturity comparable to such interest period, as adjusted for reserve requirements and rounded upwards if necessary to the next 1/100 of 1%. "ABR" means the greater of the base or prime rate of Citicorp North America, Inc. and the federal funds rate, plus $\frac{1}{2}$ of 1%. The facility is secured by a first-priority lien on certain assets of NCM LLC. The facility matures on March 22, 2008.

Covenants in the revolving portion of our credit facility include typical affirmative and negative covenants, including prompt payment of amounts owed, certain monthly, quarterly, and annual financial reporting requirements, maintenance of property and insurance and limitations on additional indebtedness. There are no financial covenants in our credit facility.

As of September 28, 2006, $10.0 million was outstanding under this facility, including none subject to outstanding letters of credit. This facility will be repaid in full with the proceeds of the new senior secured credit facility as described below.

New senior secured credit facility. In connection with the completion of this offering, NCM LLC will enter into a new $805.0 million senior secured credit facility with a group of lenders that will include affiliates of several of the underwriters. This facility will consist of a six-year, $80.0 million revolving credit facility and an eight-year, $725.0 million term loan facility. The term loan will be due on the eighth anniversary of funding, and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $698.5 million, to pay any shortfall in the amounts owed to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements and to pay transaction expenses. The revolving credit facility will be available, subject to certain conditions, for general corporate purposes of NCM LLC in the ordinary course of business and for other transactions permitted under the credit agreement. The revolving credit facility will be drawn upon to repay amounts outstanding under NCM LLC's existing revolving credit facility (which were $10.0 million as of September 28, 2006). A portion of the revolving credit facility will be available for letters of credit. The obligations under the credit facility will be secured by a lien on substantially all the assets of NCM LLC and its material wholly owned subsidiaries.

Amounts payable to our founding members have historically been paid as NCM LLC collected the related accounts receivable from its customers. Approximately 30 days following the closing of this offering, NCM LLC will repay the remaining amounts owed to our founding members under the existing exhibitor services agreements (which were $43.8 million as of September 28, 2006) and any remaining amounts owed to the founding members under the existing exhibitor services agreements that, due to timing differences, may not be funded by receivables. To the extent that such amounts have not been funded by receivables (which were $51.9 million as of September 28, 2006), we will draw upon the revolving credit facility to satisfy the amounts owed to the founding members. NCM LLC will repay the amount drawn under the credit facility for this purpose as additional receivables are collected. The amount outstanding under the new revolving credit facility will continue to fluctuate based on working capital needs.

Borrowings under the senior secured credit facility will bear interest, at the option of the borrower, at a rate equal to an applicable margin plus either a variable base rate or a eurodollar rate. The applicable margin for the facilities is expected to be 0.75% with respect to base rate loans and 1.75% with respect to eurodollar loans. Commencing with the third fiscal quarter in fiscal year 2008, the applicable margin for the revolving credit facility will be determined quarterly and will be subject to adjustment based upon a consolidated net senior secured leverage ratio for NCM LLC and its subsidiaries (to be defined in the NCM LLC credit agreement as the ratio of secured funded debt less unrestricted cash and cash equivalents, over adjusted EBITDA). Upon the occurrence of any payment default, certain amounts under the senior secured credit facility will bear interest at a rate equal to the rate then in effect with respect to such borrowings, plus 2.0% per annum.

The senior secured credit facility will contain a number of negative covenants that limit NCM LLC and its subsidiaries from, among other things, and with certain thresholds and exceptions:

- incurring indebtedness (including guarantee obligations) or liens;
- entering into mergers, consolidations, liquidations or dissolutions;
- selling assets;
- paying dividends, redeeming or repurchasing units or making other payments in respect of capital stock;
- making investments, loans or advances;
- making capital expenditures;
- modifying the exhibitor services agreements, management services agreement or tax receivable agreement;

- entering into transactions with affiliates;
- entering into sale and leaseback transactions;
- changing its fiscal year;
- entering into negative pledge agreements;
- entering into agreements restricting loans or distributions made by NCM LLC's subsidiaries to NCM LLC; and
- changing its line of business.

The senior secured credit facility will also require the maintenance of a quarterly financial ratio, as of the last day of any period of four consecutive fiscal quarters, with respect to maximum consolidated net senior secured leverage for NCM LLC and its subsidiaries as follows:

Fiscal Quarter	Maximum Consolidated Net Senior Secured Leverage Ratio
FQ1 2007 – FQ4 2007	7.50:1.00
FQ1 2008 – FQ4 2008	7.25:1.00
FQ1 2009 – FQ4 2009	7.00:1.00
FQ1 2010 – FQ4 2010	6.75:1.00
FQ1 2011 and thereafter	6.50:1.00

Notwithstanding the foregoing, NCM LLC shall be permitted to make quarterly dividends and other distributions in the following percentages based on the following consolidated net senior secured leverage ratios for NCM LLC and its subsidiaries (to be calculated in the NCM LLC credit agreement for this purpose as the ratio of secured funded debt less unrestricted cash and cash equivalents as of the date of such dividend or distribution (after giving effect to any such distribution and incurrence of indebtedness (if any) relating thereto), over adjusted EBITDA as of the four fiscal quarter period ending on or immediately prior to the date of such dividend or distribution) so long as no default or event of default shall have occurred and be continuing:

- 100% of "Available Cash" (to be defined in the NCM LLC credit agreement in a manner that is consistent with the comparable definition in the NCM LLC operating agreement) if such consolidated net senior secured leverage ratio is less than or equal to 6.5x.
- 75% of Available Cash if such consolidated net senior secured leverage ratio is less than or equal to 7.0x.
- 50% of Available Cash if such consolidated net senior secured leverage ratio is less than or equal to 7.5x.

The senior secured credit facility will require mandatory prepayments of:

- 100% of net cash proceeds from asset sales and insurance or condemnation recovery events that yield gross proceeds to NCM LLC or any of its subsidiaries in excess of $5 million, subject to an exception for reinvestment in productive assets (not to exceed $25 million in any fiscal year) during a reinvestment period.
- 100% of net cash proceeds from any issuance by NCM LLC or its subsidiaries of debt securities or instruments pursuant to a public offering or private placement (excluding indebtedness permitted under the terms of the NCM LLC credit agreement).
- 50% of excess cash flow (to be defined in the NCM LLC credit agreement as "Available Cash" less permitted cash distributions and other restricted payments, less a dollar amount to be agreed) for each fiscal year of NCM LLC, declining to 0% when consolidated net senior leverage for NCM LLC and its subsidiaries is less than 3.0X.

The senior secured credit facility will contain customary events of default, including:

- failure to pay any principal, interest, fees, expenses or other amounts;
- failure of any representation or warranty to be accurate in all material respects as of the date made or deemed made;
- failure to observe any agreement, obligation or covenant included in the credit agreement or in any guaranty, pledge or security instrument;
- judgments against NCM LLC or any of its subsidiaries in excess of certain allowances;
- default under other indebtedness of NCM LLC or its subsidiaries in excess of a threshold amount;
- certain ERISA events involving us or our subsidiaries;
- bankruptcy or insolvency events involving NCM LLC or its subsidiaries;
- any guaranty, pledge or security instrument shall cease to be in full and effect or any lien created thereby shall cease to be enforceable and of the same effect and priority purported to be created thereby; and
- a change of control (as defined in the credit agreement).

Upon the occurrence of an event of default, among other remedies available to the lenders, all outstanding loans may be accelerated and/or the lenders' commitments may be terminated.

Critical Accounting Policies

We have established various accounting policies that govern the application of accounting principles generally accepted in the United States of America in the preparation and presentation of NCM LLC's financial statements. The significant accounting policies of NCM LLC are described in Note 2 of the financial statements for the nine months ended December 29, 2005, and the nine months ended September 28, 2006, and along with the disclosures presented in the other financial statement notes, provide information on how significant assets and liabilities are valued in the financial statements and how those values are determined. Certain accounting policies involve significant judgments, assumptions and estimates by management that have a material impact on the carrying value of certain assets and liabilities, which management considers critical accounting policies. The judgments, assumptions and estimates used by management are based on historical experience, knowledge of the accounts and other factors, which are believed to be reasonable under the circumstances and are evaluated on an ongoing basis. Because of the nature of the judgments and assumptions made by management, actual results could differ from these judgments and estimates, which could have a material impact on the carrying values of assets and liabilities and the results of operations of NCM LLC.

Allowance for doubtful accounts. The allowance for doubtful accounts represents management's estimate of probable credit losses inherent in its trade receivables, which represent the largest asset on the balance sheet. Estimating the amount of the allowance for doubtful accounts requires significant judgment and the use of estimates related to the amount and timing of estimated losses based on historical loss experience, consideration of current economic trends and conditions and debtor-specific factors, all of which may be susceptible to significant change. Account receivable balances are charged against the allowance, while recoveries of amounts previously charged are credited to the allowance. A provision for bad debt is charged to operations based on management's periodic evaluation of the factors previously mentioned, as well as other pertinent factors. To the extent actual outcomes differ from management estimates, additional provision for bad debt could be required that could adversely affect earnings or financial position in future periods.

Revenue recognition. NCM LLC considers estimates regarding make-good provisions in advertising revenue to be a critical accounting policy that requires significant judgments, assumptions and estimates used in the preparation of its financial statements. Advertising revenue is recognized in the period in which theatre attendees (impressions) are provided. Advertising revenue is reduced for make-good provisions when delivered

attendance is less than the amount contracted. The amount contracted is based on an estimate of attendees at the date the contract is signed. To the extent that NCM LLC is ultimately unable to fulfill make-good provisions, levels of operating revenue will be reduced which could adversely affect earnings or financial position.

Stock-based compensation. NCM LLC has issued options to employees to acquire membership units which, in certain circumstances, would allow the employees to put the options to NCM LLC for cash. The options are accounted for as a liability plan under SFAS No. 123(R), which requires that the liability be measured at its fair value as of each reporting date. The determination of fair value of options requires that management make complex estimates and judgments. We utilize the Black-Scholes option price model to estimate the fair value of our options. This model requires that we make estimates of various factors, the most critical of which are the fair value of our equity and the expected volatility of our equity value. The determination of these is made more difficult because we are a privately held company without historical market-observable factors upon which to base our estimates. As our options were granted in contemplation of an initial public offering, we have used the expected terms of the initial public offering to estimate our equity value. We have considered volatility factors of companies we believe are comparable to us to estimate our future volatility. Our annual compensation expense charge is approximately $1.2 million per year. The use of an equity value that varied by 10% from what we have estimated or the use of a volatility factor that varied by five percentage points from what we have estimated would each individually have less than a $250,000 impact on our annual compensation expense charge.

Off-Balance Sheet Transactions

At December 29, 2005 and September 28, 2006, we had no off-balance sheet arrangements or obligations, except for operating leases entered into the ordinary course of business.

Contractual and Other Obligations

Our contractual obligations at December 29, 2005 were as follows:

	Payments Due by Period				
	Total	2006	2007-2008	2009-2010	After 2010
			($ in millions)		
Office Leases	$ 9.0	$1.4	$ 2.7	$ 2.3	$ 2.6
Network Affiliate Agreements	1.6	1.2	0.4	—	—
Total Contractual Cash Obligations	$10.6	$2.6	$ 3.1	$ 2.3	$ 2.6

After completion of the financing transaction, NCM LLC will be obligated to make periodic interest payments on the loans under the senior secured credit facility, based on an interest rate equal to an applicable margin plus either a variable base rate or a eurodollar rate. The applicable margin for the facilities is expected to be 0.75% with respect to base rate loans and 1.75% with respect to eurodollar loans. Commencing with the third fiscal quarter in fiscal year 2008, the applicable margin for the revolving credit facility will be determined quarterly and will be subject to adjustment based upon a consolidated net senior secured leverage ratio for NCM LLC and its subsidiaries (to be defined in the NCM LLC credit agreement as the ratio of secured funded debt less unrestricted cash and cash equivalents, over adjusted EBITDA). The terms of the new senior secured credit facility will require us to hedge the cash flow variability of interest for at least 50% of the term loan. In addition, we will have a new variable rate revolving credit agreement that will replace our existing credit facility. Debt service requirements under this agreement will depend on the amounts borrowed and the level of the based interest rate.

Seasonality

Our revenue and operating results are seasonal in nature, coinciding with the attendance patterns within the film exhibition industry as well as the timing of marketing expenditures by our advertising clients. Theatrical attendance is generally highest during the summer and year-end holiday season coinciding with the release of blockbuster films. Advertising expenditures tend to be higher during the second, third, and fourth fiscal quarters

and are correlated to new product releases and marketing cycles. As a result, our first quarter typically has less revenue than the other quarters of a given year. To illustrate the seasonality of our operations, we analyzed the four consecutive quarters that we felt best represented our business on a comparable screen and attendance basis. Other quarters are less comparable due to the substantial growth in screens and attendance resulting primarily from acquisitions by founding members. This analysis is based on the combination of our quarterly advertising contract value, meetings and events and other revenue.

	Quarter ending			
	June 2005	September 2005	December 2005	March 2006
% of Total	26.5%	25.7%	31.4%	16.4%

Importantly, the results of one quarter are not necessarily indicative of results for the next or any future quarter.

The amount outstanding under the new revolving credit facility will continue to fluctuate based on working capital needs.

Quantitative and Qualitative Disclosures about Market Risk

As of September 28, 2006, we had $10.0 million of total debt outstanding under our existing $20.0 million revolving credit facility. To the extent we borrow under our revolving credit facility which bears interest at floating rates based either on an ABR, as defined in the credit agreement, or LIBOR, we are exposed to market risk related to changes in interest rates. At September 28, 2006, the applicable interest rate on borrowings outstanding under the credit facility was 7.9% per year. If applicable interest rates were to increase by 200 basis points, for every $1.0 million outstanding on our revolving credit facility, our income before income taxes would be reduced by approximately $20,000 per year. We are not party to any derivative financial instruments.

Recent Accounting Pronouncements

The following addresses the expected impact of accounting policies recently issued or proposed but not yet required to be adopted. To the extent the adoption of new accounting standards materially affects financial condition, results of operations, or liquidity, the impacts are discussed in the applicable section(s) of this discussion and the notes to the financial statements included elsewhere in this prospectus.

During June 2006, the FASB issued FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes—an Interpretation of FASB Statement No. 109.” This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements in accordance with FASB Statement No. 109, “Accounting for Income Taxes,” and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This Interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. This Interpretation is effective for fiscal years beginning after December 15, 2006. As a limited liability company, NCM LLC’s taxable income or loss is allocated to the founding members in accordance with the provisions of our operating documents. However, NCM Inc. will be a taxable entity and will be required to consider this Interpretation as it relates to both itself and NCM LLC consolidated tax position at NCM Inc. We are currently evaluating the impact the Interpretation may have on its future financial condition, results of operations and cash flows.

During October 2006, the FASB issued Statement of Financial Accounting Standards No. 157, “Fair Value Measurements.” This statement does not require any new fair value measurements but provides guidance on how to measure fair value and clarifies the definition of fair value under GAAP. The statement also requires new disclosures about the extent to which fair value measurements in financial statements are based on quoted market prices, market-corroborated inputs or unobservable inputs that are based on management’s judgments and estimates. The statement is effective for fiscal years beginning after November 15, 2007. We will apply the statement prospectively for any fair value measurements that arise after the date of adoption.

CORPORATE HISTORY AND REORGANIZATION

Our Founding Members

AMC Entertainment Inc.

AMC is the second largest theatre circuit in the United States based on total number of screens. As of March 30, 2006, after giving effect to expected dispositions of certain theatres, AMC owned, operated or held interests in 413 theatres with a total of 5,603 screens globally, with approximately 79.2% or 4,437, of the screens in the United States (including Loews). For their fiscal year ended March 30, 2006, AMC's theatres had total worldwide attendance of 171.4 million, including 149.1 million in the United States, and AMC had revenue of $1,730.5 million. Pro forma for the Loews acquisition, which was completed on January 26, 2006, AMC's total attendance for the fiscal year ended March 30, 2006, was 243.5 million, and AMC had revenue of $2,388.1 million.

Cinemark, Inc.

Cinemark is the third largest theatre circuit in the United States based on total number of screens. As of December 31, 2005, Cinemark operated 308 theatres with a total of 3,329 screens globally, with approximately 72.2%, or 2,405, of the screens in the United States. For the year ended December 31, 2005, Cinemark's theatres had total worldwide attendance of 165.7 million, including 105.4 million in the United States, and Cinemark reported total revenue of $1,020.6 million. As of September 30, 2006, Cinemark operated 2,456 screens in the United States. On October 5, 2006, Cinemark acquired the Century theatre circuit. As of that date, Century operated 77 theatres with 1,017 screens.

Regal Entertainment Group

Regal operates the largest theatre circuit in the United States based on total number of screens. As of December 29, 2005, Regal operated 555 theatres with a total of 6,463 screens, all of which are located in the United States. For the fiscal year ended December 29, 2005, Regal's theatres had total attendance of 244.3 million and Regal reported total revenue of $2,516.7 million.

Our founding members formed NCM LLC to establish a digital content network that would be more cost effective and that would provide a larger, more efficient national network that would compete with existing television and other national networks with regard to the sale and distribution of advertising. In addition, the founding members believed that this larger, more robust network would promote the use of theatres for business meetings, create a new platform for the production and distribution of new forms of high definition entertainment content to theatres and possibly provide a platform for the development and procurement of lower cost digital systems.

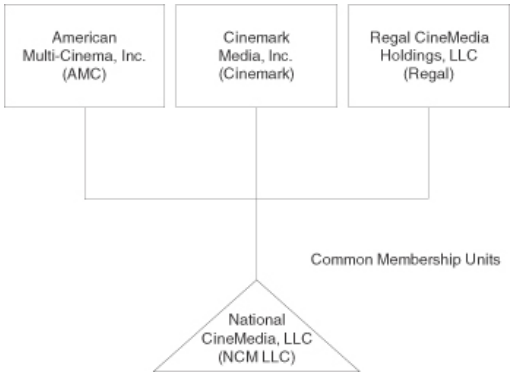
Corporate History and Current Structure

Our business operations are conducted by NCM LLC, which was formed on March 29, 2005, by AMC and Regal as a joint venture that combined the cinema advertising and meetings and events operations of Regal's subsidiary, RCM, and the cinema advertising operations of AMC's subsidiary, NCN. Effective December 28, 2006, NCN merged with and into American Multi-Cinema, Inc., another AMC subsidiary which is the party to the AMC exhibitor services agreement. On July 15, 2005, Cinemark joined NCM LLC as a founding member. Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006. By May 2006, all of Cinemark's digital screens were connected to our digital content network. On January 26, 2006, AMC completed the acquisition of the Loews theatre circuit. The Loews screens will become part of our national theatre network on an exclusive basis beginning on June 1, 2008, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising existing on May 31, 2008, following the expiration of Loews' pre-existing contract with another cinema advertising provider. In accordance with a Loews screen integration

agreement between us and AMC, which will be amended and restated in connection with this offering, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. Effective as of January 5, 2007, NCM LLC re-allocated the NCM LLC common membership units among the founding members, to reflect the payments to be made by AMC pursuant to the terms of the Loews screen integration agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding members' theatres. These payments will be made on a quarterly basis in arrears until May 31, 2008 and will be, for accounting purposes, recorded directly to our members' equity accounts and will not be reflected in NCM LLC's statements of operations. On October 5, 2006, Cinemark completed the acquisition of the Century screens, which were added to our network on an exclusive basis as of that date, subject to limited exceptions.

Pursuant to the current terms of our agreements with our founding members, they receive payments from NCM LLC with respect to the sale of advertising, meeting and digital programming events within their respective theatres through agreed upon revenue sharing formulas as well as equity in income/loss of NCM LLC for their respective ownership interests. The advertising revenue sharing formula is based on the weighted average number of screens contributed by, and the number of theatre patrons of, the applicable founding member's theatres for any measurement period. The revenue sharing formula for our meetings services is based on an agreed-upon rental for each theatre used, while the formula for digital programming is based upon a share of the ticket revenue and sponsorship revenue.

The diagram below depicts our organizational structure as of the date of this prospectus.



Based on our founding members' operating data for the twelve months ended December 28, 2006, and taking into account the Loews screen integration agreement, the acquisition of Century by Cinemark, and other acquisitions or dispositions of theatres by the founding members, but not taking into account the completion of this offering, we estimate the issued and outstanding common membership units of NCM LLC are owned approximately 33.7% by AMC, approximately 25.4% by Cinemark and approximately 40.9% by Regal.

Reorganization

The following transactions, which we refer to collectively as the reorganization, will occur in connection with the completion of this offering:

- NCM LLC's agreements with its founding members will be amended and restated, including the exhibitor services agreements and the NCM LLC operating agreement each as described below under "Certain Relationships and Related Party Transactions—Transactions with Our Founding Members";

- NCM LLC will enter into the amended and restated Loews screen integration agreement with AMC pursuant to which AMC will pay NCM LLC an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis; such Loews payments will be made quarterly for a specified time period;
- NCM LLC will split the number of outstanding common membership units so that a common membership unit can be acquired with the proceeds from the initial offering of one share of our common stock after underwriting discounts and commissions and offering expenses;
- NCM LLC will be recapitalized on a non-cash basis with a distribution to the founding members of one common membership unit and one preferred membership unit in exchange for each outstanding common membership unit;
- NCM Inc. will become a member and the sole manager of NCM LLC following the purchase from NCM LLC of a number of common membership units equal to the number of shares of common stock sold in this offering; the units will be purchased with the net proceeds of this offering at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses;
- NCM LLC will pay all of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements;
- options to acquire our common stock will be substituted for options to acquire common membership units in NCM LLC, and restricted common stock will be issued in substitution for restricted units that will be granted to NCM LLC option holders as “IPO awards”; and
- NCM LLC will redeem all the preferred membership units in NCM LLC at an aggregate price of $698.5 million using the proceeds of a new term loan of $725 million that is a part of our senior secured credit facility, as described under “Financing Transaction” below. (The purpose for issuing the preferred membership units in connection with the non-cash recapitalization, and for subsequently redeeming all the preferred membership units in connection with the offering, is to create an efficient mechanism for distributing all the redemption proceeds to our founding members.).

Promptly after the completion of this offering, we will purchase from NCM LLC a number of common membership units equal to the number of shares sold in the public offering, at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and offering expenses. Following these acquisitions, we will own 40.5% of the outstanding common membership units in NCM LLC. If the underwriters exercise their over-allotment option to purchase additional shares in full, we will acquire an equivalent number of additional units in NCM LLC from our founding members on a pro rata basis promptly after issuing additional shares pursuant to the over-allotment option, and our aggregate ownership of NCM LLC will increase to 44.8%.

Following this purchase, we and NCM Inc. will complete the remaining steps of the reorganization described above.

We will sell our common stock to the public in this offering. After completion of this offering, we will have no material assets other than direct ownership of approximately 40.5% of the common membership units in NCM LLC. Our founding members will hold the remaining 59.5% of NCM LLC’s common membership units.[1] Our only source of cash flow from operations will be distributions from NCM LLC and management fees pursuant to a management services agreement between us and NCM LLC.

[1] Excludes unvested restricted stock and shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively. A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

Corporate Governance Matters

So long as a founding member beneficially owns at least 5% of NCM LLC's issued and outstanding common membership units, approval of at least 90% of the directors then in office (provided that if the board has less than ten directors, then the approval of at least 80% of the directors then in office) will be required before we may take any of the following actions or we, in our capacity as sole manager of NCM LLC, may authorize NCM LLC to take any of the following actions:

- assign, transfer, sell or pledge all or a portion of the membership units of NCM LLC beneficially owned by NCM Inc.;
- acquire, dispose, lease or license assets by NCM Inc. or NCM LLC or enter into a contract to do the foregoing, in a single transaction or in two or more transactions (related or unrelated) in any consecutive twelve-month period with an aggregate value (as determined in good faith by the board) exceeding 20% of the fair market value of the business of NCM LLC operating as a going concern (as determined in good faith by the board);
- merge, reorganize, recapitalize, reclassify, consolidate, dissolve, liquidate or enter into a similar transaction;
- incur any funded indebtedness (including the refinancing of any funded indebtedness) or repay, before due, any funded indebtedness (other than a working capital revolving line of credit) with a fixed term in either case, in a single transaction or in two or more transactions (related or unrelated) in an aggregate amount in excess of $15 million per year;
- issue, grant or sell shares of common stock or rights with respect to common stock, except in connection with NCM Inc.'s equity incentive compensation plans or any conversion or exchange of NCM LLC membership units in accordance with the NCM LLC operating agreement;
- issue, grant or sell any NCM Inc. preferred stock or rights with respect to preferred stock;
- authorize, issue, grant or sell additional NCM LLC membership units or rights with respect to membership units (except as otherwise permitted in the common unit adjustment agreement or NCM Inc.'s equity incentive compensation plans);
- amend, modify, restate or repeal any provision of NCM Inc.'s certificate of incorporation or bylaws or the NCM LLC operating agreement;
- enter into, modify or terminate certain contracts not in the ordinary course of business of the type specified in Item 601(b)(10)(i) of Regulation S-K;
- except as specifically set forth in the NCM LLC operating agreement, declare, set aside or pay any redemption of, or dividends with respect to membership interests, payable in cash, property or otherwise;
- amend any material terms or provisions (as defined in the Nasdaq rules) of NCM Inc.'s equity incentive plan or enter into or consummate any new equity incentive compensation plan;
- make any change in the current business purpose of NCM Inc. to serve solely as the manager of NCM LLC or any change in the current business purpose of NCM LLC to provide the services as set forth in the exhibitor services agreements; and
- approve any actions relating to NCM LLC that could reasonably be expected to have a material adverse tax effect on the founding members.

Pursuant to a director designation agreement, so long as a founding member owns at least 5% of NCM LLC's issued and outstanding common membership units, such founding member will have the right to designate a total of two nominees to our ten-member board of directors who will be voted upon by our stockholders. If, at any time, any founding member owns less than 5% of NCM LLC's then issued and outstanding common membership units, then such founding member shall cease to have any rights of designation. One of the two designees from each of the founding members must qualify as an independent director under Nasdaq rules at the time of designation.

If any director designee to our board designated by our founding members is not appointed to our board, nominated by us or elected by our stockholders, as applicable, then each of the founding members (so long as such founding member continues to own 5% of NCM LLC's issued and outstanding common membership units) will be entitled to approve the following actions of NCM LLC:

- approving any budget or any amendment or modification of the budget;
- incurring any indebtedness or entering into or consummating any other financing transaction that is not provided for in the budget;
- entering into or consummating any agreements or arrangements involving annual payments by NCM LLC (including the fair market value of any barter) in excess of $5 million (subject to annual adjustment based on the Consumer Price Index), except as otherwise provided in the budget, or any material modification of any such agreements or arrangements;
- entering into or consummating any agreements or arrangements involving annual receipts (including the fair market value of any barter) in excess of $20 million (subject to annual adjustment based on the Consumer Price Index), or any material modification of any such agreements or arrangements;
- except as contemplated herein, declaring, setting aside or paying any redemption of, dividends on, or the making of any other distributions in respect of, any of its membership units or other equity interests in NCM LLC, as the case may be, payable in cash, stock, property or otherwise, or any reorganization or recapitalization or split, combination or reclassification or similar transaction of any of its units, limited liability company interests or capital stock, as the case may be;
- amending any provision of the third restated LLC operating agreement to authorize, or to issue, any additional membership units or classes of units or other equity interests and the designations, preferences and relative, participating or other rights, powers or duties thereof;
- hiring or terminating the employment of the chief executive officer, chief financial officer, chief technology officer or chief sales and marketing officer of NCM LLC, or the entering into, amendment or termination of any employment, severance, change of control or other contract with any employee who has a written employment agreement with NCM LLC;
- changing the purposes of NCM LLC, or the provision by NCM LLC of any services beyond the scope of the services defined in the exhibitor services agreements, or services outside of the United States or Canada;
- entering into any agreement with respect to or the taking of any material steps to facilitate a transaction that constitutes a change of control of NCM LLC or a proposal for such a transaction;
- leasing (as lessor), licensing (as licensor) or other transfer of assets (including securities) (x) having a fair market value or for consideration exceeding $10 million (subject to annual adjustment based on the Consumer Price Index), taken as a whole, or (y) to which the revenue or the profits attributable exceed $10 million (subject to annual adjustment based on the Consumer Price Index), taken as a whole, in any one transaction or series of related transactions, in each case, determined using the most recent quarterly consolidated financial statement of NCM LLC;
- entering into any agreement with respect to or consummating any acquisition of any business or assets having a fair market value in excess of $10 million (subject to annual adjustment based on the Consumer Price Index) taken as a whole, in any one transaction or series of related transactions, whether by purchase and sale, merger, consolidation, restructuring, recapitalization or otherwise;
- settling claims or suits in which NCM LLC is a party for an amount that exceeds the relevant provision in the budget by more than $1 million (subject to annual adjustment based on the Consumer Price Index) or where equitable or injunctive relief is included as part of such settlement;
- entering into, modifying or terminating any material contract or transaction or series of related transactions (including by way of barter) between (x) NCM LLC or any of its subsidiaries and (y) any

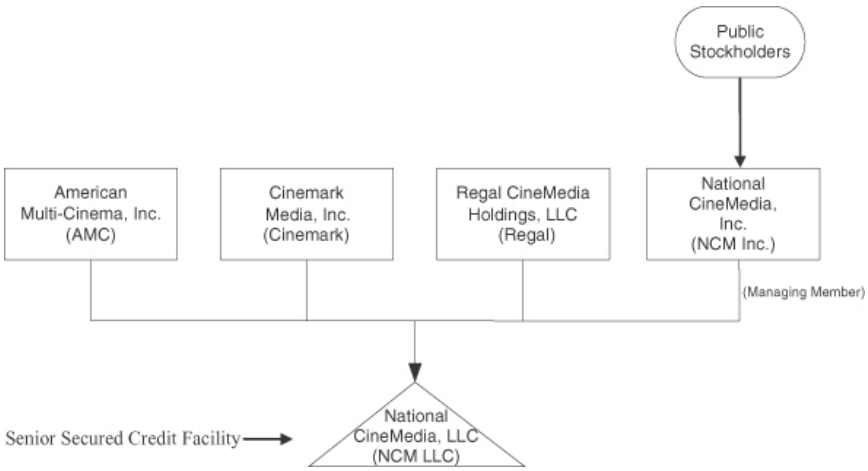
member or any affiliate of any member or any person in which any founding member has taken, or is negotiating to take, a material financial interest, in each case, other than relating to the purchase or sale of products or services in the ordinary course of business of NCM LLC;

- entering into any agreement for NCM LLC to provide to any new member or affiliate of any new member any services similar to those set forth in the exhibitor services agreement, or admitting to NCM LLC any new member;
- entering into, modifying or terminating any agreement for NCM LLC to provide any services to any person (other than a member or affiliate of a member), that requires capital expenditures or guaranteed payments in excess of $1 million annually (subject to annual adjustment based on the Consumer Price Index);
- dissolution of NCM LLC; the adoption of a plan of liquidation of NCM LLC; any action by NCM LLC to commence any suit, case, proceeding or other action (i) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors seeking to have an order for relief entered with respect to NCM LLC, or seeking to adjudicate NCM LLC as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to NCM LLC, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for NCM LLC, or for all or any material portion of the assets of NCM LLC, or making a general assignment for the benefit of the creditors of NCM LLC;
- approving any significant tax matters;
- valuation determinations to be made under the third restated LLC operating agreement;
- amending or changing certain provisions of the third restated LLC operating agreement; and
- any expenditure by NCM LLC to replace, upgrade or modify any equipment or software owned by any of the founding members or their affiliates.

For purposes of calculating the 5% ownership threshold for the supermajority director approval rights and director designation agreement provisions discussed above, shares of our common stock held by a founding member and received upon redemption of NCM LLC common membership units will be counted toward the threshold. Common membership units issued to NCM Inc. in connection with the redemption of common membership units by a founding member will be excluded, so long as such founding member continues to hold the common stock acquired through such redemption or such founding member has disposed of such shares of common stock to another founding member. Shares of our common stock otherwise acquired by the founding members will also be excluded, unless such shares of common stock were transferred by one founding member to another and were originally received by the transferring founding member upon redemption of NCM LLC common membership units. NCM LLC common membership units held by permitted transferees of a founding member will be combined with units held by the founding member for purposes of determining whether the 5% threshold has been met, and the founding member and its permitted transferees may exercise their designation rights jointly. Permitted transferees include affiliates of the founding member and entities that are owned more than 50% by the same entity or entities that ultimately control the founding member.

After the completion of this offering, transactions between us and our founding members will be approved by our audit committee, which is composed of independent members of our board of directors, or another committee comprised entirely of independent members of our board. Our audit committee charter authorizes the audit committee to hire financial advisors and other professionals to assist the committee in evaluating and approving any transaction between us and any related party, including our founding members.

The diagram below depicts our organizational structure immediately after the reorganization and the completion of this offering:



Upon completion of this offering, the issued and outstanding common membership units of NCM LLC will be owned approximately 40.5% by NCM Inc., approximately 20.0% by AMC, approximately 15.1% by Cinemark and approximately 24.4% by Regal.[1]

[1] Excludes unvested restricted stock and shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively. A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

FINANCING TRANSACTION

The New NCM LLC Senior Secured Credit Facility

In connection with the completion of this offering, NCM LLC will enter into a new $805.0 million senior secured credit facility with a group of lenders that will include affiliates of several of the underwriters. This facility will consist of a six-year, $80.0 million revolving credit facility and an eight-year, $725.0 million term loan facility. The term loan will be due on the eighth anniversary of funding, and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $698.5 million, to pay any shortfall in the amounts owed to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements and to pay transaction expenses. The revolving credit facility will be available, subject to certain conditions, for general corporate purposes of NCM LLC in the ordinary course of business and for other transactions permitted under the credit agreement. The revolving credit facility will be drawn upon to repay amounts outstanding under NCM LLC's existing revolving credit facility (which were $10.0 million as of September 28, 2006) and any remaining amounts owed to the founding members under the existing exhibitor services agreements that, due to timing differences, may not be funded by receivables. A portion of the revolving credit facility will be available for letters of credit. The obligations under the senior secured credit facility will be secured by a lien on substantially all of the assets of NCM LLC and its material wholly owned subsidiaries.

Amounts payable to our founding members have historically been paid as NCM LLC collected the related accounts receivable from its customers. Approximately 30 days following the closing of this offering, NCM LLC will repay the remaining amounts owed to our founding members under the existing exhibitor services agreements (which were $43.8 million as of September 28, 2006). To the extent that such amounts have not been funded by receivables from our customers (which were $51.9 million as of September 28, 2006), we will draw upon the revolving credit facility to satisfy the amounts owed. NCM LLC will repay the amount drawn under the credit facility for this purpose as the corresponding receivables are collected. In the future, the amount outstanding under the new revolving credit facility will continue to fluctuate due to the discrepancies in timing between payables and receivables.

Borrowings under the senior secured credit facility will bear interest, at the option of the borrower, at a rate equal to an applicable margin plus either a variable base rate or a eurodollar rate. The applicable margin for the facilities is expected be 0.75% with respect to base rate loans and 1.75% with respect to eurodollar loans. Commencing with the third fiscal quarter in fiscal year 2008, the applicable margin for the revolving credit facility will be determined quarterly and will be subject to adjustment based upon a consolidated net senior secured leverage ratio for NCM LLC and its subsidiaries (to be defined in the NCM LLC credit agreement as the ratio of secured funded debt less unrestricted cash and cash equivalents, over adjusted EBITDA). Upon the occurrence of any payment default, certain amounts under the senior secured credit facility will bear interest at a rate equal to the rate then in effect with respect to such borrowings, plus 2.0% per annum.

The senior secured credit facility will contain a number of negative covenants that limit NCM LLC and its subsidiaries from, among other things, and with certain thresholds and exceptions:

- incurring indebtedness (including guarantee obligations) or liens;
- entering into mergers, consolidations, liquidations or dissolutions;
- selling assets;
- paying dividends, redeeming or repurchasing units or making other payments in respect of capital stock;
- making investments, loans or advances;
- making capital expenditures;
- modifying the exhibitor services agreements, management services agreement or tax receivable agreement;
- entering into transactions with affiliates;

- entering into sale and leaseback transactions;
- changing its fiscal year;
- entering into negative pledge agreements;
- entering into agreements restricting loans or distributions made by NCM LLC's subsidiaries to NCM LLC; and
- changing its line of business.

The senior secured credit facility will also require the maintenance of a quarterly financial ratio, as of the last day of any period of four consecutive fiscal quarters, with respect to maximum consolidated net senior secured leverage for NCM LLC and its subsidiaries as follows:

Fiscal Quarter	Maximum Consolidated Net Senior Secured Leverage Ratio
FQ1 2007 – FQ4 2007	7.50:1.00
FQ1 2008 – FQ4 2008	7.25:1.00
FQ1 2009 – FQ4 2009	7.00:1.00
FQ1 2010 – FQ4 2010	6.75:1.00
FQ1 2011 and thereafter	6.50:1.00

Notwithstanding the foregoing, NCM LLC shall be permitted to make quarterly dividends and other distributions in the following percentages based on the following consolidated net senior secured leverage ratios for NCM LLC and its subsidiaries (to be calculated in the NCM LLC credit agreement for this purpose as the ratio of secured funded debt less unrestricted cash and cash equivalents as of the date of such dividend or distribution (after giving effect to any such distribution and incurrence of indebtedness (if any) relating thereto), over adjusted EBITDA as of the four fiscal quarter period ending on or immediately prior to the date of such dividend or distribution) so long as no default or event of default shall have occurred and be continuing:

- 100% of "Available Cash" (to be defined in the NCM LLC credit agreement in a manner that is consistent with the comparable definition in the NCM LLC operating agreement) if such consolidated net senior secured leverage ratio is less than or equal to 6.5x.
- 75% of Available Cash if such consolidated net senior secured leverage ratio is less than or equal to 7.0x.
- 50% of Available Cash if such consolidated net senior secured leverage ratio is less than or equal to 7.5x.

The senior secured credit facility will require mandatory prepayments of:

- 100% of net cash proceeds from asset sales and insurance or condemnation recovery events that yield gross proceeds to NCM LLC or any of its subsidiaries in excess of $5 million, subject to an exception for reinvestment in productive assets (not to exceed $25 million in any fiscal year) during a reinvestment period.
- 100% of net cash proceeds from any issuance by NCM LLC or its subsidiaries of debt securities or instruments pursuant to a public offering or private placement (excluding indebtedness permitted under the terms of the NCM LLC credit agreement).
- 50% of excess cash flow (to be defined in the NCM LLC credit agreement as "Available Cash" less permitted cash distributions and other restricted payments, less a dollar amount to be agreed) for each fiscal year of NCM LLC, declining to 0% when consolidated net senior leverage for NCM LLC and its subsidiaries is less than 3.0X.

The senior secured credit facility will contain customary events of default, including:

- failure to pay any principal, interest, fees, expenses or other amounts;

- failure of any representation or warranty to be accurate in all material respects as of the date made or deemed made;
- failure to observe any agreement, obligation or covenant included in the credit agreement or in any guaranty, pledge or security instrument;
- judgments against NCM LLC or any of its subsidiaries in excess of certain allowances;
- default under other indebtedness of NCM LLC or its subsidiaries in excess of a threshold amount;
- certain ERISA events involving us or our subsidiaries;
- bankruptcy or insolvency events involving NCM LLC or its subsidiaries;
- any guaranty, pledge or security instrument shall cease to be in full and effect or any lien created thereby shall cease to be enforceable and of the same effect and priority purported to be created thereby; and
- a change of control (as defined in the credit agreement).

Upon the occurrence of an event of default, among other remedies available to the lenders, all outstanding loans may be accelerated and/or the lenders' commitments may be terminated.

Existing NCM LLC Credit Facility

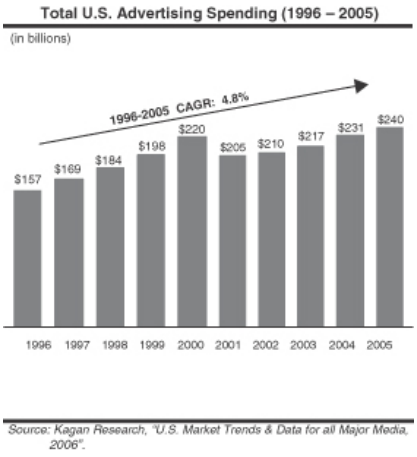
On March 22, 2006, NCM LLC entered into a $20.0 million secured revolving credit facility, with a $2.0 million letter of credit facility, with Citicorp North America, Inc., Citigroup Global Markets Inc., Bank of America, N.A., Credit Suisse, Cayman Islands Branch and Lehman Commercial Paper Inc. Borrowings under the facility bear interest, at NCM LLC's option, at either Adjusted LIBOR plus 1.375% or ABR plus 0.375%. "Adjusted LIBOR" means the rate at approximately 11:00 a.m., London time, two business days before the commencement of the relevant interest period, for dollar deposits with a maturity comparable to such interest period, as adjusted for reserve requirements and rounded upwards if necessary to the next 1/100 of 1%. "ABR" means the greater of the base or prime rate of Citicorp North America, Inc. and the federal funds rate, plus $^{1}/_{2}$ of 1%. The facility is secured by a first-priority lien on certain assets of NCM LLC. The facility also imposes usual and customary affirmative and negative covenants on NCM LLC. The facility matures on March 22, 2008.

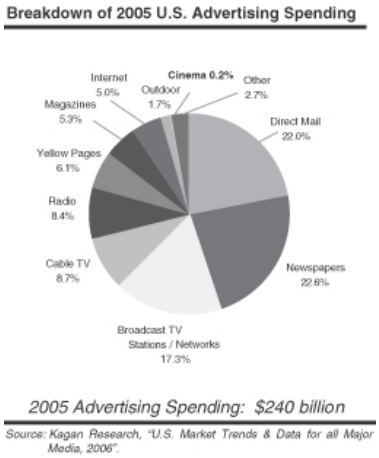
As of September 28, 2006, $10.0 million was outstanding under this facility, including none subject to outstanding letters of credit. This facility will be repaid in full with the proceeds of the financing transaction as discussed above.

INDUSTRY

U.S. Advertising Industry

The U.S. advertising industry is large and consists of a diverse mix of media platforms which has demonstrated attractive long-term growth. According to *Kagan Research*, in 2005 advertisers spent approximately $240 billion in the U.S. across all media platforms, and since 1996 advertising spending has grown at a compound annual growth rate, or CAGR, of approximately 4.8%. Historically, the larger components of U.S. advertising spending have been traditional media platforms such as television, radio, newspapers and direct mail, with non-traditional media representing a relatively small percentage of advertising spending.





However, as set forth in the following table, over the past 10 years, the growth rates of emerging, targeted media platforms such as Internet and cinema advertising have outpaced those of the traditional mass media platforms such as television, radio and newspapers. During the period from 2001 to 2005, Internet and cinema advertising grew at a CAGR of 13.2% and 26.0%, respectively, while more traditional media platforms such as broadcast television, radio, magazines and newspapers grew slower than the overall advertising market.

Total U.S. Advertising Spending (1996 – 2005)

(in millions)	U.S. Advertising Spending 1996	2001	2005	CAGRs 1996-2005	2001-2005
Cinema Advertising	**$ 138**	**$ 204**	**$ 514**	**15.7%**	**26.0%**
Internet	210	7,273	11,938	56.7%	13.2%
Cable TV	6,799	13,764	20,836	13.3%	10.9%
Outdoor(1)	2,256	3,116	3,961	6.5%	6.2%
Direct Mail	34,509	44,725	52,898	4.9%	4.3%
Out of Home(1)	1,504	2,077	2,383	5.2%	3.5%
Magazines	9,010	11,095	12,714	3.9%	3.5%
Broadcast TV	33,386	36,669	41,599	2.3%	3.2%
Daily Newspapers	38,075	44,317	48,631	2.5%	2.3%
Weekly Newspapers	3,820	5,208	5,708	4.6%	2.3%
Radio	12,507	18,369	20,004	5.4%	2.2%
Directories	10,849	13,572	14,555	3.3%	1.8%
Satellite Radio	—	—	39	—	—
Interactive TV	—	—	6	—	—
Farm Publications	297	360	333	1.3%	(1.9%)
Business Publications	3,808	4,468	3,830	0.1%	(3.8%)
Total Advertising Market	**$157,169**	**$205,217**	**$239,950**	4.8%	4.0%

Source: *2006 Kagan Research, LLC estimates and analysis of Universal McCann, Direct Marketing Association, Outdoor Association of America, Radio Advertising Bureau and Newspaper Association of America data.*

(1) 8-sheet included in out of home. Excluding 30-sheet & Bulletin.

We believe a number of technological factors have caused non-traditional media platforms, including cinema advertising, to grow faster than the overall advertising market. Technology, particularly digital technology, has significantly affected the delivery of content. The development of broadband, wireless and portable devices as well as an increase in the number of Internet websites and digital cable channels have dramatically increased the number of media platforms and resulted in substantial audience fragmentation. While technological innovations have fragmented audiences, they have also enabled advertisers to deliver more targeted advertising messages to audiences. Historically, advertising campaigns were launched as “one-to-many,” but due to advances in technology, “one-to-few” or even “one-to-one” targeted media platforms are now available. For example, advertisers now reach individual consumers directly through cell phones and video games. Technology is also providing consumers with the tools necessary to interact with content in new ways, including the ability to store content and skip advertisements with devices like MP3 players and digital video recorders.

As a result of the increase in the number of media platforms available to advertisers, the enhanced ability to target narrow consumer demographics and the availability of more sophisticated return on investment measurement tools, return on investment has become a key driver for marketers in making decisions about advertising expenditures. As such, marketers are more focused on reaching specific audience segments, especially those in attractive younger demographic groups such as 18-34 year olds. Advertisers are also turning with increasing frequency to non-traditional, targeted media platforms such as cinema advertising, Internet, cellular phones and video games in order to reach their desired demographic.

Cinema Advertising

According to *Zenith Optimedia*, for many years, cinema advertising has represented a more significant percentage of total advertising spending in Europe and Australia than it has in the U.S. Historically, cinema advertising in the U.S. has been a low-quality medium consisting of slide advertisements delivered by 35 mm

projectors and repurposed national television advertisements played on 35 mm film. The costs associated with duplicating and distributing the advertisement on 35 mm film to a fragmented theatre base were high. Also, the medium required long distribution lead times to make 35 mm film prints and provided advertisers very little flexibility to target specific audiences or geographic regions, or to change advertising messages once a campaign was launched. Due to the lack of scale amongst cinema advertising businesses, advertisers were unable to purchase national coverage from any one operator, with consistent delivery and pricing metrics. Most importantly, cinema advertising was not measured by a nationally recognized media measurement service, and therefore was not considered by many national advertisers.

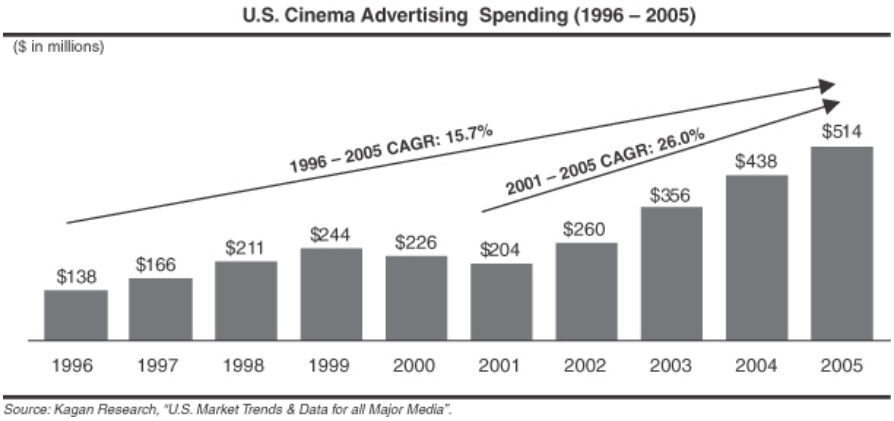
Over the past few years, cinema advertising in the U.S. has undergone significant changes. Companies providing nationwide coverage have emerged. Some companies have deployed digital networks and fostered the development of higher quality pre-feature shows that commingle advertising and entertainment programming. The growth of cinema advertising has been further supported by the establishment of third-party market research on the medium from firms such as *Nielsen Media Research* and *Arbitron*. Today, cinema advertising represents an increasingly effective marketing platform for advertisers.

Cinema advertising generally consists of the following components:

- *On-screen advertising*. According to a *Cinema Advertising Council* press release, advertising displayed before film trailers accounted for approximately 86% of cinema advertising revenue in 2005. Advertising opportunities are available in many formats, including 35 mm slides, digital slides, 35 mm film and full motion programming displayed on digital projectors connected to local and wide area distribution networks. Opportunities exist for advertisers to purchase advertisements for local, regional or national distribution.
- *In-lobby advertising and other off-screen theatre advertising opportunities*. Advertising messages are delivered in theatre lobbies via plasma and other television-type screens; on posters, tickets, beverage cups and popcorn bags; and through sponsorship and sampling opportunities. Coupons are also distributed at the box office and in theatre lobbies.

Cinema advertising provides advertisers with the opportunity to integrate their on-screen advertising with other marketing and promotional products in the lobby. The integration of marketing messages throughout the theatre from the time movie patrons enter until they exit the theatre allows an advertiser to immerse customers in its brand with multiple touch points throughout their movie-going experience.

Today, cinema advertising accounts for a small but growing portion of the $240 billion U.S. advertising market. According to *Kagan Research*, cinema advertising revenue grew to $514 million in 2005, representing a CAGR during 1996-2005 and 2001-2005 of 15.7% and 26.0%, respectively. The report also estimates that cinema advertising revenue will grow to approximately $910 million by 2010, representing an estimated CAGR during 2005-2010 of 12.0%. We believe the acceleration in advertising spending in this medium in the last five years is largely a result of better research and overall visibility of the medium and digital technology, which have enhanced the reach and the overall value proposition of cinema advertising for local, regional and national advertisers.



As a result of these developments, more well-known national advertisers are adding cinema advertising to their media budgets and existing advertisers are increasing their cinema advertising spending. Today, companies in the apparel / accessories, automotive, confectionary, credit card, personal care, retail, telecommunications and video game sectors, as well as branches of the armed forces, target consumers using cinema advertising.

Audiences are increasingly accepting of cinema advertising. A 2003 *Arbitron* study found that two-thirds of movie-going adults strongly agree or agree with the statement "I don't mind the advertisements they put on before the movie begins." Source, *Arbitron Inc., The Arbitron Cinema Advertising Study*, Copyright 2003.

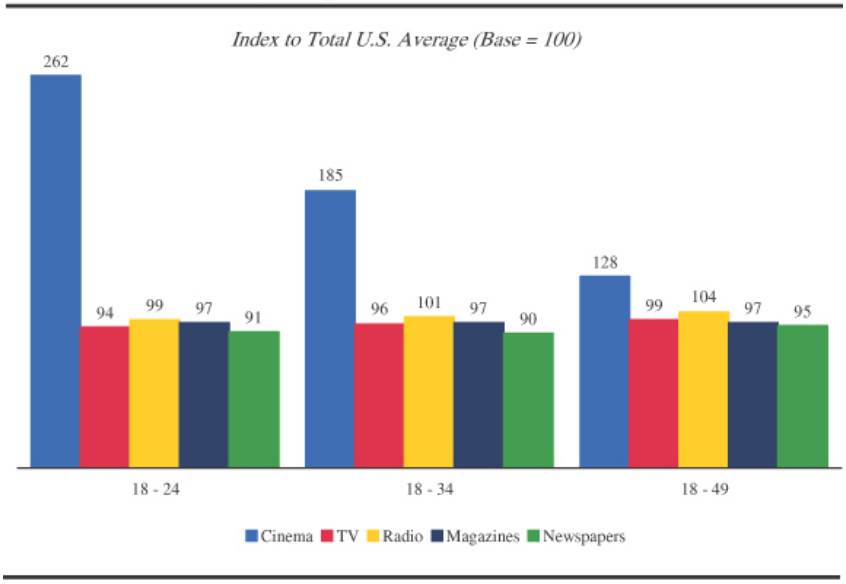
Advantages of Cinema Advertising

The principal advantages of cinema advertising include the following:

- *Effective targeting.* Cinema advertising enables advertisers to target audiences by specific location or region and on a national basis by demographic characteristics associated with a film or film rating category.
- *Large addressable audience*. According to *Kagan Research*, movie-going is the number one out-of-home leisure activity for Americans. Over two-thirds of the U.S. population goes to the movies, with one-third of the population attending a movie at least once a month. According to the *Motion Picture Association of America, Inc.*, or *MPAA*, in 2005, total theatre attendance in the U.S. was approximately 1.4 billion.
- *Attractive audience demographics.* According to a *Nielsen Media Research* study, conducted in the first quarter of 2006, typical movie-goers are young, with 45% between the ages of 12-34; affluent, with a mean household income of over $67,000 compared to a national mean of $60,523; and well-educated, with 39% having a college or post-graduate degree compared with 28% of the general population.
- *Engaged audiences*. Cinema advertising audiences are seated in a darkened auditorium while high-definition programming is displayed on a large screen with digital sound that cannot be skipped or turned off. Research conducted by *Arbitron* in 2003 has shown that audiences typically are more attentive in this type of environment.

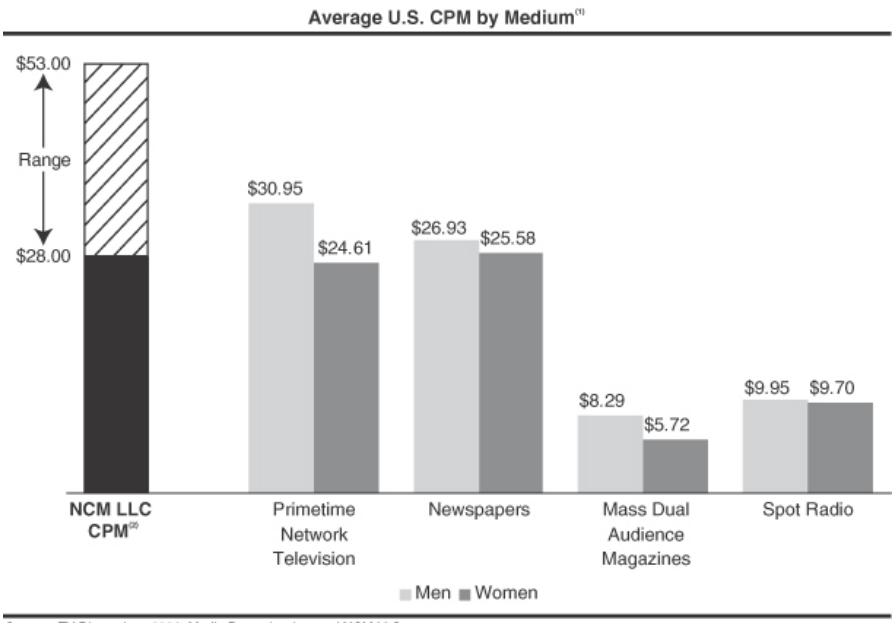
- *High unaided recall rates and intent to purchase.* Industry studies have found that movie-goers recall advertising messages five to six times better than television viewers. According to a 2005 *Roper* study, cinema advertising audiences had a 73% unaided recall rate, compared with 13% for network television audiences as cited by a 2000 *Nielsen Media Research* study commissioned by the Cable Advertising Bureau. Unaided recall is measured by the ability of a viewer of an advertising message to name the advertiser without prompting.
- *Measured medium.* Exhibitors can provide weekly attendance information on a film-by-film, theatre-by-theatre or film rating category basis, which allows for the accurate reporting of audience size, as opposed to the extrapolations of small sample audiences used to measure television viewership. Cinema advertising is measured by third-party media measurement firms including *Arbitron* and *Nielsen Media Research*.

Audience Age of Cinema vs. Other Media



Source: Cinema Advertising Council.

The attractiveness of this medium has allowed cinema advertising providers to generate above average CPM rates as compared to more traditional media platforms. Given the high recall rates and targeted nature of this medium, advertisers can achieve their desired marketing results by more effectively reaching their chosen consumer segments while still achieving broad national reach. We believe the efficiency of this medium results in a higher return on investment for advertisers, and results in a better value proposition than traditional mass media platforms.

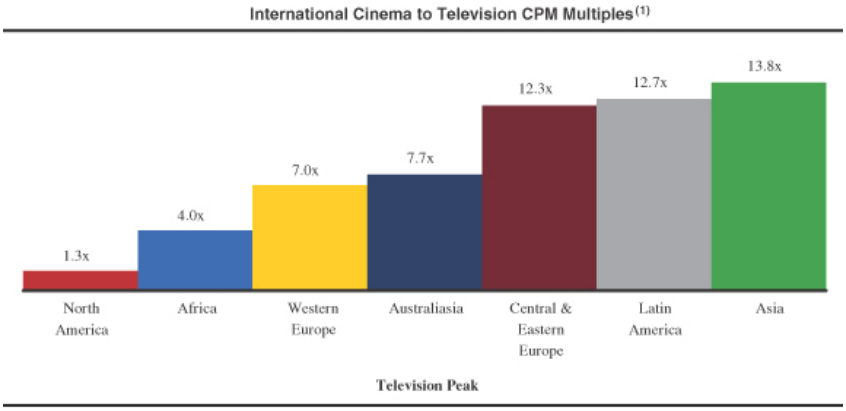


Source: TV Dimensions 2006, Media Dynamics, Inc. and NCM LLC.

(1) All data presented in the chart reflects the average CPM in the United States by medium for calendar year 2005, except for the NCM LLC data, which reflects its CPM range for the nine months ended September 28, 2006.

(2) Represents NCM LLC's National CPM range of $28.00 to $53.00, which varies based on commitment level, time of year and placement within the pre-show relative to the movie show time. The range represents the CPM for the middle 90% of total on-screen advertising contract revenue.

The attractiveness of cinema advertising relative to other media is also evident in international markets. For example, according to *a World Advertising Research Center* study, in 2003 cinema advertising sold at a premium CPM to peak television advertising in world markets other than the U.S., commanding a 7.0x premium in Western Europe, a 7.7x premium in Australasia, and a 13.8x premium in Asia. In North America the comparable premium was 1.3x. The consistency of cinema advertising's premium CPM across geographies attests to the enhanced value proposition it provides for advertisers relative to traditional media platforms.

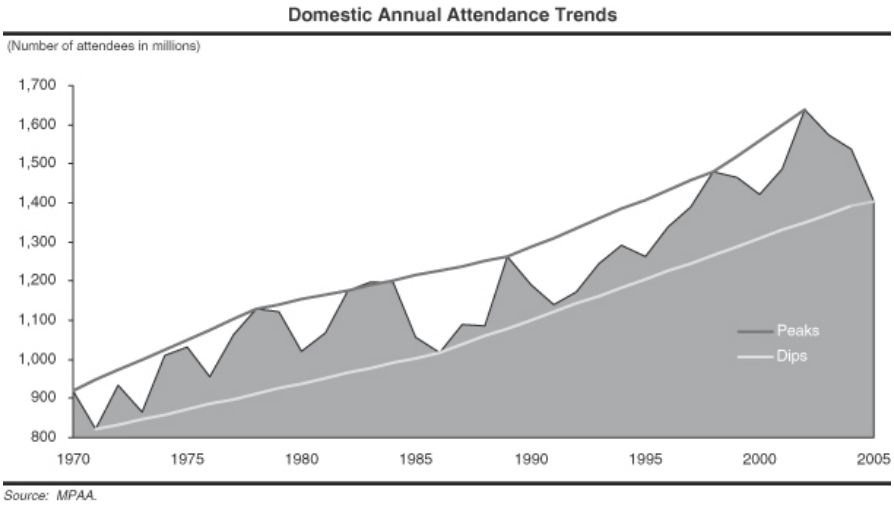


Source: World Advertising Research Center.
(1) Excludes Middle East.

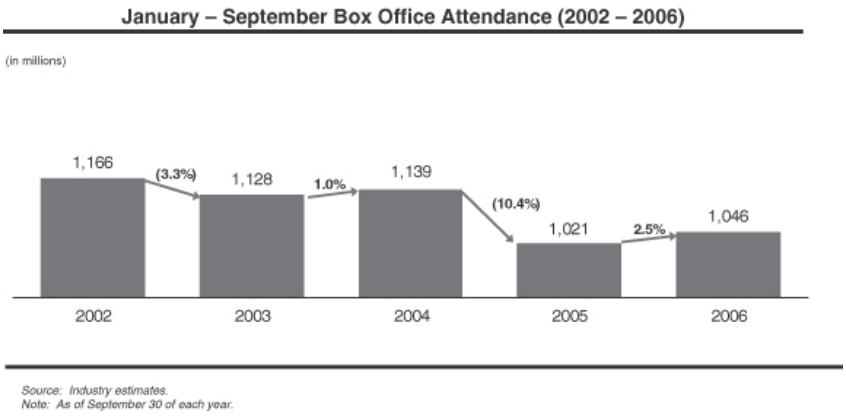
U.S. Film Exhibition Industry

The domestic motion picture exhibition industry is a mature business which has historically maintained long-term growth in revenue and attendance. According to the *MPAA*, total box office revenue and admissions have grown at a CAGR of approximately 5.4% and 1.2%, respectively, since 1970. In 2005, annual attendance was approximately 1.4 billion.

As shown by the chart below, the domestic motion picture exhibition industry has experienced long-term attendance growth with numerous cycles of long-term increases followed by short-term declines during the past 35 years. We believe the cyclical nature of attendance trends in the domestic motion picture exhibition industry is largely related to the supply, perceived quality and timing of release of feature films, along with the impact of changes in theatre quality and other entertainment technology and economic factors such as recessions. The industry has been relatively unaffected by downturns in the economic cycle, with attendance growing in three of the last five recessions.



Based on an industry publication, during the first nine months of 2006, total U.S. box office attendance was up 2.5% as compared to the first nine months of 2005, as set forth in the table below.



The December 2004 *King Brown* study, the March 2005 *Roper* study, the June 2005 *RH Bruskin Marketing, Inc*. study and the June 2006 *OTX Screening* study referenced in this prospectus were commissioned by us or RCM, our predecessor company. None of the other independent industry publications used in this prospectus were prepared or commissioned by us or our affiliates.

BUSINESS

Our Company

We operate the largest digital in-theatre network in North America that allows us to distribute advertising and other content for our advertising, meetings and events businesses utilizing our proprietary digital content network. Upon completion of this offering, we will have long-term exhibitor services agreements with our founding members—AMC, Cinemark and Regal, the three largest motion picture exhibition companies in the U.S.— and multi-year agreements with several other theatre operators whom we refer to as network affiliates. The exhibitor services agreements grant us exclusive rights, subject to limited exceptions, to sell advertising and meeting services and distribute entertainment programming in those theatres. The network affiliate agreements grant us exclusive rights, subject to limited exceptions, to sell advertising on their theatre screens.

We currently derive revenue principally from the following activities:

- ***Advertising***: We develop, produce, sell and distribute a branded, pre-feature entertainment and advertising program called "*FirstLook*," along with an advertising program for our lobby entertainment network and various marketing and promotional products in theatre lobbies;
- ***CineMeetings***: We facilitate live and pre-recorded networked and single-site meetings and corporate events in the movie theatres throughout our network; and
- ***Digital Programming Events (now known as NCM Fathom)***: We distribute live and pre-recorded concerts, sporting events and other entertainment programming content to theatres across our digital network.

We believe that the reach, scope and digital delivery capability of our network provide an effective platform for national, regional and local advertisers to reach a young, affluent and engaged audience on a highly targeted and measurable basis. Our network is currently located in 46 states and the District of Columbia and covers all of the top 25, as well as 49 of the top 50, DMAs®, and 149 DMAs® in total. During 2005, approximately 500 million patrons, representing 36% of the total U.S. theatre attendance, attended theatres operated by our founding members. As of September 28, 2006, we had a total of 12,973 screens in our network, as set forth in the table below:

Our Network*
(as of September 28, 2006)

	Theatres	Screens	
		Digital	Total
Founding Members	946	10,816	12,039
Network Affiliates	87	261	934
Total	1,033	11,077	12,973

* *Excludes Loews and Century.*

On January 26, 2006, AMC acquired the Loews theatre circuit. As of September 28, 2006, Loews operated approximately 107 theatres and 1,275 screens. The Loews screens will become part of our network on an exclusive basis beginning on June 1, 2008, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising existing on May 31, 2008. During 2005, approximately 66.5 million movie patrons attended Loews' theatres in the United States.

On October 5, 2006, Cinemark acquired the Century theatre circuit. As of that date, Century operated 77 theatres with 1,017 screens. The Century screens were added to our network on an exclusive basis subject to limited exceptions. During Century's fiscal year ended September 28, 2006, approximately 49.6 million movie patrons attended Century's theatres in the United States.

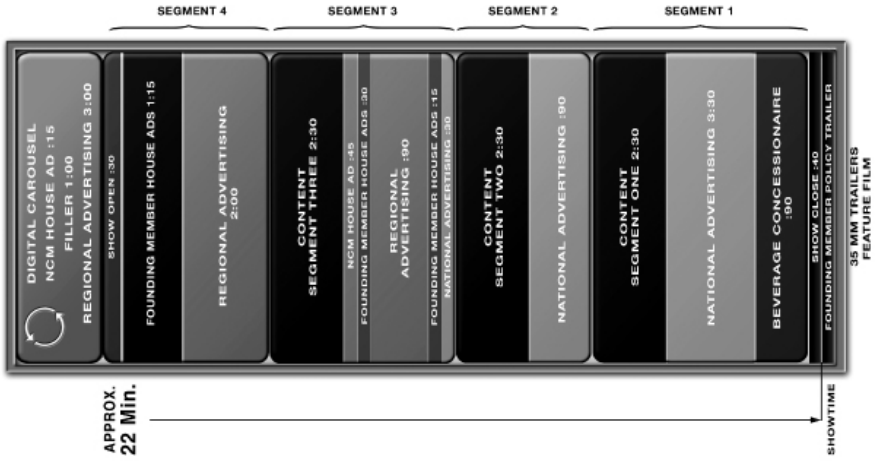
Through our *FirstLook* program, lobby entertainment network and other promotional products, we provide our advertisers with bundled offerings of on-screen and lobby marketing products that provide multiple touch points to interact with theatre patrons. We distribute our programming primarily through our proprietary digital content network. We also sell 35 mm slide and film-based advertising on 1,223 non-digital screens in our network operated by our founding members as of September 28, 2006, which represented less than 10% of our attendance during the year ended December 29, 2005. We expect the percentage of our attendance derived from non-digital screens to decline over time as these theatres are closed, renovated or converted to digital, providing us with additional national on-screen inventory and operating efficiencies.

During the three and nine months ended September 28, 2006, we generated pro forma revenue, operating income and adjusted EBITDA of $73.9 million, $38.9 million and $41.8 million and $188.1 million, $84.9 million and $93.4 million, respectively. Because Cinemark had a pre-existing contract with another cinema advertising provider, NCM LLC began selling advertising for Cinemark's screens on an exclusive basis beginning on January 1, 2006, subject to the run-out of certain pre-existing contractual obligations for on-screen advertising through April 1, 2006. For additional financial information about our business, see "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Financial Information" and NCM LLC's historical financial statements and related notes included elsewhere in this prospectus. See the notes to "Selected Historical Financial and Operating Data" for a discussion of the calculation of EBITDA. Our historical operating and pro forma results for these periods do not include quarterly payments that will be made by AMC to us pursuant to the Loews screen integration agreement as such payments will be recorded directly to our equity account for accounting purposes. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Our Company Following the Completion of this Offering—Loews Payments."

On-Screen Advertising

Our on-screen digital pre-feature show consists of a national and regional *FirstLook* program and a local advertising presentation. The pre-feature show generally ranges in length from 20 to 30 minutes and ends at or about the advertised movie show time. National advertising is sold on a CPM basis, while local and regional advertising is sold on a per-screen, per-week basis. While we generally sell our network as one single national network, we also have the ability to sell portions of our network on a regional basis, offering various price points for national advertisers and expanding the range of potential buyers.

The illustration below demonstrates a typical *FirstLook* program layout:



The pre-feature show begins with a three to five-minute looping segment which consists of a digital carousel of static and moving slide images. This program can loop partially or repeatedly and provides a mechanism to contract or expand the pre-feature show depending on the time between feature film presentations. The digital slides shown at the beginning of the pre-feature show represent primarily local advertising, which generally is our lowest cost advertising inventory. We often bundle time in the digital slide presentation with other local on-screen or lobby advertising inventory.

Following the conclusion of the digital carousel, the branded *FirstLook* program commences with a digital full-motion presentation. In January 2006, *FirstLook* replaced the entertainment pre-shows of AMC and Regal in order to provide a more entertaining pre-feature program for theatre patrons and a more effective advertising platform. The *FirstLook* program integrates advertising with entertainment content segments from our content partners.

FirstLook is comprised of up to four segments, each approximately four to seven minutes in length. Segment four, the first section of *FirstLook*, begins approximately 20 minutes prior to the advertised show time and generally includes local and regional advertising. Segment four generally competes against the spot broadcast television market for advertising spending. Segment three typically begins approximately 15 minutes prior to the advertised show time. Segment three includes a two and one-half minute entertainment content segment from our content partners and advertising spots, usually from regional advertisers or national companies with limited advertising budgets.

Segment two and segment one run closest to the advertised show time and comprise our most valuable advertising inventory. Both segment two and segment one include a two and one-half minute entertainment content segment from our content partners and advertisements from national advertisers. Segment two and segment one begin approximately 11 minutes and six minutes, respectively, before the advertised show time.

The film trailers that typically run before the feature film are not part of *FirstLook*. Film trailers do not begin until after the *FirstLook* program ends.

Our entertainment content segments are provided to us under multi-year contractual arrangements with leading media companies that we refer to as content partners. Under the terms of these contracts, our content

partners make available to us original content segments and make long term commitments to buy a portion of our advertising inventory. Our content partners currently include Discovery Communications, Inc., or Discovery; NBC Universal, or NBC; Sony Pictures Entertainment, or Sony; Turner Broadcasting System Inc., or TBS; and Universal City Studios, or Universal. The original content produced by these partners typically features behind-the-scenes interviews with producers, directors and actors or "making-of" segments relating to feature films or upcoming broadcast television shows.

We offer multiple versions of *FirstLook* each month, generally tailored to a specific film rating category. This programming flexibility provides advertisers with the ability to target specific audience demographics and gives us the ability to ensure that the content and advertising is age-appropriate for the movie audience. We rotate the entertainment content segments between theatres approximately every two weeks to ensure that frequent movie-goers are entertained by fresh content.

Our goal in creating *FirstLook* as a branded entertainment program is to create a new "first release window" for advertising into the marketplace, similar to the way films are released first in cinemas. To that end, we encourage advertisers to provide us with advertisements before they are shown in other media platforms or with original content that is specifically created for cinema. We also offer pre- and post-production services to our clients for a fee to enhance the quality of the content we display.

The *FirstLook* program also includes up to two minutes for founding member advertisements to promote various activities associated with the operation of the theatres, including concessions, ticketing partners, gift card and loyalty programs, special events presented by the founding member and vendors of services provided to theatres, so long as such promotion is incidental to the vendor's service. This time is provided by us to the founding members at no charge and includes 45 seconds within 15 minutes of show time, 15 seconds of which will be placed within 11 minutes of show time, and the remainder placed at our discretion. We may move the placement of the founding member advertisements up to one minute further from the advertised movie show time if NCM LLC sells additional advertising units to third parties that follow the founding member advertisements.

Under the exhibitor services agreements, the last 90 seconds of the *FirstLook* program will be sold to the founding members to satisfy their on-screen advertising commitments under their beverage concessionaire agreements. The arrangements with our founding members relating to on-screen advertising for their beverage concessionaires and the agreements with our content partners represented approximately 37.8% of our total revenue for the nine months ended September 28, 2006 on a pro forma basis.

We believe *FirstLook* has been well received by patrons. In a study conducted for us by *OTX Screenings* in June 2006, 70% of those surveyed found *FirstLook* to be "very" or "somewhat" entertaining and nearly half said that *FirstLook* had a "very" or "somewhat" positive effect on their movie-going experience. In a separate study conducted by *King Brown* in 2004, 74% of respondents indicated they preferred a branded, pre-feature entertainment and advertising program such as *FirstLook* to a traditional advertising slide show.

Lobby Network and Promotions

Lobby Entertainment Network. Our lobby entertainment network is a network of television and high-definition plasma screens located throughout the lobbies of most of our digitally equipped theatres. As of September 28, 2006, we had 1,722 screens in 670 theatres connected to our digital content network. The lobby entertainment network screens are strategically placed in high-traffic locations such as concession stands and auditorium waiting areas. Programming on our lobby entertainment network consists of an approximately 30-minute loop of five branded entertainment content segments created specifically for the lobby with advertisements running between each segment. Our lobby entertainment network programming is distributed by our network operations center and has the same programming flexibility as the *FirstLook* on-screen programming. The lobby entertainment network is currently displaying the same program simultaneously on all screens within a given theatre, which we believe provides the maximum impact for our advertisers. A study of

our lobby entertainment network conducted by *RH Bruskin Marketing, Inc*. in June 2005 showed that the combination of screen placement, high-impact content and advertising produced recall rates that were three times those of prime time television advertising. We sell advertising on the lobby entertainment network individually or bundled with on-screen or other lobby promotions. The lobby entertainment network programming includes up to two minutes for founding member advertisements to promote activities associated with the operation of the theatres, including concessions, ticketing partners, gift card and loyalty programs, special events presented by the founding member, vendors of services provided to theatres, so long as such promotion is incidental to the vendor's service. Additionally, subject to certain limitations, the lobby entertainment network programming includes up to two minutes, one minute of which we provide to the founding member at no cost and one minute of which the founding member may purchase, to promote certain non-exclusive cross-marketing relationships entered into by the founding members for the purpose of increasing attendance or revenue, other than from advertising, which we call strategic programs.

Under the terms of the exhibitor services agreements, the founding members also have the right to install additional screens in their theatre lobbies, which would not display our lobby entertainment network programming, and would be used to promote their theatre concessions, ticketing partners, gift card and loyalty programs, special events presented by the founding member and vendors of services provided to theatres, so long as such promotion is incidental to the vendor's service.

Lobby Promotions. We also sell a wide variety of advertising and promotional products in our theatre lobbies. These products can be sold individually or bundled with an on-screen or lobby entertainment network advertising package. Lobby promotions typically include:

- advertising on tickets and concession items such as beverage cups, popcorn bags and kids' trays;
- coupons and promotional materials, which are customizable by film or film rating category and are distributed to ticket buyers at the box office;
- product sampling and display; and
- signage throughout the lobbies, including posters, banners, counter cards, danglers, floor mats, standees and window clings.

Under the terms of the exhibitor services agreements, the founding members may conduct a limited number of lobby promotions at no charge in connection with their strategic programs.

Our ability to provide in-lobby marketing and promotional placements in conjunction with our other marketing solutions allows us to provide integrated marketing products to advertisers with multiple interactions with theatre patrons throughout the movie-going experience, which we believe is a competitive advantage over other national media platforms.

CineMeetings

Our CineMeetings business facilitates live and pre-recorded networked and single-site business meetings and corporate events in movie theatres. These events are typically scheduled from Monday through Thursday during off-peak hours while theatre attendance for movies is traditionally low. Clients can communicate on a live basis to audiences located in auditoriums connected to our cinema broadcast network. As of September 28, 2006, there were 119 locations set up to accommodate live broadcasts. At our digital content network locations, in-person presentations or pre-recorded content can be presented. Event content broadcast over our cinema broadcast network or digital content network is encrypted to protect against piracy.

We offer meetings that enhance the educational and entertainment value of a presentation by utilizing the big screen, stadium seating, high-resolution digital projection and audio. Our network also facilitates large meetings in multiple locations across the U.S. We provide centralized event management including booking,

event coordination and execution, technical support, promotional tools, advanced audio/visual technologies and catering services. We are able to offer customers a single point of contact and standardized pricing across our network, which dramatically increases the efficiency of booking multi-location events for our clients. We promote our CineMeetings business throughout the theatre. Recent CineMeetings events have included corporate meetings, training seminars, product launches, religious services and sales and marketing events.

Digital Programming Events (NCM Fathom)

Our digital programming events business focuses on the licensing and distribution of entertainment programming products and the sale of sponsorships associated with live or pre-recorded programming on an event-by-event basis or for a series of events. In January 2007, we branded our digital programming events business NCM Fathom. Our digital content network provides a highly attractive high-definition distribution network for this type of programming and promotional opportunities for national brands. Our digital programming events include live and pre-recorded concerts and music events, DVD product releases, marketing events, theatrical premieres, Broadway plays, live sporting events and other special events. Recent events have included concerts by musical performers such as Bruce Springsteen, the Rolling Stones, Phish and Prince, and broadcasts of sporting events such as the Tour de France and marketing events for the DVD releases of *Wedding Crashers* and *The Boondock Saints*. Event content is broadcast over either our cinema broadcast network or our digital content network and encrypted for piracy protection. As of September 28, 2006, our network has the capability to deliver:

- live high-definition content to 119 theatres with up to four screens per theatre;
- live standard definition content to 173 theatres with up to four screens per theatre; and
- high-definition pre-recorded content to virtually all of the 11,077 digital screens in our network.

We advertise digital programming events on our network either through a digital trailer shown after *FirstLook* or during *FirstLook* using unsold advertising inventory. Clients who buy event sponsorships associated with digital programming events may use any one of our other advertising services in order to market their brands or products.

In 2005, our digital programming events business held 15 events. In 2006, we held 22 events, and we have 13-15 events planned for the first half of 2007. In May 2006, we signed music content and cross-marketing agreements with Live Nation and Network LIVE, two of the largest concert promoters in the world, based on the number of tickets sold worldwide in 2005. We believe these new partnerships will provide us with a consistent supply of music programming and an additional marketing channel. In the fourth quarter of 2006, Network LIVE dissolved and NCM LLC began working with Control Room, which has taken over production of the content formerly produced by Network LIVE. NCM LLC intends to negotiate a term sheet with Control Room, and already has distributed content produced by Control Room across our network.

Our Competitive Strengths

We believe that our key competitive strengths include:

Superior, Targeted National Advertising Network

Our national advertising network delivers a young and affluent audience that we believe allows for effective targeting of marketing messages and measurable results, yielding a superior return on investment for advertisers as compared to many traditional media platforms. As a result, we are able to compete effectively for marketing spending by advertisers and have developed relationships with a diversified group of local, regional and national advertising brands and agencies throughout the United States.

- **Extensive National Market Coverage.** Our contractual agreements with our founding members provide exclusive access, subject to limited exceptions, to the largest network of digitally equipped theatres in the United States and allow us to sell advertising nationwide which we distribute using our

digital content network. We also have contractual agreements with our network affiliates that give us the exclusive right, subject to limited exceptions, to sell advertising on their theatre screens. As of September 28, 2006, our network included 11,077 digital screens and 12,973 screens in total, located in 1,033 theatres in 46 states and the District of Columbia. The attendance of the 946 theatres operated by our founding members totaled approximately 500 million during 2005, which represented approximately 36% of the total U.S. theatre attendance for that year, as reported by the MPAA. Our network also provides us with access to some of the most modern and highly attended theatres in the industry, as measured by screens per location and attendance per screen operated by our founding members. The average screens per theatre in our network was 12.6, twice the U.S. theatre industry average, the aggregate attendance per screen of theatres operated by our founding members as of September 28, 2006, was 41,482, 12% higher than the U.S. theatre industry of 37,096, as reported by the National Association of Theatre Owners, or NATO, as of December 31, 2005. Also, our theatre network has access to key media markets, including all of the top 25, as well as, 49 of the top 50, U.S. DMAs®, and 149 DMAs® in total. Approximately 78% of our screens are located within the top 50 U.S. DMAs®. The addition of the Loews and Century theatres will expand our national market coverage and presence in key U.S. DMAs®.

- **Targeted, Flexible Advertising Medium.** Our digital network technology gives us flexibility in distributing content to our entire audience, or to specific theatres, geographic regions, or demographic groups based on film or film rating category. As a result, our clients can deliver a targeted advertising message utilizing sight, sound and motion across our expansive network. Our technology also shortens distribution lead times, reduces operating costs and enables us to respond quickly to client requests to change advertising content.
- **Access to a Highly Attractive Demographic Segment.** We offer advertisers the ability to reach young and affluent consumers. According to a *Nielsen Media Research* study conducted in the first quarter of 2006, typical movie-goers are young, with 45% between the ages of 12-34; affluent, with a mean household income of over $67,000 compared to a national mean of $60,523; and well-educated, 39% having a college or post-graduate degree compared to 28% of the general population. We believe that this demographic is highly sought after by advertisers and is difficult to reach effectively using traditional media platforms.
- **Engaged Theatre Audience.** We believe that cinema advertising benefits from the visual quality and impact of the “big screen” and digital surround sound presented in a distraction-free environment. According to industry studies, theatre advertising is five to six times more effective than advertising shown on television in terms of unaided recall rates. Cinema advertising is one of the few media platforms that the viewer does not have the ability to skip or turn off.
- **Superior Audience Measurability.** We receive film-by-film, rating-by-rating and theatre-by-theatre attendance information weekly from our founding members, which allows us to report to clients the audience size that viewed an advertisement. We believe this unique ability to provide advertisers with actual audience counts gives us a distinct competitive advantage over traditional media platforms. We also provide our advertisers with information regarding the demographics of the cinema audience and the effectiveness of a given advertisement using research from several third-party research companies such as *Nielsen Media Research* and *Arbitron*. We also work closely with third-party research companies to measure the recall, likeability, and brand message of our cinema advertisements.

Innovative, Branded Digital Pre-Feature Content

We believe that our digital entertainment and advertising pre-feature program, *FirstLook*, provides a high-quality entertainment experience for patrons and an effective marketing platform for advertisers. We have branded our pre-feature show, *FirstLook*, to reinforce our goal of creating the “first release window” for advertising into the marketplace, similar to the way that films are released first in cinemas. This strategy will provide more original content for the audience and more impact for the advertiser. We have also designed the

FirstLook program to ensure that advertisements of similar production quality are shown together and that all advertisements end by the advertised show time. According to customer research conducted by us and independent research companies, the production of a higher quality branded pre-feature program improves the entertainment experience for patrons and the effectiveness of the advertising message.

Integrated Marketing Products

In addition to providing on-screen advertising opportunities using our digital content network, we offer advertisers the opportunity to integrate and reinforce their on-screen advertisements with various in-lobby marketing. Our in-lobby marketing programs include advertisements sold on television or high-definition plasma screens, posters, tickets, box office coupon handouts, popcorn bags and beverage cups and on-site product sampling opportunities. By integrating our in-lobby marketing products with on-screen advertising, patrons are exposed to consistent marketing messages through multiple touch points during the entire movie-going experience. According to a study we commissioned in June 2005, movie patrons across our network theatres spend, on average, nine minutes in the theatre lobby prior to going into the auditorium, including time at the concession stand. By integrating on-screen advertising with our in-lobby marketing programs, we believe our advertisers can extend the exposure for their brands and products and create an interactive "relationship" with the consumer that is not available with broadcast television or traditional display advertising. Our marketing team assists advertisers in creating entertaining, fully integrated cinema marketing campaigns with maximum impact.

Scalable, State-of-the-Art Content Distribution Technology

Our proprietary software provides many distribution, scheduling, reporting and auditing features. The flexibility of our digital content system allows us to create different versions of *FirstLook* and our lobby entertainment network programming and to distribute these programs by theatre, region, film or film rating category. Our technology also provides the ability to electronically change advertisements from our network operations center as needed by advertising clients which shortens lead times, provides increased flexibility to change messages or target specific audiences, facilitate two-way interaction amongst participants attending meetings in our auditoriums and significantly reduces the cost as compared to distributing advertisements on 35 mm film. Our network operations center, digital content system and other network software provide us with the capability to monitor over 35,000 network devices and more than 143,000 alarm points within our theatre network on a real-time 24/7 basis, providing the high network reliability and timely reporting required by our advertising clients. Our use of satellite network technology, combined with the design and functionality of our digital content system software and network operations center infrastructure make our network efficient and scalable, providing the capacity to expand as needed. While our network capabilities are now primarily used within the theatre environment, we believe they could be easily adapted to other out-of-home environments.

We believe that our business is scalable because we can add new theatres to our digital content network without incurring significant operating costs or making significant capital expenditures. Since we have already made investments in our network operations center, satellite bandwidth and other network infrastructure, a new theatre may be connected to our digital content network with the installation of a minimal amount of additional equipment.

Strong Operating Margins with Limited Capital Requirements

A significant portion of our advertising inventory is covered by multi-year contracts with our content partners and arrangements to satisfy our founding members' on-screen marketing obligations to their beverage concessionaires. These contracts accounted for 30.0% of our total pro forma revenue in the three months ended September 28, 2006, and 37.8% of our total pro forma revenue in the nine months ended September 28, 2006, each on a pro forma basis. Our operating margins, before circuit share expense to our founding members, have been consistently strong since our inception, at 68.8% for the three months ended September 28, 2006, and 64.1% in the nine months ended September 28, 2006, on a pro forma basis. Our founding members have also invested substantial capital to deploy, expand and upgrade the network within their theatres. Due to the network

investments made by our founding members in new and acquired theatres and the scalable nature of our business model, we do not expect to make major capital investments to grow our operations as our network of theatres expands. The combination of our strong operating margins and our limited capital expenditures has allowed us to generate significant free cash flow (defined as net income (or loss) plus depreciation and amortization and minus capital expenditures) before distributions to our founding members. In the nine months ended September 28, 2006, our capital expenditures were $4.3 million. We believe our expected level of free cash flow generation will provide us with the strategic and financial flexibility to pursue growth opportunities, support our debt payments and make dividend payments to our stockholders.

Experienced Management Team

Our management team has significant experience in advertising sales and marketing, theatre operations, digital network design and operations, and finance. The majority of our senior management team was assembled during the formation of RCM, our predecessor company, in early 2002 and thus has worked together for several years building our business. Our senior management has many years of experience in their respective areas of expertise. We believe that our senior management team will be able to effectively grow our business through continued operating improvement and expansion of our products and services.

Our Strategy

Our primary strategic initiatives are to:

Increase Inventory Utilization

We intend to increase our market share of U.S. advertising spending by expanding commercial relationships with our existing advertising clients and by growing our advertising client base. We also intend to continue to improve our level of client service, including the development of new research and return on investment, or ROI, measurement tools. While an increasing number of companies now make cinema advertising part of their media
buying plan, there are still many large advertisers and product categories, such as packaged goods companies, quick—service restaurants, big-box retailers and financial services firms, that do not yet include meaningful cinema advertising expenditures in their marketing budgets. We believe that over time, as awareness of and third-party data on the effectiveness of cinema advertising grows, we will be able to increase our revenue from these advertising categories.

Since our formation, we increased the amount of regional advertising in our pre-feature show from those of our predecessor company and have begun to more aggressively market and grow our local and regional advertising business. For example, we recently created a new senior sales position to focus exclusively on larger regional clients such as car dealer associations, and quick-service restaurant advertising co-ops. We have also started to experiment with direct marketing campaigns to businesses within a specified radius of our network theatres, with very positive results. For example, we created a marketing plan for Six Flags, Inc. by selling advertising on screens within a 150-mile radius of all of its theme parks. This campaign was combined with theatre lobby promotions and advertising. Due to the relatively low percentage of local and regional advertising inventory sold today, we believe that a growth opportunity exists for further development of this business segment.

Increase Our National CPM

In 2005, our national on-screen advertising CPM was approximately 1.2 times the average U.S. primetime network television CPM as reported by *Media Dynamics, Inc*. We believe that this premium does not yet fully reflect the highly targeted nature of our impressions, higher recall rates, ability to provide informative audience data to our clients and, most importantly, the inability to turn off or skip our advertising messages. According to a *World Advertising Research Center* study, cinema advertising CPMs as a multiple of primetime network

television CPMs in more mature cinema advertising markets such as Europe and Australia are as much as 7 times higher than they are in the United States. Therefore, we believe that there is an opportunity for continued CPM growth, especially as our inventory utilization increases, providing a more favorable supply-demand dynamic.

Expand Our Geographic Coverage and Reach

We intend to expand the reach and geographic coverage of our national digital network by connecting additional theatres to our network that our founding members buy or build and through additional network affiliate agreements with other theatre circuits. Our strategy for attracting new network affiliates is to focus primarily on larger regional circuits in the larger metropolitan areas or in geographic areas where we do not currently have significant market coverage.

Provide Integrated Marketing Solutions to our Clients

We strive to differentiate ourselves amongst other media platforms. Advertising clients are increasingly seeking new ways to create direct relationships and touch points with customers, which our lobby advertising facilitates. We allow clients to benefit from the brand exposure provided by the high impact of the "big screen," while at the same time allowing theatre patrons an opportunity to actually experience the advertised product through sampling or displays in the lobbies. We believe that our ability to provide both sight, sound and motion brand advertising and direct consumer touch points on an integrated basis in the same location is something that no other advertising medium can provide as effectively. Also, since many of these lobby products have not been available across our entire network until recently, we believe that there is an opportunity to further increase the sale of these products in the future.

Increase Market Awareness Of Our CineMeetings Business to Expand Our Client Base and Increase Revenue

Our CineMeetings business provides a new type of venue for corporate meetings that offers advantages over hotels and other traditional meeting venues. Unlike traditional venues, we provide a single point of contact for national event booking and coordination and utilize digital distribution and projection technology. In addition we also have the ability to bundle meetings with the screening of a film, sometimes before the film opens to the general public, in a product known as "Meeting and a Movie." We believe we can attract more clients to our network theatres and increase the revenue of our CineMeetings business by raising market awareness of the unique benefits of hosting meetings at our locations and increasing the number of theatres equipped to host live broadcasts. We have employed several local and national marketing strategies to communicate the value proposition associated with our CineMeetings business, including advertising in theatres within the *FirstLook* pre-show program, improving the focus of our Internet advertising, implementing a direct mailing effort to Fortune 500 CEOs and holding demand generation seminars for meeting planners in our network theatres.

These and other marketing strategies, including more aggressive efforts by our CineMeetings sales force and cross-selling by our advertising sales force, have lead to an expansion of our client base and a 38.3% and 94.4% increase in CineMeetings event sites and revenue, respectively, for the three months ended September 28, 2006 versus the three months ended September 29, 2005. In addition, during August 2006, we contracted with a nationally recognized company to host the largest event in the history of the CineMeetings business for approximately 2,200 meeting sites during the fourth quarter.

Expand Our Live and Pre-Recorded Digital Programming Events Businesses

We will continue to expand and improve the technical capabilities of our digital content network and cinema broadcast network. Today, virtually all of our digitally equipped screens have the capability to show pre-recorded content. We are upgrading our digital content system software so that it can handle distribution of large digital files associated with our digital programming events business. While the opportunity to participate in distribution

of content in a digital cinema environment is in its infancy today, we believe that our existing network and digital content network technology position us well to be able to expand these uses of our network theatres in the future. We expect the improvements to and expansion of our network will broaden our capabilities to distribute various kinds of live and pre-recorded meeting services and entertainment programming to a larger audience. By expanding our live distribution capabilities, we believe we will be able to attract more non-film live and pre-recorded digital programming events, and, as a result, increase our event ticket and sponsorship revenue. We will also look to form strategic alliances to gain access to high quality content. For example, in May 2006, we signed content supply and cross-marketing agreements with Live Nation and Network LIVE. In fall 2006, Network LIVE dissolved and NCM LLC began working with Control Room, which has taken over production of the content formerly produced by Network LIVE. NCM LLC intends to negotiate a term sheet with Control Room, and already has distributed content produced by Control Room across our network.

Upgrade our Advertising Sales and Inventory Management Systems

We are currently upgrading and improving our advertising sales and inventory management systems. We believe that these upgrades and improvements will enable us to respond more promptly to client requests for proposals, and will provide real-time access to pricing and availability information that allows us to manage our inventory more efficiently, improve our management reporting and data analysis and increase the number of our network affiliates at a quicker pace.

Develop New Marketing and Distribution Platforms that Leverage Our Existing Assets

We are exploring several initiatives that are meant to leverage our existing technology, distribution platform and sales and marketing infrastructure, including the following:

Entertainment Magazine—We are currently negotiating a joint venture with a well-known entertainment magazine to create a similar entertainment magazine that will be distributed in our founding members' theatres in the United States. This magazine is already a successful publication in the film exhibition market outside of the United States. The magazine will include advertising sold by the joint venture's sales force and by our sales force. We currently intend to launch the magazine late in 2007. In exchange for making the theatres in our network available for distribution of the magazine, we will receive an ownership interest in the venture, which we expect to be funded by private equity or a strategic partner.

New Out-of-Home Networks—Retail businesses including department stores, convenience stores and health clubs have begun to deploy advertising networks consisting of in-store televisions and plasma screens. We believe that targeted advertising will continue to grow in importance as a percentage of advertising spending and that networks in other retail environments will continue to develop. Importantly, we believe that our distribution technology, sales force, other existing operating infrastructure and client relationships could create growth opportunities for us in these other retail environments.

Internet Sites—We have developed and maintain several web sites including our corporate site and sites for our various businesses. As we expand some of our consumer-oriented businesses such as our planned magazine business and digital programming events business, we expect that the traffic on those sites to increase to a level that could provide an opportunity to sell advertising and provide research data. For example, we plan to create a branded entertainment web site in connection with the entertainment magazine, on which we and the venture will sell advertising. By selling the advertising through our existing sales forces and bundling the Internet offerings with our existing in-theatre advertising products, we believe that a new high margin revenue stream could be developed.

Agreements with Our Founding Members

Exhibitor Services Agreements

NCM LLC has been the exclusive provider of in-theatre advertising (subject to certain pre-existing contractual obligations for on-screen advertising and other limited exceptions for the benefit of the founding

members) in the founding members' theatres pursuant to agreements entered into with AMC and Regal in March 2005 and with Cinemark in July 2005. These agreements contain NCM LLC's obligation to provide on-screen and lobby advertising and the founding members' obligation to exhibit advertising on the theatre and lobby screens and in theatre lobbies. They also set forth the terms on which the founding members participate in our CineMeetings and digital programming events businesses.

In connection with the completion of this offering, we will enter into amended and restated exhibitor services agreements with our founding members. Key provisions of the new agreements will include:

- a term of 30 years (the term relating to CineMeetings and digital programming will be approximately five years with provisions for automatic renewal if certain financial performance conditions are met);
- a five-year right of first refusal, which begins one year prior to the end of the term of the exhibitor services agreement;
- exclusive rights to provide advertising for the founding members' theatres subject to the founding members' rights to do the following on a limited basis:
  - promote activities associated with theatre operations, on screen, on the lobby entertainment network and in the lobby (including on additional video screens in theatre lobbies); and
  - promote, on the lobby entertainment network and in theatre lobbies only, certain non-exclusive cross-marketing arrangements with third parties entered into by the founding members which are designed to promote the theatres and the movie-going experience to increase attendance and revenue;
- payment of a monthly theatre access fee to the founding members;
- a requirement that the founding members purchase up to 90 seconds of on-screen advertising time during the pre-feature program at a negotiated rate (intended to approximate a market rate) in order to satisfy the founding members' obligation to provide certain on-screen advertising to their beverage concessionaires pursuant to their beverage concessionaire agreements; and
- primary responsibility of NCM LLC to obtain, repair and replace the equipment necessary to operate the digital content network and primary responsibility of the founding members to fund the installation and replacement of the equipment.

See "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Exhibitor Services Agreements" below.

Agreements with Our Network Affiliates

NCM LLC has assumed agreements with certain network affiliates from a subsidiary of AMC, pursuant to which NCM LLC provides them with advertising services. The relationship between NCM LLC and three of the network affiliates is governed by the terms of three substantially similar agreements. Each of these three agreements provides that NCM LLC will pay the network affiliate a portion of the revenue from the advertising sold by NCM LLC, or at least a minimum annual payment per screen per year in exchange for showing NCM LLC advertisements in the theatres. The agreements allow for NCM LLC to be the exclusive provider of on-screen advertising for the network affiliates, subject to certain limitations, and each agreement expires during 2007. Pursuant to the fourth agreement, NCM LLC agrees to pay this network affiliate a monthly share of the proceeds from advertising sold by NCM LLC, or at least a minimum annual payment. The network affiliate agrees not to distribute any on-screen or in-theatre advertising product that competes with NCM LLC. This agreement will renew for a three-year term on December 31, 2007, unless written notice is given at least 90 days before December 31, 2007. Pursuant to the fifth agreement, NCM LLC agrees to pay this network affiliate a monthly share of the proceeds from advertising sold by NCM LLC, or at least a minimum annual payment. NCM LLC is the exclusive provider of any on-screen 35 mm "rolling stock" advertising for this network affiliate. This agreement expired December 31, 2006 and NCM LLC is currently negotiating an extension. NCM

LLC has six-month run out rights which will allow NCM LLC to display advertising sold on or before December 31, 2006 on the network affiliate screens through June 30, 2007. NCM had assumed from a subsidiary of AMC agreements with two additional network affiliates. These agreements were terminated in 2005 and 2006.

In addition, NCM LLC has assumed from a subsidiary of Regal an agreement with an additional network affiliate that had the digital content network installed. Pursuant to this agreement, NCM LLC agrees to pay the network affiliate a percentage of the revenue generated by the advertising offset by a minimum annual payment paid to the network affiliate annually. NCM LLC is the exclusive representative with respect to procurement of advertising for the pre-feature program and video display program in the network affiliate's theatres. This agreement expires on September 16, 2009, or upon giving notice in specified circumstances.

Digital Cinema

We anticipate that we will enter into a digital cinema services agreement with an entity to be formed and owned by our founding members, to govern our activities related to design, planning and management related to development and procurement of digital cinema systems for our founding members. This effort will include system design, equipment procurement and the development of financing agreements with the studios and third-party financing sources. Upon execution of the digital cinema services agreement, we expect that we will assign to the new entity an engagement letter we have entered into with J.P. Morgan Securities Inc. and a consulting contract we have entered into with Travis Reid, former Loews Cineplex Entertainment President and CEO, who is leading the effort to create a business plan and financing model for digital cinema with the major motion picture studios. We anticipate that the new entity will manage the implementation of the business plan, including the establishment of an unrelated entity to purchase digital cinema equipment and enter into the associated financings. Neither NCM Inc. nor any of our subsidiaries will have an ownership interest in the unrelated entity. The financing arrangements are intended to be non-recourse to us. These future developments are subject to the plans of our founding members.

Our provision of services to this venture could provide us with several benefits, including additional revenue from the digital cinema services agreement. If our founding members choose to deploy the plans that we develop, we will be better positioned to integrate the operational and technological needs of our advertising and digital programming events businesses into the digital cinema systems that may be deployed into theatres.

Sales and Marketing

In-Theatre Advertising. We sell and market our in-theatre advertising through our national and regional/local sales and marketing groups.

Our national sales staff of 29 people as of September 28, 2006, is located across the country in our four national sales offices in New York, Woodland Hills (outside Los Angeles), Chicago and Detroit. Approximately 33% of the compensation for the national sales staff is variable and commission-based, with commissions shared across the team in order to enhance coordination and teamwork. Our national sales organization is highly scalable and has successfully increased sales per person by approximately 28% since March 2005. We expect this trend to continue as our products and services gain greater acceptance by advertisers and continue to expand our customer and revenue base.

Our regional and local sales staff of 107 people as of September 28, 2006, is located throughout the country, covering approximately 121 screens each and selling directly to our regional and local clients. Approximately 75% of the compensation for local sales staff is variable based on a commission of collected sales.

During 2005, we created a new senior sales position to focus exclusively on larger regional clients (such as car dealer associations, quick-service restaurant advertising co-ops and state lotteries). We believe sales to regional clients represent a significant growth opportunity and will allow us to increase utilization in the earlier segments of our pre-feature show.

Over the past four years we have increased our advertising revenue base by expanding the number of clients and product categories through sales outreach. We aggressively plan meetings directly with clients and with advertising agencies to educate them on the merits of cinema advertising. We also have a three-person public relations department and a seven-person research department and have commissioned third-party market research on the effectiveness of cinema advertising. This research has provided our customers with compelling statistical evidence of the superiority of our product relative to other broadcast advertising based on metrics such as brand recognition, message recall, and likeability. We believe we are making significant progress toward establishing cinema advertising as a more accountable and effective advertising medium relative to other traditional advertising media and capturing increasing market share from those media.

CineMeetings. We have a staff of 41 people as of September 28, 2006, who are dedicated to sales and marketing of our meetings business. In fiscal 2005, we facilitated over 6,900 meetings.

Digital Programming Events (NCM Fathom). We have a staff of eight people as of September 28, 2006, who are dedicated to sales and marketing of our digital programming events. Over the last year, we have successfully expanded this business segment from 15 events attended by approximately 88,000 patrons throughout 2005, to 15 events attended by approximately 187,000 patrons in the first nine months of 2006.

Media and Creative Services

Our media and creative services division uses state of the art, proprietary technologies and practices to ensure the highest possible cinema quality presentation of all on-screen content. We believe the expertise of this group in optimizing content for cinema playback has been instrumental in our ability to provide a better experience for the theatre patron and to enhance our ability to attract and retain our on-screen advertising customers. We provide a full spectrum of post-production services to our clients for a fee, including audio enhancements, color correction and noise reduction and will also upconvert standard definition content to the high-definition, surround sound cinema quality format we distribute over our digital content network, ensuring a pristine, high impact presentation of our clients' content. Our expertise in tailoring advertisements developed for television for high-definition cinema playback facilitates the ability of national advertisers to display content that optimizes the big-screen format. We also offer creative services to our clients, developing full sight, sound and motion high-definition advertisements from concept to completion. Our founding members and significant number of regional advertisers engage us for the production of their on-screen advertisements. This service substantially reduces the obstacles for smaller clients to invest in cinema-quality advertising. Additionally, our media and creative services ensure the consistent image and sound quality of the pre-feature and event content distributed over our network, which we believe has a positive impact on the audience reaction to and recall of our content and the overall quality of movie-goers' experience.

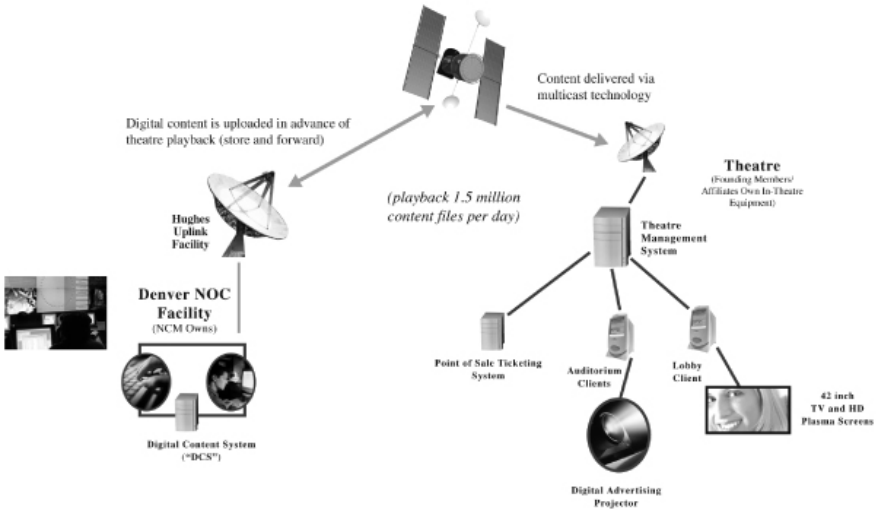
Technology

We utilize digital media, software and network technologies to deliver high-quality cinema advertising, meeting services and digital programming events to screens at our network theatres. These technologies facilitate a higher quality entertainment experience than the slide projectors and 35 mm "rolling stock" traditionally used in cinema advertising. Moreover, our technology allows us to deliver targeted, measurable advertising messages to consumers and efficiently monitor the on-screen playback.

We employ two satellite networks to distribute content to our theatres. Our digital content network satellite, which is operated by Hughes, is used to distribute our *FirstLook* content to 11,077 screens, 833 theatres and over 2 million seats. Our cinema broadcast network satellite is used to support our digital programming efforts by broadcasting live feeds to 292 screens in 119 theatres and over 82,000 seats. We contract for transponder time on the cinema broadcast network satellite only when we have digital programming events to distribute over the cinema broadcast network.

The satellite technology we use to deliver data provides a cost-effective means to deliver content to theatres. We employ a variety of technologies that "wrap" around the satellite process to help ensure uninterrupted service to theatres. For example, our digital content system has automated implementation capabilities that allow for data files to be multicast to theatres over a large footprint. Our digital content system interfaced with the Hughes software also possesses the ability to dynamically control the quality, timing and completeness of content. The integrated digital content network/digital content system is controlled by our network operations center, which supports and monitors over 35,000 in-theatre hardware devices and more than 143,000 alarm points on the network.

Through our network operations center, we have access to and can monitor and initiate repairs to the equipment in our entire digital network of theatres. Our network operations center operates 24 hours a day, seven days a week.



As shown in the above diagram, the finalized content is uploaded from our network operations center through the digital content network to theatres well in advance of use. The content will be delivered via multicast technology to all theatres in our network and received by our theatre management system where it is held until displayed according to its contract terms in specified theatre auditoriums. Each theatre auditorium has a client-server architecture that controls the content to be shown in the auditoriums or in the lobby. After the theatre management system receives digital content from the digital content network, confirmation of content playback is returned via the Hughes satellite to our network operations center.

We have a disaster recovery project underway that will provide backup for critical applications at an off-site facility in the event of a catastrophic failure at our network operations center. This facility, to be located in Salt Lake City, will co-locate our servers in an environmentally secure data center. Installation of the data circuits, server and other equipment began in September 2006 and is expected to be completed by the end of the first quarter of 2007. We expect to execute the disaster recovery test plan in 2007 and execute it annually thereafter.

Customers

Advertising Customers. Our advertising business has a diverse customer base, consisting of national, regional and local advertisers. We have business relationships with many national advertisers across a wide variety of industries, such as apparel / accessories, automotive, confectionary, credit card, entertainment, personal care, retail, telecommunications and video games, as well as branches of the armed forces. We derived 76% of our advertising revenue from our national accounts during the nine months ended September 28, 2006. We also have relationships with many regional and local advertisers across the country and with advertising agencies.

Each of our founding members have a relationship with a beverage concessionaire under which they are obligated to provide up to 90 seconds of on-screen advertising time as part of their agreement to purchase syrup. Under our prior agreements with our founding members, NCM LLC was to satisfy the founding members' obligation without charge through December 2009. The exhibitor services agreements will provide for the founding members' purchase of this on-screen advertising time at a negotiated rate (intended to approximate a market rate) in order to satisfy the founding members' obligation to provide this advertising.

Content Partners. We have contractual relationships that provide entertainment content segments in the *FirstLook* program and minimum annual advertising spending commitments with Discovery, NBC, Sony, TBS and Universal. These agreements generally provide that the non-commercial content segments are to be entertaining, informative or educational in nature. Each of the agreements provides for the purchase of a specified amount of advertising over a two-year period with options to renew, exercisable at the content partner's option. Each of the five agreements expires at the end of the 2007 or 2008 calendar year.

Competition

We compete in the $240 billion U.S. advertising industry with many other forms of marketing media, including television, radio, print media, Internet and outdoor display advertising. While cinema advertising represents a small portion of the advertising industry today, we believe it is well positioned to capitalize on the shift of advertising spending away from mass media to more targeted forms of media. As the number of media platforms continues to increase, the ability to target narrow consumer demographics and to provide measurable third-party marketing information has become increasingly important. We believe that proliferation of digital technology enabling improved data collection and ROI measurement will increase advertisers' demand for digital advertising platforms and that cinema advertising is well positioned to address these trends.

We also compete with other providers of cinema advertising, which vary substantially in size, including Screenvision and Unique Screen Media. As one of the largest providers of cinema advertising in the United States, we believe that we are able to generate economies of scale, operating efficiencies and enhanced opportunities for our customers to access a national and regional audience, giving us a competitive advantage over many of our cinema advertising competitors. Through the visual quality and impact of the "big screen" and surround sound, we are able to display high impact impressions to our audiences. According to industry studies, our cinema advertising generated recall rates five to six times greater than advertising shown on television. Given the scale and technical capabilities of our digital network, we are able to tailor our advertising programs with more flexibility and to a broader audience than other cinema advertising companies, providing a more entertaining consumer experience and a more effective platform for advertisers.

Our CineMeetings business competes with a number of venues including hotels, conference facilities, restaurants, arenas and other convention properties, as well as virtual meetings hosted on-line and across private teleconferencing networks. We believe that the combination of our ability to offer clients access to conveniently located theatres with big screens, stadium seating, high-resolution digital projection and audio in multiple locations offers customers an attractive venue for meetings. Also, we offer a single point of contact and standardized pricing for our services, which is a competitive advantage when booking multi-location events. In addition, we offer clients the ability to combine a movie with the meeting, which also differentiates us from other meeting venues.

Our digital programming events business competes with other broadcast and cable networks, large-scale public venues, including concert halls and other public meeting venues and on-demand events. We believe that the combination of our national theatre network, geographic distribution and high quality sight and sound presentation offers content owners and sponsors an effective venue for events such as concerts and sporting events.

Intellectual Property Rights

We have been granted a perpetual, royalty-free license from our founding members to use certain proprietary software for the delivery of digital advertising content through our digital content network to specific screens or markets throughout our national theatre network. We have made improvements to this software and we own those improvements, except for improvements that were developed jointly by us and the founding members.

We also have licensed intellectual property that is the subject of several U.S. patent applications relating to scheduling in-theatre advertising and digital content as well as matters relating to digital projector automation. These licenses are governed by the pre-reorganization license agreement. See “Certain Relationships and Related Party Transactions—Transactions with Founding Members—Software License Agreement.”

We have applied for several U.S. trademark registrations, including for NATIONAL CINEMEDIA and FIRSTLOOK. It is our practice to defend our trademarks and the associated goodwill from infringement by others. We are aware of a number of other companies that use names and marks containing variations of the words contained in our existing trademarks. There could be potential trademark infringement claims brought against us by the users of these names and marks. If any of these infringement claims were to prove successful in preventing us from using our existing trademarks or preventing us from stopping a competitor from using our existing trademarks, our ability to build brand identity could be negatively impacted.

Government Regulation

Currently, we are not subject to regulations specific to sale and distribution of cinema advertising that we need to comply with in our operations. We are subject to federal, state and local laws that govern businesses generally such as wage and hour and worker compensation laws.

Employees

We employed 447 people as of September 28, 2006, with 249 employees engaged in overall management and general administration at our corporate headquarters in Centennial, Colorado, 72 people employed in our regional offices, 107 local advertising account executives and 19 field maintenance technicians. None of our employees are covered by collective bargaining agreements. We believe that our relationship with our employees is good.

Theatre Network

The following table details our presence in the top 50 U.S. DMAs®, as of September 28, 2006 for NCM LLC and Loews, and as of October 20, 2006 for Century:

NCM LLC’s Presence in Top U.S. DMAs® (1)

	Screens			Share of Total NCM Admissions			NCM Admissions Share of DMA		
	Current Network	Including Century	Including Century & Loews	Current Network	Including Century	Including Century & Loews	Current Network	Including Century	Including Century & Loews
Top 10 DMAs	4,557	5,033	5,890	40%	41%	45%	52%	55%	72%
Top 25 DMAs	7,575	8,196	9,367	61%	62%	67%	52%	54%	69%
Top 50 DMAs	9,837	10,624	11,850	78%	78%	81%	49%	52%	63%
All DMAs	12,973	13,990	15,265	100%	100%	100%	46%	48%	57%

(1) Loews screens join NCM LLC’s network on an exclusive basis on June 1, 2008, subject to run-out of existing obligations.

Facilities

Information with respect to our corporate headquarters and regional offices is presented below.

Location	Facility	Size
Centennial, CO(1)	Headquarters (including the network operations center)	58,894 sq. ft.
Chicago, IL(2)	Regional Office	1,936 sq. ft.
New York, NY(3)	Regional Office	7,966 sq. ft.
Woodland Hills, CA(4)	Regional Office	5,700 sq. ft.
Detroit, MI(5)	Regional Office	721 sq. ft.
Minneapolis, MN(6)	Regional Office	10,363 sq. ft.

(1) This facility is leased through December 31, 2013 with a termination option at December 31, 2010 and an option to extend the lease until December 31, 2018.
(2) This facility is subleased from RCM through July 31, 2009.
(3) This facility is subleased from RCM through April 30, 2010.
(4) This facility is subleased from American Multi-Cinema, Inc. through May 30, 2007. On June 6, 2006, NCM LLC entered into a lease for the property with a term from June 1, 2007 to May 31, 2012.
(5) This facility is leased through December 31, 2009.
(6) This facility is leased through December 31, 2007, with an option to extend the lease for two additional five-year periods.

Legal Proceedings

We are sometimes involved in legal proceedings arising in the ordinary course of business. We are not aware of any litigation currently pending.

Seasonality

Our revenue and operating results are seasonal in nature, coinciding with the attendance patterns within the film exhibition industry as well as the timing of marketing expenditures by our advertising clients. Theatrical attendance is generally highest during the summer and year-end holiday season coinciding with the release of blockbuster films. Advertising expenditures tend to be higher during the second, third, and fourth fiscal quarters and are correlated to new product releases and marketing cycles. As a result, our first quarter typically has less revenue than the other quarters of a given year. To illustrate the seasonality of our operations, we analyzed the four consecutive quarters that we felt best represented our business on a comparable screen and attendance basis. Other quarters are less comparable due to the substantial growth in screens and attendance resulting primarily from acquisitions by founding members. This analysis is based on the combination of our quarterly advertising contract value, meetings and events and other revenue.

	Quarter ending			
	June 2005	September 2005	December 2005	March 2006
% of Total	26.5%	25.7%	31.4%	16.4%

Importantly, the results of one quarter are not necessarily indicative of results for the next or any future quarter.

MANAGEMENT

Executive Officers and Directors

Set forth below is certain information with respect to NCM Inc.'s current executive officers and directors. We expect to appoint additional directors who are not our employees or employees of our founding members. See "— Board Composition Following the Offering" below.

Name	Age	Position
Kurt C. Hall	47	President, Chief Executive Officer and Chairman
Clifford E. Marks	45	President of Sales and Chief Marketing Officer
Gary W. Ferrera	44	Executive Vice President and Chief Financial Officer
Thomas C. Galley	51	Executive Vice President and Chief Technology and Operations Officer
Ralph E. Hardy	55	Executive Vice President and General Counsel
Peter C. Brown	48	Director
Michael L. Campbell	53	Director
Lee Roy Mitchell	69	Director

Kurt C. Hall. Mr. Hall was appointed President, Chief Executive Officer and Chairman of NCM LLC in March 2005 and following the completion of this offering, will assume those positions with NCM Inc. He has also served as Chairman, President and Chief Executive Officer of NCM Inc. since October 2006. Prior to his current position, from May 2002 to May 2005, Mr. Hall served as Co-Chairman and Co-Chief Executive Officer of Regal Entertainment Group and President and Chief Executive Officer of its media subsidiary Regal CineMedia Corporation. Mr. Hall served as President and Chief Executive Officer of United Artists Theatre Company from March 1998 to August 2002, and a director from May 1992 to August 2002. Mr. Hall served as Chief Operating Officer of United Artists Theatre Company from February 1997 to March 1998, and as Executive Vice President and Chief Financial Officer of United Artists Theatre Company from May 1992 to March 1998.

Clifford E. Marks. Mr. Marks was appointed NCM LLC's President of Sales and Chief Marketing Officer in March 2005 and following the completion of this offering, will assume those positions with NCM Inc. He has been an advertising, marketing and sales professional for 23 years. Prior to his current position, Mr. Marks served as president of sales and marketing with Regal Entertainment Group's media subsidiary, Regal CineMedia Corporation, from May 2002 to May 2005. Before joining Regal CineMedia, Mr. Marks was a senior vice president at ESPN/ABC Sports where he oversaw its advertising sales organization from 1998 to May 2002. Mr. Marks joined ESPN in April 1989 and served in a variety of sales and marketing positions throughout his tenure. From 1986 through 1989, Mr. Marks was an advertising sales executive at The Nashville Network (now known as Spike TV). He began his career at the New York advertising agencies Young & Rubicam (1985-86) and BBDO (1983-85).

Gary W. Ferrera. Mr. Ferrera joined NCM LLC in May 2006 as Executive Vice President and Chief Financial Officer and following the completion of this offering, will assume those positions with NCM Inc. Mr. Ferrera has held positions in accounting and finance since 1991. From October 2005 to May 2006, he served as an independent consultant. Mr. Ferrera served as the interim Chief Financial Officer of the German cable company iesy Hessen, GmbH (now known as Unity Media), from March to October 2005. From February 2000 to February 2005, Mr. Ferrera held positions in both the United States and Europe with Citigroup's Global Corporate and Investment Bank where he spent the majority of that time advising and financing European media companies. Mr. Ferrera also held positions as an investment banker at Bear Stearns and as an international tax consultant at Arthur Andersen. Prior to his business career, Mr. Ferrera served for over seven years in U.S. Army Special Operations and Intelligence. Mr. Ferrera graduated *magna cum laude* with a BS in Accounting from Bentley College and received an MBA from the Kellogg School of Management, Northwestern University.

Thomas C. Galley. Mr. Galley joined NCM LLC in March 2005 as Executive Vice President and Chief Technology and Operations Officer and following the completion of this offering, will assume those positions

with NCM Inc. In this role, Mr. Galley oversees all operational, technical and production divisions for National CineMedia. He also manages the CineMeetings and digital programming events divisions. Mr. Galley led the original development of National CineMedia's Digital Content Network, a high definition digital and satellite distribution system linking AMC, Cinemark and Regal theatres nationwide. Prior to his current position, after joining United Artists Theatre Company in January 2002 as Executive Vice President of Technology, Mr. Galley served as Chief Technology Officer with Regal Entertainment Group's media subsidiary, Regal CineMedia Corporation, from January 2002 to May 2005. From 2000 to January 2002, he served as an independent consultant. From 1986 to 2000, Mr. Galley was President and Chief Executive Officer and co-founder of Internet Communications Corporation, a network (WAN/LAN) systems integration company, where he developed business applications, sales, marketing, technology, operations and revenue centers around technology.

Ralph E. Hardy. Mr. Hardy joined NCM LLC in March 2005 as Executive Vice President and General Counsel and following the completion of this offering, will assume those positions with NCM Inc. Prior to his current position, from May 2002 to May 2005, Mr. Hardy served as Executive Vice President and General Counsel for Regal CineMedia Corporation. Previously, from September 1994 to May 2002, Mr. Hardy was Executive Vice President, General Counsel and Secretary of United Artists Theatre Circuit, Inc., and was Senior Vice President, General Counsel and Secretary of United Artists Theatre Circuit, Inc. from May 1992 to September 1994.

Peter C. Brown. Mr. Brown has served as a director of NCM LLC since March 2005 and as a director of NCM Inc. since October 2006. Mr. Brown has served as a director of AMC Entertainment Inc. (AMCE) and American Multi-Cinema, Inc., a subsidiary of AMCE, since November 1992, as Chairman of the Board and Chief Executive Officer of AMCE since July 1999 and as President of AMCE since January 1997. Mr. Brown served as Co-Chairman of the Board of AMCE from May 1998 through July 1999 and as Executive Vice President of AMCE from August 1994 to January 1997. Mr. Brown is also Chairman of the Board, Chief Executive Officer and a Director of American Multi-Cinema, Inc. Mr. Brown serves as a director of Embarq Corporation, Midway Games, Inc., and MovieTickets.com. Mr. Brown is also on the Board of Directors of the National Association of Theatre Owners, is a member of the executive committee and became Vice-Chairman of the organization in January 2007.

Michael L. Campbell. Mr. Campbell has served as a director of NCM LLC since March 2005 and as a director of NCM Inc. since October 2006. Mr. Campbell has served as Chairman and Chief Executive Officer of Regal Entertainment Group since May 2005 and as a director since March 2002. Prior thereto, Mr. Campbell served as Regal Entertainment Group's Co-Chairman and Co-Chief Executive Officer. Mr. Campbell also has served as Chief Executive Officer of Regal Cinemas Corporation since January 2002. Mr. Campbell founded Regal Cinemas, Inc. in November 1989, and has served as Chief Executive Officer of Regal Cinemas, Inc. since its inception. Mr. Campbell served as a director and executive officer of Regal Cinemas, Inc. when it filed for bankruptcy on October 11, 2001 and throughout its bankruptcy proceedings. Mr. Campbell currently serves as a director of the National Association of Theatre Owners, Fandango, Inc. and Regal Entertainment Group.

Lee Roy Mitchell. Mr. Mitchell has served as a director of NCM LLC since July 2005 and as a director of NCM Inc. since October 2006. Mr. Mitchell has served as Chairman of the Board of Cinemark USA, Inc. since March 1996 and as a Director and Chief Executive Officer of Cinemark USA, Inc. since its inception in 1987. Mr. Mitchell has served as Chairman of the Board and Chief Executive Officer of Cinemark, Inc. since its inception in May 2002. Mr. Mitchell serves on the Board of Directors of Texas Capital Bancshares, Inc., Champions for Life and Dallas County Community College.

Board Composition Following the Offering

Upon the completion of this offering, NCM Inc. will become a member and the sole manager of NCM LLC. NCM LLC's board will cease to exist at that time.

NCM Inc.'s bylaws will authorize no more than ten directors to serve on our board of directors. The directors will be divided into three classes, designated as Class I, Class II and Class III. The members of each class shall serve for a staggered three-year term, except that Class I directors in the initial term immediately following the offering will serve for one year and the Class II directors in the initial term immediately following the offering will serve for two years. Each director will be elected to serve until the election of the director's successor at an annual meeting of stockholders for the election of directors for the year in which the director's term expires or at a special meeting called for that purpose. Directors may be removed only for cause.

Pursuant to a director designation agreement, so long as a founding member owns at least 5% of NCM LLC's issued and outstanding common membership units, such founding member will have the right to designate a total of two nominees to our ten-member board of directors who will be voted upon by our stockholders. If at any time, any founding member owns less than 5% of NCM LLC's then issued and outstanding common membership units, then such founding member shall cease to have any rights of designation. See "Corporate History and Reorganization—Corporate Governance Matters" for additional details on how such 5% threshold is calculated.

One of the two designees from each of the founding members must qualify as an independent director under Nasdaq rules.

We expect that, upon completion of this offering, our board of directors will consist of ten directors, as set forth below:

Name	Age	Position
Kurt C. Hall	47	President, Chief Executive Officer and Chairman (Class I)
Peter C. Brown	48	Director (Class III)
Michael L. Campbell	53	Director (Class III)
Lawrence A. Goodman	52	Director (Class I)
David R. Haas	65	Director (Class II)
James R. Holland, Jr.	63	Director (Class II)
Stephen L. Lanning	53	Director (Class II)
Edward H. Meyer	80	Director (Class II)
Lee Roy Mitchell	69	Director (Class III)
Scott N. Schneider	48	Director (Class I)

Set forth below is a brief description of the business experience of each of the individuals that we expect to become directors at the time of this offering. For a description of the business experience of Messrs. Hall, Brown, Campbell and Mitchell, see "—Executive Officers and Directors" above.

Lawrence A. Goodman. Mr. Goodman founded White Mountain Media, a media consulting company, in July 2004 and has served as its president since inception. From July 2003 to July 2004, Mr. Goodman was retired**.** From March 1995 to July 2003, Mr. Goodman was the President of Sales and Marketing for CNN, a division of Turner Broadcasting System, Inc. Mr. Goodman currently serves as a director of Teletrax and The Westchester Institute for Human Development.

David R. Haas. Mr. Haas has been a private investor and financial consultant since January 1995. Mr. Haas was a Senior Vice President and Controller for Time Warner, Inc. from January 1990 through December 1994. Prior thereto, Mr. Haas was at Warner Communications for 14 years and held several positions at the company. Mr. Haas served as a director of Information Holdings, Inc. from July 1988 through December 2004. Mr. Haas currently serves as a director and chair of the audit committee of Armor Holdings, Inc.

James R. Holland, Jr. Mr. Holland has been the President and Chief Executive Officer of Unity Hunt, Inc., a diversified holding company, since September 1991, and also serves on its board of directors. He also serves as lead director of Texas Capital Bancshares, Inc., and as a director of Placid Holding Co. and Hunt Midwest Enterprises, Inc.

Stephen L. Lanning. Mr. Lanning is a an independent consultant. Mr. Lanning was employed by the United States Air Force from June 1977 until October 2006. From July 2005 to July 2006, Mr. Lanning was a Director, Logistics and Warfighting Integration, Chief Information Officer and Chief Sustainment Officer for the United States Air Force Space Command. Mr. Lanning was a Principal Director of the Defense Information Systems Agency from July 2002 to July 2005. Mr. Lanning was a Deputy Operations Director at the United States Space Command from June 2001 to July 2002.

Edward H. Meyer. Mr. Meyer served as Chairman, Chief Executive Officer and President of Grey Global Group, Inc., a global advertising and marketing services company, from 1970 to December 2006. Mr. Meyer joined Grey Global in 1956 and was elected President in 1968 and Chairman in 1972. He also serves as a director and member of the compensation and audit committees of Harman International Industries, Inc. and as a director of Ethan Allen Interiors Inc. and Jim Pattison Ltd.

Scott N. Schneider. Mr. Schneider has served as Chairman, Media and Communications, of Diamond Castle Holdings, a private equity firm, since January 2004. From October 1999 to August 2004, Mr. Schneider served in various senior executive capacities including President, Chief Operating Officer and Vice Chairman of the Board of Citizens Communications Company. Prior thereto, Mr. Schneider served as Chief Financial Officer and a member of the board of directors of Centennial Communications Corp. from 1991 to 2001, and as Chief Financial Officer and a member of the board of directors of Century Communications Corp. from 1981 to 2000 Mr. Schneider currently serves as a director of Centennial Communications Corp. and, until its merger with SES during April 2006, as a director of NuSkies Holdings. He also serves on a variety of philanthropic boards.

Board Committees

Our board of directors will have an audit committee, a compensation committee and a nominating and corporate governance committee. The board of directors also will establish such other committees as it deems appropriate, in accordance with applicable law and our certificate of incorporation and bylaws.

Audit Committee

We expect that the members of the audit committee following this offering will be Messrs. Haas, Holland and Schneider, with Mr. Haas serving as chair. All of the proposed members of the audit committee are independent, as determined in accordance with Nasdaq rules and relevant federal securities laws and regulations. Our board has determined that Mr. Haas qualifies as an “audit committee financial expert” as defined in the federal securities laws and regulations. The audit committee will assist our board of directors in monitoring the integrity of the financial statements, the independent auditors’ qualifications, independence and performance, the performance of our company’s internal audit function and compliance by our company with certain legal and regulatory requirements.

Compensation Committee

We expect that the members of the compensation committee following this offering will be Messrs. Goodman, Lanning and Meyer, with Mr. Goodman serving as chair. All of the proposed members of our compensation committee are independent, as determined in accordance with Nasdaq rules and relevant federal securities laws and regulations. The compensation committee will oversee the compensation plans, policies and programs of our company and will have full authority to determine and approve the compensation of our chief executive officer, as well as to make recommendations with respect to compensation of our other executive officers. The compensation committee also will be responsible for producing an annual report on executive compensation for inclusion in our proxy statement.

Nominating and Corporate Governance Committee

We expect that the members of the nominating and corporate governance committee following this offering will be Messrs. Goodman, Lanning and Meyer, with Mr. Lanning serving as chair. All of the proposed members of our nominating and corporate governance committee are independent as determined in accordance with Nasdaq rules and relevant federal securities laws and regulations. The nominating and corporate governance committee will assist our board of directors in promoting the best interests of our company and our stockholders through the implementation of sound corporate governance principles and practices.

Other than the director candidates designated by our founding members, the nominating and corporate governance committee will identify individuals qualified to become board members and recommend to our board of directors the director nominees for each annual meeting of stockholders. It also will review the qualifications and independence of the members of our board of directors and its various committees on a regular basis and make any recommendations the committee members may deem appropriate from time to time concerning any changes in the composition of our board of directors and its committees. The nominating and corporate governance committee also will recommend to our board of directors the corporate governance guidelines and standards regarding the independence of outside directors applicable to our company and review such guidelines and standards and the provisions of the nominating and corporate governance committee charter on a regular basis to confirm that such guidelines, standards and charter remain consistent with sound corporate governance practices and with any legal, regulatory or Nasdaq requirements. The nominating and corporate governance committee also will monitor our board of directors and our company's compliance with any commitments made to regulators or otherwise regarding changes in corporate governance practices and will lead our board of directors in its annual review of our board of directors' performance.

Compensation Committee Interlocks and Insider Participation

We do not anticipate any interlocking relationships between any member of our compensation committee or our nominating and corporate governance committee and any of our executive officers that would require disclosure under the applicable rules promulgated under the U.S. federal securities laws.

COMPENSATION DISCUSSION AND ANALYSIS

The primary goals of the compensation committee of our board of directors with respect to executive compensation are to attract, retain, motivate and reward talented executives, to tie annual and long-term compensation incentives to achievement of specified performance objectives, and to achieve the goal of long-term creation of value for our stockholders by aligning the interests of these executives with our stockholders. To achieve these goals, we intend to maintain compensation plans that tie a substantial portion of executives' overall compensation to key strategic, operational and financial goals such as achievement of budgeted levels of revenue and EBITDA, and other non-financial goals that the board deems important. The compensation committee and the board evaluate individual executive performance with a goal of setting compensation at levels they believe, based on their general business and industry knowledge and experience, are comparable with executives in other companies of similar size and stage of development operating in the advertising sales and digital media distribution industry, while taking into account our relative performance and our own strategic goals.

NCM LLC has in the past and we intend in the future to conduct an annual review of the aggregate level of our executive compensation as part of the annual budget review and annual performance review processes, which include determining the operating metrics and non-financial elements used to measure our performance and to compensate our executive officers. This review is based on our knowledge of how other advertising sales and media companies measure their executive performance and on the key operating metrics that are critical in our effort to increase the value of our company.

Elements of Compensation

Executive compensation consists of the following elements. The compensation committee and board determine the portion of compensation allocated to each element for each individual named executive officer. Descriptions of historical practices and policies are of the practices and policies of the NCM LLC compensation committee. Our Compensation Committee is expected to continue these policies in the short term but will reevaluate the current policies and practices as it considers advisable.

Base Salary. Base salaries for our executives are established based on the scope of their responsibilities, taking into account competitive market compensation for similar positions, as well as seniority of the individual, our ability to replace the individual and other primarily judgmental factors deemed relevant by the board. Generally, we believe that executive base salaries should be targeted near the median of the range of salaries for executives in similar positions with similar responsibilities at comparable companies, in line with our compensation philosophy. Base salaries are reviewed annually by the compensation committee and the board, and may be adjusted (upward in the case of employees with employment contracts) from time to time pursuant to such review and/or in accordance with guidelines contained in the various employment agreements or at other appropriate times, to realign salaries with market levels after taking into account individual responsibilities, performance and experience. This review began in the fourth quarter of 2006 as part of the NCM LLC annual budgeting process and will occur during the first quarter of 2007 as part of our annual performance review process.

Discretionary Annual Performance Bonus. The board has the authority to award discretionary annual performance bonuses to our executive officers. The annual incentive bonuses are intended to compensate officers for achieving financial, operational and strategic goals and for achieving individual annual performance objectives. These objectives and goals vary and are set depending on the individual executive, but have traditionally been allocated 25% to more subjective non-financial strategic factors such as the expansion of our digital network, maintenance of strong relationships with our founding members and the completion of various transactions, including for 2006 and 2007 the stock offering discussed herein, and 75% associated with financial factors such as achieving budgeted levels of revenue and EBITDA and managing levels of capital expenditures. These annual bonus amounts are intended to reward both overall company and individual performance during the year and, as such, can be highly variable from year to year.

Our discretionary annual bonus is paid in cash in an amount reviewed and approved by the compensation committee and the board and traditionally has been paid in a single installment in the first quarter following the completion of a given fiscal year once the annual audit report is issued. Pursuant to current employment agreements, each named executive officer is eligible for a discretionary annual bonus up to an amount equal to a specified percentage of such executive's salary. However, the compensation committee and the board may increase the discretionary annual bonus paid to our executive officers using their judgment based on the company exceeding certain financial goals ("stretch bonus"). The NCM LLC compensation committee and board have targeted discretionary bonus amounts to be paid in 2007 for performance during 2006 at 50-100% of base salary for each of our named executive officers, with an additional "stretch bonus" amount of up to 50% of the amount awarded for performance. The actual amount of discretionary bonus, which varies by individual, will be determined following a review of each executive's individual performance and contribution to our strategic and financial goals, which will be conducted during the first quarter of 2007. The board has not fixed a minimum or maximum payout for any officers' annual discretionary bonus.

Long-Term Incentive Program. We believe that creating long-term value for our stockholders is achieved, in part, by aligning the interests of our executive officers with those of our stockholders. Prior to the completion of this offering, we plan to adopt a new equity incentive plan, the National CineMedia Inc. 2007 Equity Incentive Plan, which we refer to as the "equity incentive plan." The equity incentive plan will not only assist us in attracting, motivating, rewarding and retaining employees, including our named executive officers, but will promote the creation of long-term value for our stockholders by aligning the interests of these individuals with the interests of stockholders. We anticipate that the equity incentive plan will provide for the grant, at the discretion of our board and compensation committee, of stock options, stock appreciation rights, restricted stock, restricted stock units, and other equity-based and cash incentive awards to these officers, as well as directors, employees, consultants and other individuals (including board members) who perform services for us or for our affiliates. This equity incentive plan will replace the NCM LLC 2006 Unit Option Plan, discussed below.

The compensation committee and board believe based on their general business and industry experience and knowledge that the use of the combination of base salary, discretionary annual performance bonus, and long-term incentive (including stock option or other stock-based awards) offers the best approach to achieving our compensation goals, including attracting and retaining the most talented and capable executives and motivating our executives and other officers to expend maximum effort to improve the business results, earnings and overall value of our business.

In connection with the completion of this offering, options previously granted by NCM LLC to its officer employees, including our named executive officers, under the National CineMedia, LLC 2006 Unit Option Plan, which we refer to as the "NCM LLC Unit Option Plan," that remain outstanding as of the date of the completion of this offering will be substituted with options granted under the equity incentive plan. In addition, the NCM LLC Unit Option Plan, provides under certain conditions, that option holders will receive an additional equity award of options or restricted units at the time of an initial public offering, which we refer to as the "IPO awards". The IPO awards are intended to ensure that the value of the NCM LLC unit options held just prior to the offering (and related debt issuance) are equal to the value of our stock options and restricted stock held just after the offering (and related debt issuance). We expect to issue options to purchase shares of our common stock and shares of restricted common stock under the equity incentive plan in substitution for options and restricted units granted under the NCM LLC Unit Option Plan. See "—Substitution of NCM LLC Options and Restricted Units" for additional information. In addition, we plan to grant options to acquire 218,000 shares of our common stock to our employees, and 6,316 shares of restricted stock to our non-employee independent directors, upon the completion of this offering.

The NCM LLC Unit Option Plan authorized us to grant options to purchase units of NCM LLC to our employees, directors and consultants. We granted unit options in conjunction with the adoption of the plan and then at the commencement of employment and, occasionally, following a significant change in job responsibilities or to meet other special retention or performance objectives. The compensation committee and board review and approve unit option awards to executive officers based upon a review of competitive

compensation information, their assessment of individual performance, a review of each executive's existing long-term incentives, and retention considerations. Periodic unit option grants can be made at the discretion of the compensation committee and the board to eligible employees and, in appropriate circumstances, the compensation committee and board in their discretion consider the recommendations of members of management, primarily Mr. Hall, our Chief Executive Officer. In 2006, the named executive officers were awarded unit options in the amounts indicated in the section entitled "Grants of Plan Based Awards". These grants included grants made on April 4, 2006, in connection with the adoption of the NCM LLC Unit Option Plan and in recognition of exceptional contributions by the named executives and other NCM LLC officers since NCM LLC's formation in March 2005, and subsequently in connection with various hiring and other retention objectives. Unit options granted by us have an exercise price equal to a fair market value formula as of the grant date, typically begin vesting after a period of one year at 20% per annum thereafter based upon continued employment over a five-year period, and generally expire fifteen years after the date of grant.

Other Compensation. Our executive officers who were parties to employment agreements prior to this offering will, following this offering, enter into new employment agreements on substantially the same terms as those discussed below, see "—Employment and Other Agreements", under which NCM Inc. will be the employer. NCM LLC will also be a party to these new employment agreements. The compensation committee and board, in the future, may change such agreements as they determine, in their discretion, that revisions to such employment agreements are required to comply with new tax or accounting rules and are not detrimental to the interest of the named executives. In addition, consistent with our compensation philosophy, we intend to continue to maintain our current benefits and perquisites for our executive officers; however, the compensation committee in its discretion may revise, amend or add to the officer's executive benefits and perquisites if it deems it advisable. We believe these benefits and perquisites are currently comparable to the median competitive levels for comparable companies.

EXECUTIVE COMPENSATION

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($) (1)	Non-Equity Incentive Plan Compensation ($) (2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($) (3)	Total ($)
Kurt C. Hall President, Chief Executive Officer and Chairman	2006	$ 625,000	$ 0	$ 0	$ 523,643	TBD	$ 0	$ 8,292	$ 1,156,935
Clifford E. Marks President of Sales and Chief Marketing Officer	2006	$ 579,395	$ 0	$ 0	$ 271,821	TBD	$ 0	$ 8,204	$ 859,420
Gary W. Ferrera (4) Executive Vice President and Chief Financial Officer	2006	$ 176,635	$ 0	$ 0	$ 148,067	TBD	$ 0	$ 1,389	$ 326,091
Thomas C. Galley Executive Vice President and Chief Technology and Operations Officer	2006	$ 373,077	$ 0	$ 0	$ 161,342	TBD	$ 0	$ 8,149	$ 542,568
Ralph E. Hardy Executive Vice President and General Counsel	2006	$ 215,029	$ 0	$ 0	$ 58,175	TBD	$ 0	$ 8,054	$ 281,258
David J. Giesler (5) Former Executive Vice President and Chief Financial Officer	2006	$ 161,762	$ 0	$ 0	$ 0	TBD	$ 0	$ 7,116	$ 168,878

(1) The amounts represent the portion of the fair value of the options recognized as expense for financial statement reporting purposes in accordance with SFAS No. 123(R), "Share Based Payment," and does not represent cash payments made to the individuals or amounts realized. Under SFAS 123(R), the fair value of options granted to employees is recognized ratably over the vesting period. No portion of the options held

by any named executive officer are currently vested. See details of the assumptions used in valuation of the options in Note 11 to the audited financial statements of NCM LLC contained elsewhere in this prospectus. The ultimate value of the options is highly dependent on NCM LLC's EBITDA and other financial performance factors. The Grants of Plan Based Awards table discloses the unit options granted to the named executive officers. The option expense as reflected in this table represents the calculation based on outstanding unit options and does not reflect the contemplated replacement of the unit options with stock options to be issued as discussed below.

(2) The compensation committee has not determined the amounts of the bonuses that will be paid to each named executive officer for 2006. We expect to determine and pay those amounts during the first quarter of 2007, and will file a Form 8-K with this information once those amounts are determined.

(3) The balances include individual amounts, all of which are less than $10,000, reflecting contributions on behalf of the named executive officers as NCM LLC's matching contribution to NCM LLC's defined contribution 401(k) plan, as well as amounts related to the various life and disability insurance plans participated in by the named executives.

(4) Mr. Ferrera became NCM LLC's Executive Vice President and Chief Financial Officer on May 1, 2006.

(5) Mr. Giesler resigned as NCM LLC's Executive Vice President and Chief Financial Officer effective April 30, 2006 and resigned as an employee of NCM LLC on September 20, 2006. His unit option was forfeited when he resigned from NCM LLC effective September 20, 2006.

Grants of Plan Based Awards

The board of directors approved awards under our NCM LLC Unit Option Plan to each of our named executive officers in 2006. As noted, in connection with this offering, options previously granted under the NCM LLC Unit Option Plan that remain outstanding as of the date of the completion of the offering will be substituted with options granted under our equity incentive plan. See further discussion at "—NCM Inc. 2007 Equity Incentive Plan". Set forth below is information regarding awards granted during 2006:

Grants of Plan Based Awards

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards - Target/Maximum (#)	Exercise or Base Price of Option Awards ($ per Unit) (6)	Grant Date Fair Value of Option Awards ($)
		Threshold ($)(7)	Target ($) (7)	Maximum ($) (7)			
Kurt C. Hall	April 4, 2006	$ 312,500	$ 625,000	$ 937,500	469,995 (1)	$16.52	$ 4,014,600
Clifford E. Marks	April 4, 2006	$ 67,500	$ 675,000	$ 742,500	261,010(2)	$16.52	$ 2,229,493
Clifford E. Marks	September 7, 2006	n/a	n/a	n/a	36,936 (3)	$24.29	$ 313,299
Gary W. Ferrera	May 1, 2006	$ 68,750	$ 137,500	$ 206,250	147,495 (4)	$18.20	$ 1,258,414
Thomas C. Galley	April 4, 2006	$ 140,625	$ 281,250	$ 421,875	144,812 (1)	$16.52	$ 1,236,952
Ralph E. Hardy	April 4, 2006	$ 52,500	$ 105,000	$ 157,500	52,215 (1)	$16.52	$ 446,013
David J. Giesler	April 4, 2006	$ 40,440	$ 80,881	$ 121,321	— (5)	Forfeited	—

(1) Represents unit options granted under the NCM LLC Unit Option Plan. The options begin vesting on January 1, 2007, and will vest at 20% per year, so long as the officer remains in continuous employment with NCM LLC through those dates.

(2) Represents a unit option granted under the NCM LLC Unit Option Plan. The option begins vesting on January 1, 2008, and will vest at 20% per year, so long as the officer remains in continuous employment with NCM LLC through those dates.

(3) Represents a unit option granted under the NCM LLC Unit Option Plan. The option begins vesting on January 1, 2008, and will vest at 20% per year, so long as the officer remains in continuous employment with NCM LLC through those dates.

(4) Represents a unit option granted under the NCM LLC Unit Option Plan. The option begins vesting on January 1, 2007 and will vest at 20% per year, so long as the officer remains in continuous employment with NCM LLC through those dates.

(5) Represents a unit option granted under the NCM LLC Unit Option Plan. The option was forfeited when Mr. Giesler resigned from NCM LLC in September 2006.

(6) There is no public market price for the units on the date of the grant. The exercise price was determined by the board as not less than the fair market value of a unit as of the grant date and as reported, includes adjustments for the reorganization.

(7) Amounts represent maximum potential cash bonus amounts if all of goals and additional targets are achieved for 2006 performance to be paid in 2007 for each named executive officer. The board and compensation committee may, at their complete discretion, award additional or lower amounts. The bonus amounts for Mr. Ferrera will be prorated based on his hire date, and the bonus amounts for Mr. Giesler will be prorated based on his resignation date. The bonus amounts will be finalized during the first quarter of 2007, at which time we will file a Form 8-K to disclose the amounts.

Outstanding Equity Awards at December 28, 2006

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable (2)(3)	Option Exercise Price ($)	Option Expiration Date (1)
Kurt C. Hall	0	469,995	$ 16.52	April 4, 2021
Clifford E. Marks	0	261,010	$ 16.52	April 4, 2021
Clifford E. Marks	0	36,936	$ 24.29	September 7, 2021
Gary W. Ferrera	0	147,495	$ 18.20	May 1, 2021
Thomas C. Galley	0	144,812	$ 16.52	April 4, 2021
Ralph E. Hardy	0	52,215	$ 16.52	April 4, 2021
David J Giesler	0	0	—	—

(1) Options expire prior to date if named executive officer terminates employment with NCM LLC.

(2) The options vest for each named executive officer, excluding Mr. Marks, 20% per year commencing on January 1, 2008, subject to continuous employment with NCM LLC.

(3) The options for Mr. Marks vest 20% per year commencing on January 1, 2009, subject to continuous employment with NCM LLC.

NCM LLC 2006 Unit Option Plan

The NCM LLC Unit Option Plan is administered by NCM LLC's compensation committee and board. The objectives of the plan include attracting, motivating and retaining key personnel and promoting NCM LLC's success by linking the interests of NCM LLC's officers, directors and consultants with our success.

Units Subject to Plan

There are 1,224,203 units authorized for issuance under the plan. As of September 28, 2006, options covering 1,131,728 units had been granted and were outstanding under the plan, leaving 92,475 units available for issuance, excluding any units to be issued as IPO awards. We anticipate issuing 352,661 restricted units as IPO awards. The options covering units to be delivered upon exercise of the options will be issued, at the discretion of the compensation committee and board, from authorized but unissued units or units reacquired by NCM LLC. If any units covered by a grant are forfeited, the number of units covered by the forfeited options will again be available for grants made under the plan.

Term of Options

The term of each option is 15 years from the date of the grant of the option, unless a shorter period is established. Each of the options granted under the plan have a term of 15 years.

Vesting

The board has the authority under the plan to establish the vesting schedule for an option. The vesting schedule is set forth in each option agreement. The option agreement includes a vesting start date. Outstanding options include a vesting start date of January 1, 2007 or January 1, 2008. Options granted under the plan vest at a rate of 20% per year commencing 12 months after the vesting start date, subject to continuous employment or other service with NCM LLC or its subsidiaries. Outstanding options are scheduled to fully vest 5 years after the vesting start date. Failure to be continuously employed or in another service relationship, generally results in the forfeiture of options not vested at the time the employment or other service relationship ends. Termination of a recipient's employment or other service relationship for cause generally results in the forfeiture of all of the recipient's options.

IPO Awards. Upon the occurrence of an initial public offering of NCM LLC or its manager, the plan provides for additional equity awards to outstanding option holders under certain circumstances. These awards may be granted as additional options or restricted units, which we refer to as the "IPO awards." The purpose of the IPO awards is to ensure that the economic value of outstanding unit options held just prior to an initial public offering is maintained by the option holder immediately after the offering. We expect to issue IPO awards in the form of restricted units in connection with this offering.

The table below sets forth the number of restricted units that we anticipate issuing as IPO awards to the named executive officers, other employees and the total. The restricted units will be unvested when granted and will be subject to forfeiture and restrictions on transfer during the restriction period. We anticipate that the restricted units will vest and that the forfeiture and transfer restrictions will lapse at the same time as the underlying options vest, 20% per year commencing on either January 1, 2008 or January 1, 2009, as applicable, subject to continuous employment. The award will provide that the grantee will receive dividends. Upon completion of this offering, we expect to substitute the restricted units with shares of restricted stock of NCM Inc. using an exchange ratio of one share to one unit.

Name	Number of Restricted Units
Kurt C. Hall	105,375
Clifford E. Marks	66,800
Gary W. Ferrera	33,066
Thomas C. Galley	32,467
Ralph E. Hardy	11,707
Other Employees	103,246
Total	352,661

Adjustments and Conversion

The plan provides for adjustments to the number of units for which grants may be made under the plan, the number of units covered by an option and the option exercise price for changes in capitalization.

By the terms of the NCM LLC Plan, upon an initial public offering of NCM LLC or its manager, all options under the plan will be exchanged for, or converted into, options to acquire shares of the resulting corporation's common stock and restricted units will be exchanged for, or converted into, shares of restricted stock of the resulting corporation.

Amendment and Termination

The board may amend, suspend or terminate the plan. No grants may be made after the plan is terminated. The board has the authority to amend outstanding grants, if necessary, to avoid any additional tax under Code section 409A that may otherwise be imposed on a grantee.

NCM Inc. 2007 Equity Incentive Plan

Prior to the completion of this offering, we plan to adopt the equity incentive plan. The equity incentive plan will assist us in attracting, retaining, motivating and rewarding employees, directors and consultants, and promoting the creation of long-term value for our stockholders by aligning the interests of these individuals with those of our stockholders. We anticipate that the equity incentive plan will provide for the grant of options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other stock-based and cash awards to directors, officers, employees, consultants and other individuals who perform services for us or for our affiliates.

We will use all proceeds received by us upon the exercise of options under the equity incentive plan to acquire NCM LLC common membership units at a price per unit equal to the exercise price of such option.

Share Reserve

The total number of shares of our common stock that we plan to make available for issuance or delivery under the equity incentive plan will be 2,650,000 shares, subject to adjustment in the event of any stock dividend or split, reorganization, recapitalization, merger, share exchange or any other similar corporate event. For purposes of determining the number of shares remaining available for issuance under the equity incentive plan, to the extent that an award expires or is canceled, forfeited, settled in cash or otherwise terminated without delivery to the participant of the full number of shares to which the award related, the undelivered shares will again be available for grant. Shares withheld in payment of the exercise price or taxes relating to an award and shares equal to the number surrendered in payment of any exercise price or taxes relating to an award will be deemed to constitute shares not delivered to the participant and will be deemed to again be available for awards under the plan. Shares issued under the equity incentive plan may be authorized and unissued shares or treasury shares.

We anticipate that the maximum number of shares that may be covered by an award granted under the equity incentive plan to any single participant in any calendar year will not exceed 500,000, excluding substituted awards. The maximum dollar amount that may be awarded to a single participant in any calendar year will not exceed $5,000,000, excluding substituted awards.

NCM LLC Options and Restricted Units

In connection with the completion of this offering, options previously granted by NCM LLC to its employees under the NCM LLC Unit Option Plan that remain outstanding as of the date of the completion of the offering will be replaced pursuant to the plan with options granted under this equity incentive plan. In addition, the NCM LLC Unit Option Plan provides that under certain conditions, option holders will receive an additional equity award of options or restricted units at the time of an initial public offering, which we refer to as the "IPO awards." We expect to issue options to purchase shares of our common stock under this equity incentive plan in substitution for options previously granted under the NCM LLC 2006 Unit Option Plan and shares of restricted common stock in substitution for restricted units that will be granted by NCM LLC.

Administration

Generally, the compensation committee, or the committee, will administer the equity incentive plan and will designate those persons who will be granted awards and the amount, type and other terms and conditions of the awards. The committee will have full authority to administer the equity incentive plan, including the authority to interpret and construe any provision in the plan and the terms of any award agreement and to adopt such rules and regulations for administering the plan that it may deem necessary or appropriate. Pursuant to this authority, on or after the date of grant of an award, the committee may:

- accelerate the date on which the award becomes vested, exercisable or transferable;
- extend the term of any award, including, without limitation, extending the period following termination of a participant's service with us or our affiliates during which the incentive award may remain outstanding;

- waive any conditions to the vesting, exercisability or transferability of an award; or
- provide for the payment of dividends or dividend equivalents with respect to an award.

Significant Features of Incentive Awards

The following is a description of the significant terms we expect to apply to each type of award issued under the equity incentive plan:

Options and Stock Appreciation Rights. Each option will entitle the holder to purchase a specified number of shares at a specified exercise price. Each option agreement will specify whether the option is an "incentive stock option" or "ISO" (within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, or the Code) or a nonqualified stock option. Each stock appreciation right will entitle the holder to receive, upon exercise, the excess of the fair market value of a share at the time of exercise over the base price of the stock appreciation right multiplied by the specified number of shares to which the stock appreciation right is being exercised. The exercise or base price of each option and stock appreciation right will be at least 100% of the fair market value of a share on the date the award is granted. The term of any option or stock appreciation right will not exceed ten years, except for substituted awards and the option or stock appreciation right will vest over a period determined by the committee. Each option or stock appreciation right agreement will specify the consequences to the award with respect to a termination of service with us and our affiliates.

Restricted Stock and Restricted Stock Units. The committee may grant a restricted stock award, which is a grant of actual shares subject to a risk of forfeiture and restrictions on transfer. The committee may also grant an award of restricted stock units, a contractual commitment to deliver shares at a future date. The terms and conditions of any restricted stock award or award of restricted stock units will be determined by the committee.

Other Stock-Based Awards. The committee may grant other types of stock-based awards in such amounts and subject to such terms and conditions as the committee determines. Each such award may, among other things, (i) involve the transfer of actual shares, either at the time of grant or thereafter, or payment in cash of amounts based on the value of shares; (ii) be subject to performance-based and/or service-based conditions; and (iii) be in the form of phantom stock, performance shares, deferred share units or other full value stock awards.

Performance-Based Awards

The committee may grant awards that are intended to qualify as performance-based compensation under Section 162(m) of the Code. The performance goals upon which the payment or vesting of any award that is intended to qualify as performance-based compensation may relate to one or more specified performance measures.

Performance periods may not be less than one fiscal year of NCM Inc. and may be overlapping periods. The committee will establish (i) performance goals for each performance period; (ii) target awards for each participant; and (iii) an objective method for determining the applicable performance percentage to be applied to each target award.

Tax Withholding

The plan will provide that participants may elect to satisfy certain federal state or local income tax withholding requirements by remitting to us cash or, subject to certain conditions, shares or by instructing us to withhold shares payable to the participant.

Amendment and Termination

Our board of directors may amend, suspend, discontinue, or terminate the equity incentive plan or the committee's authority to grant awards under the equity incentive plan in any respect, except that, to the extent that any applicable law, regulation or rule of a stock exchange requires stockholder approval for any revision or

amendment to be effective, the revision or amendment will not be effective without stockholder approval. We will not make any grants under the equity incentive plan following the tenth anniversary of the date the plan becomes effective, but awards outstanding at that time will continue in accordance with their terms.

Federal Income Tax Consequences

The following is intended only as a brief summary of the material U.S. federal income tax consequences of the equity incentive plan. The tax consequences to a participant will generally depend upon the type of award issued to the participant. In general, if a participant recognizes ordinary income in connection with the grant, vesting or exercise of an award, we will be entitled to a corresponding deduction equal to the amount of the income recognized by the participant. This summary does not address the effects of other federal taxes (including possible "golden parachute" excise taxes) or taxes imposed under state, local or foreign tax laws.

Options and Stock Appreciation Rights. In general, a participant does not have taxable income upon the grant of an option or a stock appreciation right. The participant will recognize ordinary income upon exercise of a nonqualified stock option equal to the excess of the fair market value of shares acquired on exercise over the aggregate option price for the shares. Upon exercising a stock appreciation right, the participant will recognize ordinary income equal to the cash or fair market value of the shares received. A participant will not recognize ordinary income upon exercise of an ISO, except that the alternative minimum tax may apply. If a participant disposes of shares acquired upon exercise of an ISO before the end of the applicable holding periods, the participant will recognize ordinary income. Otherwise, a sale of shares acquired by exercise of an option or a stock appreciation right generally will result in short-term or long-term capital gain or loss measured by the difference between the sale price and the participant's tax basis in the shares. We normally can claim a tax deduction equal to the amount recognized as ordinary income by a participant in connection with an option or stock appreciation right, but no tax deduction relating to a participant's capital gains. We will not be entitled to any tax deduction with respect to an ISO if the participant holds the shares for the applicable ISO holding periods before selling or transferring the shares.

Restricted Stock, Restricted Stock Units and Other Stock-Based Awards. If an award is subject to a restriction on transferability and a substantial risk of forfeiture (for example, restricted stock), the participant generally must recognize ordinary income equal to the fair market value of the transferred amounts at the earliest time either the transferability restriction or risk of forfeiture lapses. If an award has no restriction on transferability or is not subject to a substantial risk of forfeiture, the participant generally must recognize ordinary income equal to the cash or the fair market value of shares received. We can ordinarily claim a tax deduction in an amount equal to the ordinary income recognized by the participant, except as discussed below regarding Section 162(m). A participant may irrevocably elect to accelerate the taxable income to the time of grant of restricted stock rather than upon lapse of restrictions on transferability or the risk of forfeiture (Section 83(b) election).

Section 409A. Section 409A of the Code imposes election, payment and funding requirements on "nonqualified deferred compensation" plans. If a nonqualified deferred compensation arrangement subject to Section 409A of the Code fails to meet, or is not operated in accordance with, the requirements of Section 409A, then compensation deferred under the arrangement may become immediately taxable and subject to a 20% additional tax. Certain awards that may be issued under the plan may constitute a "deferral of compensation" subject to the requirements of Section 409A of the Code.

Section 162(m). Compensation that qualifies as "performance-based" compensation is excluded from the $1 million deduction limitation of Section 162(m) of the Code. Under the equity incentive plan, options and stock appreciation rights granted with an exercise price at least equal to 100% of the fair market value of the underlying shares on the date of grant and certain other awards that are conditioned upon achievement of performance goals are intended to qualify as "performance-based" compensation. A number of requirements must be met in order for particular compensation to qualify, and we cannot assure you that compensation under the equity incentive plan will be fully deductible by us under all circumstances.

Substitution of NCM LLC Options and Restricted Units

NCM LLC has issued to its employees, options to purchase common membership units of NCM LLC. In connection with this offering, NCM LLC anticipates issuing restricted units as "IPO awards" to holders of outstanding unit options. Upon completion of this offering, we will issue stock options to holders of outstanding unit options in substitution of the NCM LLC unit options and shares of restricted stock in substitution of the NCM LLC restricted units under the following terms and conditions:

- the individual's rights with respect to the NCM LLC unit option and restricted units will be cancelled;
- the total spread (the excess of the aggregate fair market value of the units subject to the option over the aggregate option exercise price) of the option after substitution cannot exceed the total spread of the option that existed immediately prior to the substitution (the "spread test");
- on a share by share comparison, the ratio of the option exercise price to the fair market value of the shares subject to the option immediately after the substitution cannot be greater than the ratio of the option exercise price to the fair market value of the units subject to the option that existed immediately prior to the substitution (the "ratio test");
- the substituted option must contain all of the terms of the unit option, except to the extent such terms are rendered inoperative by the corporate transaction; and
- the substituted option must not provide the option holder with additional benefits that the option holder did not have under the unit option.

We will provide an option substitution agreement to each NCM LLC option holder that sets forth the terms and conditions related to the substitution of the option. We will provide a restricted stock agreement with each NCM LLC restricted unit holder that sets forth the terms and conditions related to the substitution of the restricted stock for the restricted units.

Pension Benefits

None of our named executive officers participate in or have account balances in qualified or non-qualified defined benefit plans sponsored by us.

Nonqualified Deferred Compensation

None of our named executive officers participate in or have account balances in non-qualified defined contribution plans or other deferred compensation plans maintained by us. The compensation committee, which will be comprised solely of "outside directors" as defined for purposes of Section 162(m) of the Internal Revenue Code, may elect to provide our officers and other employees with non-qualified defined contribution or deferred compensation benefits if the compensation committee determines that doing so is in our best interests.

Other Employee Benefits

Our employees, including our named executive officers, are entitled to various employee benefits. These benefits include the following: medical and dental insurance; flexible spending accounts for healthcare; life, accidental death and dismemberment and disability insurance; employee assistance programs (confidential counseling); a 401(k) plan; and paid time off.

We will offer a 401(k) plan to eligible employees as part of a 401(k) plan administered by NCM LLC. Under the plan, employee participants, including our named executive officers, may contribute up to 20% of their compensation, subject to Internal Revenue Code limitations. Employee contributions may be made after six months of service, and are invested in various investment funds based upon elections made by the employee. We may make discretionary matching contributions to the plan.

Employment and Other Agreements

The following is a summary of the employment agreements that are currently in effect between NCM LLC and each of the named executive officers. Upon the completion of this offering, NCM Inc. and NCM LLC will enter into new employment agreements on substantially the same terms as those discussed below with each of the named executive officers, under which NCM Inc. will be the employer and NCM LLC will be liable for any payments due to such employee.

Kurt C. Hall

On May 25, 2005, NCM LLC entered into an employment agreement with Kurt C. Hall to serve as President, Chief Executive Officer and Chairman of the Board of NCM LLC, for a term of three years. On each May 25, beginning in 2006, one year will be added to the term of the agreement. The agreement provides that Mr. Hall be paid a base salary at the rate of $625,000 per year, subject to annual increases at the discretion of the compensation committee. In addition to base salary, Mr. Hall is eligible to receive an annual cash target bonus of at least 100% of his base salary and an additional stretch bonus of at least 50% of his base salary upon attainment of performance goals determined by the compensation committee. Mr. Hall will also be reimbursed for reasonable out-of-pocket expenses. If Mr. Hall is terminated from NCM LLC, for reasons other than permanent disability, death or cause, Mr. Hall will be entitled to severance equal to two times his base salary paid over 24 months and a prorated portion of any bonus he would have received in the fiscal year in which his termination occurs. Mr. Hall would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 24-month period. If Mr. Hall resigns from NCM LLC with good reason, as defined in the agreement, he will be entitled to severance equal to two times his base salary and one times his target bonus payable in a lump sum, and a prorated portion of any bonus he would have received in the fiscal year in which his resignation occurs. Mr. Hall would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 24-month period. If, within three months before or one year after a change of control, as defined in the agreement, Mr. Hall resigns for good reason or is terminated for reasons other than permanent disability, death or cause, Mr. Hall would be entitled to severance equal to two and one half times his base salary and two times his target bonus payable in a lump sum. Mr. Hall would also be entitled to a prorated portion of any bonus he would have received for the fiscal year in which the termination occurs, and would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 30-month period. Under the agreement, during his employment and for 12 months thereafter, Mr. Hall, subject to certain limitations, has agreed not to compete with NCM LLC or any of its affiliates or subsidiaries or solicit anyone who was employed by these entities. Under the agreement, Mr. Hall has also agreed not to divulge or disclose confidential information of NCM LLC or its affiliates or subsidiaries except while employed by NCM LLC, in the business of and for the benefit of NCM LLC, or as required by law.

Clifford E. Marks

NCM LLC entered into a first amended and restated employment agreement with Mr. Marks effective as of October 1, 2006. The agreement has a term of 24 months. On the last day of the term, 24 months will be added to the termination date of the agreement. Under the agreement, Mr. Marks is paid a base salary at the rate of $675,000 per year with increases of 1% annually assuming an initial public offering occurs. In addition to base salary, Mr. Marks is eligible to receive an annual cash bonus equal to 25% of his base salary upon attainment of certain performance goals as determined by the chief executive officer and an additional annual cash bonus up to 80% of his base salary based upon attainment of certain sales targets as determined by the chief executive officer. The compensation committee of the board will review Mr. Marks' bonus structure and may adjust the bonus structure in its sole discretion. If Mr. Marks is terminated from NCM LLC, for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Marks resigns for good reason, as defined in the agreement Mr. Marks will be entitled to severance equal the greater of his base salary paid over the remaining existing term of the 24 month contract and a bonus equal to the last bonus paid per month applied against the remaining contract period or one year of base salary plus 100% of the bonus amount paid for the last full year of employment. Mr. Marks would also be entitled to continued coverage under any employee benefit plans until the

date he receives equivalent coverage but not longer than the period for which his base salary is paid after termination. Under the agreement, during his employment and for 12 months thereafter, Mr. Marks has agreed not to compete with NCM LLC, its affiliates or subsidiaries, or solicit anyone who is an employee, officer or agent of these entities. Under the agreement, Mr. Marks has also agreed not to divulge or disclose customer lists or trade secrets of NCM LLC or its affiliates or subsidiaries except in the course of carrying out his duties under the agreement or as required by law.

Gary W. Ferrera

In April 2006, NCM LLC entered into an employment agreement with Gary W. Ferrera to serve as Executive Vice President and Chief Financial Officer of NCM LLC, for a term of 12 months commencing on May 1, 2006. On the last day of the term, 12 months will be added to the termination date. The agreement provides that Mr. Ferrera be paid a base salary of $275,000 per year, increasing to $300,000 per year as of January 1, 2007 and subject to further annual increases at the discretion of the compensation committee. On January 1, 2007, Mr. Ferrera's base salary was increased to $325,000. In addition to base salary, Mr. Ferrera is eligible to receive an annual bonus of up to 75% of his base salary upon attainment of certain objective financial and subjective non-financial goals as determined by the chief executive officer. If Mr. Ferrera is terminated from NCM LLC, for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Ferrera resigns for good reason, as defined in the agreement, Mr. Ferrera will be entitled to severance equal to his base salary paid over 12 months and any annual bonuses awarded but not yet paid. Mr. Ferrera would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 12-month period, or the economic equivalent of such coverage. Under the agreement, during his employment and for 12 months thereafter, Mr. Ferrera has agreed not to compete with NCM LLC or any of its affiliates or subsidiaries, or solicit any of the employees, officers or agents of these entities. Under the agreement, Mr. Ferrera has also agreed not to divulge or disclose customer lists or trade secrets of NCM LLC or its affiliates or subsidiaries except in the course of carrying out his duties under the agreement or as required by law.

Thomas C. Galley

On May 25, 2005, NCM LLC entered into an employment agreement with Thomas C. Galley to serve as the Executive Vice President and Chief Technology and Operations Officer of NCM LLC, for a term of 18 months. On the last day of the term, 18 months will be added to the termination date. The agreement provides that Mr. Galley be paid a base salary at the rate of $257,500 per year, increasing to $325,000 per year as of July 6, 2005, and $375,000 beginning on January 4, 2006. On January 1, 2007, Mr. Galley's base salary was increased to $415,000. In addition to base salary, Mr. Galley is eligible to receive an annual cash bonus of up to 75% of his base salary upon attainment of certain objective financial and subjective non-financial goals as determined by the chief executive officer. If Mr. Galley is terminated from NCM LLC, for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Galley resigns for good reason, as defined in the agreement, Mr. Galley will be entitled to severance equal to one and a half times his base salary paid over 18 months and any annual bonuses awarded but not yet paid. Mr. Galley would also be entitled to continued coverage under any employee medical, health and life insurance plans for an 18-month period, or the economic equivalent of such coverage. Under the agreement, during his employment and for 12 months thereafter, Mr. Galley has agreed not to compete with NCM LLC or any of its affiliates or subsidiaries, or solicit any of the employees, officers or agents of these entities. Under this agreement, Mr. Galley has also agreed not to divulge or disclose customer lists or trade secrets of NCM LLC or its affiliates or subsidiaries except in the course of carrying out his duties under the agreement or as required by law.

Ralph E. Hardy

On May 25, 2005, NCM LLC entered into an employment agreement with Ralph E. Hardy to serve as the Executive Vice President of NCM LLC. The term of employment terminates on each December 31, but will be considered automatically renewed unless notice of termination is given by either party. The agreement provides

that Mr. Hardy be paid a base salary at the rate of $210,000 per year, subject to annual review by the board. On January 1, 2007, Mr. Hardy's base salary was increased to $221,728. In addition to base salary, Mr. Hardy is eligible to receive an annual bonus as determined by the board. If Mr. Hardy is terminated from NCM LLC, for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Hardy resigns for good reason, as defined in the agreement, Mr. Hardy will be entitled to severance equal to his base salary paid over 12 months and any annual bonuses awarded but not yet paid. Mr. Hardy would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 12-month period, or the economic equivalent of such coverage. Under the agreement, during his employment and for so long as he is entitled to receive any benefits or payment under the agreement (but in no event less than 12 months), Mr. Hardy has agreed not to compete with NCM LLC or any of its affiliates or subsidiaries, or solicit any of the employees, officers or agents of these entities. Under the agreement, Mr. Hardy has also agreed not to divulge or disclose customer lists or trade secrets of NCM LLC or its affiliates or subsidiaries except in the course of carrying out his duties under the agreement or as required by law.

Potential Payments Upon Termination or Change of Control

The following summaries set forth potential payments payable to our named executive officers upon termination of their employment or a change of control of NCM Inc. under their employment agreements to be in effect following the completion of this offering and under the NCM Inc. 2007 Equity Incentive Plan. The following discussion is based on the following assumptions:

- the actual bonus amount would be the target award amount reported as a non-equity incentive plan award in the "Grants of Plan Based Awards" table; and
- the common stock price is $19.00.

The potential payments described below are estimated based upon these assumptions. Actual payments may be more or less than the amounts described below. In addition, the company may enter into new arrangements or modify these arrangements, from time to time.

Kurt C. Hall

If Mr. Hall is terminated from NCM Inc., for reasons other than permanent disability, death or cause, he will be entitled to severance equal to two times his base salary paid over 24 months and a prorated portion of any bonus he would have received in the fiscal year in which his termination occurs paid at the same time bonuses are paid to other executives. Mr. Hall would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 24-month period. If Mr. Hall resigns from NCM Inc. with good reason, as defined in the agreement, he will be entitled to severance equal to two times his base salary and one times his target bonus payable in a lump sum, and a prorated portion of any bonus he would have received in the fiscal year in which his resignation occurs paid at the same time bonuses are paid to other executives. Mr. Hall would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 24-month period. If, within three months before or one year after a change of control, as defined in the agreement, Mr. Hall resigns for good reason or is terminated for reasons other than permanent disability, death or cause, he would be entitled to severance equal to two and one half times his base salary and two times his target bonus payable in a lump sum. Mr. Hall would also be entitled to a prorated portion of any bonus he would have received in the fiscal year in which the termination occurs paid at the same time bonuses are paid to other executives, and would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 30-month period. If Mr. Hall terminates employment due to his death, his beneficiaries will receive his actual bonus for the year of his death prorated by the number of days until his death paid at the same time bonuses are paid to other executives and one year of continued medical benefits for his spouse and eligible dependents. If Mr. Hall terminates employment on account of his permanent disability, Mr. Hall will receive his actual bonus for the year prorated by the number of days until his termination of employment paid at the same time bonuses are paid to other executives and one year of continued medical benefits for his spouse and eligible

dependents. Under the equity incentive plan, if within three months prior to or one year after the consummation of a change of control, as defined in the plan, Mr. Hall's employment is terminated by NCM Inc., its affiliate or a successor in interest without cause or by Mr. Hall for good reason, both as defined in the plan, then all outstanding options shall become immediately exercisable and all other awards shall become vested and any restrictions will lapse.

Assuming Mr. Hall's employment was terminated under each of these circumstances on December 28, 2006, such payments and benefits have an estimated value of:

	Cash Severance	Bonus	Medical Insurance Continuation	Life Insurance Continuation	Value of Accelerated Equity and Performance Awards
Without Cause	$ 1,250,000	$ 625,000	$ 27,535	$ 2,701	—
For Good Reason	$ 1,250,000	$ 1,250,000	$ 27,535	$ 2,701	—
Without Cause or For Good Reason 3 months prior or one year following a Change of Control	$ 1,562,500	$ 1,875,000	$ 34,419	$ 3,376	$ 1,165,589
Death	—	$ 625,000	$ 13,768	—	—
Disability	—	$ 625,000	$ 13,768	$ 3,376	—

Clifford E. Marks

If Mr. Marks is terminated from NCM Inc., for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Marks resigns for good reason, as defined in the agreement, or his agreement is not renewed on substantially equal terms, he will be entitled to severance equal to the greater of (1) his base salary paid over the remaining existing term of the 24 month contract and a bonus equal to the last bonus paid per month applied against the remaining contract period or (2) one year of base salary plus 100% of the bonus amount paid for the last full year of employment. Mr. Marks would also be entitled to continued coverage under any employee benefit plans until the date he receives equivalent coverage but not longer than the period for which his base salary is paid after termination. Under the equity incentive plan, if within three months prior to or one year after the consummation of a change of control, as defined in the plan, Mr. Marks employment is terminated by NCM Inc., its affiliate or a successor in interest without cause or by Mr. Marks for good reason, both as defined in the plan, then all outstanding options and stock appreciation rights shall become immediately exercisable and all other awards shall become vested and any restrictions will lapse.

Assuming Mr. Marks' employment was terminated under each of these circumstances on December 28, 2006, such payments and benefits have an estimated value of:

	Cash Severance	Bonus	Medical Insurance Continuation	Life Insurance Continuation	Value of Accelerated Equity and Performance Awards
Without Cause or For Good Reason or Expiration of Agreement	$ 1,181,250	$ 1,181,250	$ 24,093	$ 2,552	—
Death	—	—	$ 24,093	—	—
Disability*	$ 337,500	—	$ 13,768	$ 1,458	—
Without Cause or For Good Reason 3 months prior or one year following a Change of Control	—	—	—	—	$ 647,305

* net of amounts offset by disability insurance payments

Gary W. Ferrera

If Mr. Ferrera is terminated from NCM Inc. for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Ferrera resigns for good reason, as defined in the agreement, he will be entitled to severance equal to his base salary paid over 12 months and any annual bonuses awarded but not yet paid. Mr. Ferrera would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 12-month period, or the economic equivalent of such coverage. If Mr. Ferrera terminates employment due to his death, his beneficiaries will receive his base salary paid through the end of the month of his death and one year of continued medical benefits for his spouse and eligible dependents. If Mr. Ferrera terminates employment on account of his disability, in exchange for a release of claims against the company, he will be entitled to his base salary for a period of six months following termination, offset by any disability benefits provided under a company sponsored benefit arrangement, and one year of continued benefits. Under the equity incentive plan, if within three months prior to or one year after the consummation of a change of control, as defined in the plan, Mr. Ferrera's employment is terminated by NCM Inc., its affiliate or a successor in interest without cause or by Mr. Ferrera for good reason, both as defined in the plan, than all outstanding options and stock appreciation rights shall become immediately exercisable and all other awards shall become vested and any restrictions will lapse.

Assuming Mr. Ferrera's employment was terminated under each of these circumstances on December 28, 2006, such payments and benefits have an estimated value of:

	Cash Severance	Bonus	Medical Insurance Continuation	Life Insurance Continuation	Value of Accelerated Equity and Performance Awards
Without Cause or For Good Reason or Expiration of Agreement	$ 300,000	—	$ 13,768	$ 594	—
Death	—	—	$ 13,768	—	—
Disability*	$ 150,000	—	$ 13,768	$ 594	—
Without Cause or For Good Reason 3 months prior or one year following a Change of Control	—	—	—	—	$ 117,996

* net of amounts offset by disability insurance payments

Thomas C. Galley

If Mr. Galley is terminated from NCM Inc. for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Galley resigns for good reason, as defined in the agreement or his agreement is not renewed on substantially equal terms, he will be entitled to severance equal to one and a half times his base salary paid over 18 months and any annual bonuses awarded but not yet paid. Mr. Galley would also be entitled to continued coverage under any employee medical, health and life insurance plans for an 18-month period, or the economic equivalent of such coverage. If Mr. Galley terminates employment due to his death, his beneficiaries will receive his base salary paid through the end of the month of his death and one year of continued medical benefits for his spouse and eligible dependents. If Mr. Galley terminates employment on account of his disability, in exchange for a release of claims against the company, he will be entitled to his base salary for a period of six months following termination, offset by any disability benefits provided under a company sponsored benefit arrangement, and one year of continued benefits. Under the equity incentive plan, if within three months prior to or one year after the consummation of a change of control, as defined in the plan, Mr. Galley's employment is terminated by NCM Inc., its affiliate or a successor in interest without cause or by Mr. Galley for good reason, both as defined in the plan, then all outstanding options and stock appreciation rights shall become immediately exercisable and all other awards shall become vested and any restrictions will lapse.

Assuming Mr. Galley's employment was terminated under each of these circumstances on December 28, 2006, such payments and benefits have an estimated value of:

	Cash Severance	Bonus	Medical Insurance Continuation	Life Insurance Continuation	Value of Accelerated Equity and Performance Awards
Without Cause or For Good Reason or Expiration of Agreement	$ 562,500	—	$ 20,651	$ 1,215	—
Death	—	—	$ 13,768	—	—
Disability*	$ 187,500	—	$ 13,768	$ 810	—
Without Cause or For Good Reason 3 months prior or one year following a Change of Control	—	—	—	—	$ 359,135

* net of amounts offset by disability insurance premiums.

Ralph E. Hardy

If Mr. Hardy is terminated from NCM Inc. for reasons other than disability, death or cause, as defined in the agreement, or if Mr. Hardy resigns for good reason, as defined in the agreement, he will be entitled to severance equal to his base salary paid over 12 months and any annual bonuses awarded but not yet paid. Mr. Hardy would also be entitled to continued coverage under any employee medical, health and life insurance plans for a 12-month period, or the economic equivalent of such coverage. If Mr. Hardy terminates employment due to his death, his beneficiaries will receive his base salary paid through the end of the month of his death and one year of continued medical benefits for his spouse and eligible dependents. If Mr. Hardy terminates employment on account of his disability, in exchange for a release of claims against the company, he will be entitled to his base salary for a period of six months following termination, offset by any disability benefits provided under a company sponsored benefit arrangement, and one year of continued benefits. Under the equity incentive plan, if within three months prior to or one year after the consummation of a change of control, as defined in the plan, Mr. Hardy's employment is terminated by NCM Inc., its affiliate or a successor in interest without cause or by Mr. Hardy for good reason, both as defined in the plan, then all outstanding options and stock appreciation rights shall become immediately exercisable and all other awards shall become vested and any restrictions will lapse.

Assuming Mr. Hardy's employment was terminated under each of these circumstances on December 28, 2006, such payments and benefits have an estimated value of:

	Cash Severance	Bonus	Medical Insurance Continuation	Life Insurance Continuation	Value of Accelerated Equity and Performance Awards
Without Cause or For Good Reason or Expiration of Agreement	$ 210,000	—	$ 13,768	$ 465	—
Death	—	—	$ 13,768	—	—
Disability*	$ 105,000	—	$ 13,768	$ 465	—
Without Cause or For Good Reason 3 months prior or one year following a Change of Control	—	—	—	—	$ 129,494

* net of amounts offset by disability insurance premiums

Director Compensation

Non-Employee Directors

Prior to this offering, we reimbursed all directors for any out-of-pocket expenses incurred by them in connection with services provided in such capacity. Our directors have not received any compensation for serving as directors prior to this offering.

Upon completion of this offering, directors who are not our employees or employees of our founding members will receive an annual cash retainer of $20,000, plus $1,500 for each meeting of the board of directors they attend. In addition, non-employee directors will receive a restricted stock grant valued at $20,000, which will have a one-year vesting schedule. Annual retainers will be paid to the chairperson of each committee of the board of directors as follows: $10,000 for the audit committee chairperson and $5,000 for each of the compensation committee chairperson and the governance committee chairperson. Audit committee members also will receive $1,500 for each audit committee meeting they attend, and compensation committee and governance committee members will receive $1,000 for each meeting of those committees they attend. We will reimburse all of our directors for reasonable travel, lodging and other expenses related to their service on our board of directors.

Employee Directors

Our employees who also serve as directors will receive compensation for their services as employees, but they will not receive any additional compensation for their service as directors.

Limitation of Liability and Indemnification of Directors and Officers

As permitted by the Delaware General Corporation Law, or DGCL, we have adopted provisions in our certificate of incorporation that limit or eliminate the personal liability of our directors and officers to the fullest extent permitted by applicable law. The duty of care generally requires that, when acting on behalf of the corporation, directors and officers exercise an informed business judgment based on all material information reasonably available to them. Consequently, a director or officer will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director or officer, except for liability for:

- any breach of the person's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any act related to unlawful stock repurchases, redemptions or other distributions or payment of dividends; or
- any transaction from which the person derived an improper personal benefit.

These limitations of liability do not generally affect the availability of equitable remedies such as injunctive relief or rescission.

As permitted by the DGCL, our certificate of incorporation and bylaws provide that:

- we will indemnify our current and former directors and officers and anyone who is or was serving at our request as the director, officer, employee or agent of another entity, and may indemnify our current or former employees and other agents, to the fullest extent permitted by the DGCL, subject to limited exceptions; and
- we may purchase and maintain insurance on behalf of our current or former directors, officers, employees or agents against any liability asserted against them and incurred by them in any such capacity, or arising out of their status as such.

We currently maintain liability insurance for our directors and officers.

Our certificate of incorporation requires us to advance expenses to our directors and officers in connection with a legal proceeding, subject to receiving an undertaking from such director or officer to repay advanced amounts if it is determined he or she is not entitled to indemnification. Our bylaws provide that we may advance expenses to our employees and other agents, upon such terms and conditions, if any, as we deem appropriate.

We intend to enter into separate indemnification agreements with each of our directors and officers, which may be broader than the specific indemnification provisions contained in the DGCL. These indemnification agreements may require us, among other things, to indemnify our directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct. These indemnification agreements may also require us to advance any expenses incurred by the directors or officers as a result of any proceeding against them as to which they could be indemnified and to obtain directors' and officers' insurance, if available on reasonable terms.

Our certificate of incorporation expressly provides that we renounce any interest in business opportunities, or options to participate in such opportunities, that relate to our business and that are presented to our directors, officers (except officers approached in their capacity as an officer of NCM Inc.), and stockholders, both direct and indirect, or members of NCM LLC. Our certificate of incorporation further provides that no such person will be liable for breach of any obligation to present any such business opportunity to us, even if that opportunity is one which we might reasonably have the ability or desire to pursue, unless that opportunity was offered to such person in his or her capacity as our officer.

Under the third restated LLC agreement of NCM LLC, which will become effective upon the completion of this offering and is described in more detail under "Certain Relationships and Related Party Transactions—Transactions with Founding Members—NCM LLC Operating Agreement" below, NCM LLC will indemnify managers, members and officers against liabilities that arise in connection with the business of NCM LLC and any activities of any managers, members and officers involving actions taken on behalf of NCM LLC, provided that the indemnification will not apply to acts of gross negligence or willful misconduct or a breach of any agreement between the indemnitee and us.

The third restated LLC agreement also provides that, while no member may have other business interests that compete with NCM LLC, any affiliate of a member or stockholder of NCM Inc. may have other business interests and may engage in any other businesses of any kind, including businesses that compete with our business and purpose.

Currently, to our knowledge, there is no pending litigation or proceeding involving any of our directors, officers, employees or agents in which indemnification by us is sought, nor are we aware of any threatened litigation or proceeding that may result in a claim for indemnification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for our directors, officers and controlling persons under the foregoing provisions or otherwise, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

General

Before the completion of this offering, NCM LLC has been wholly owned by our founding members. In connection with the completion of this offering, we will purchase from NCM LLC a number of newly issued common membership units equal to the number of shares sold in the public offering, at a price per unit equal to the public offering price per share, less underwriting discounts and commissions and related offering expenses. NCM LLC will pay all of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements. Following this acquisition, we will own 40.5% of the outstanding common membership units in NCM LLC, and the founding members collectively will own 59.5% of the outstanding common membership units in NCM LLC.[1] If the underwriters exercise their over-allotment option to purchase additional shares in full, we will acquire an equivalent number of additional units in NCM LLC promptly after issuing additional shares pursuant to the over-allotment option, and our aggregate ownership of NCM LLC will increase to 44.8%. We will be the sole managing member of NCM LLC.

We intend to enter into several agreements to effect the reorganization and the financing transaction and to define and regulate the relationships among us, NCM LLC and the founding members after the completion of the reorganization and this offering. Except as described in this section, we do not expect to have any material arrangements with NCM LLC, the founding members or any of our or their respective directors, officers or other affiliates after the completion of the reorganization and this offering, other than ordinary course business relationships on arm's length terms.

The summaries of the agreements contained in this prospectus are qualified by reference to the complete text of agreements which have been or will be filed with the SEC as exhibits to the registration statement of which this prospectus is a part. For information on how to obtain copies of these agreements or other exhibits, see "Where You Can Find More Information" on page 172.

Transactions with Founding Members

Exhibitor Services Agreements

The exhibitor services agreements to be entered into in connection with the completion of this offering will govern the terms by which NCM LLC provides advertising services, meeting events and digital programming events in the founding members' theatres using the digital content network. Each founding member is party to a separate exhibitor services agreement with NCM LLC. The terms of each founding member's exhibitor services agreement are substantially the same.

Agreement in Effect Before the Reorganization. Each of the founding members is party to an agreement with NCM LLC dated as of July 15, 2005, which governs the provision of advertising, meetings and digital programming events by NCM LLC. In the case of AMC and Regal, these agreements were amended and restated to reflect Cinemark's new participation as a founding member. For the nine months ended December 29, 2005 and the nine months ended September 28, 2006, the aggregate amounts payable to founding members pursuant to these agreements were approximately $95.8 million and $97.7 million respectively. In connection with the completion of this offering, we will enter into amended and restated agreements with each founding member that will be in effect following the reorganization.

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[1] Excludes unvested restricted stock and shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively. A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

Agreement in Effect After the Reorganization. Certain basic terms of the exhibitor services agreements are discussed below:

Services Provided. Pursuant to the exhibitor services agreements, NCM LLC will be the exclusive provider within the United States of advertising services in the founding members' theatres (subject to pre-existing contractual obligations and other limited exceptions for the benefit of the founding members), as well as of meeting events and digital programming events, and the founding members agree to participate in such services. Advertising services include on-screen advertising, use of the lobby entertainment network and lobby promotions. Meeting events involve the hosting of meetings and distribution of digital content. Digital programming events involve the distribution of digital programming events. See "Business—Our Company—In-Theatre Advertising," "Business—Our Company—CineMeetings" and "Business—Our Company—Digital Programming Events (NCM Fathom)" above for additional discussion of these businesses. The content, promotions, events, meetings and activities that are included within the services provided by NCM LLC are generally referred to herein as the services.

Term and Termination. The exhibitor services agreements will have a term of 30 years for advertising. The terms for CineMeetings and digital programming will each be approximately five years with provisions for automatic renewal if certain financial performance conditions are met by our CineMeetings or digital programming business, as applicable. If such financial performance conditions are not met, the founding member may elect to extend the term relating to CineMeetings or digital programming, as applicable. Beginning one year prior to the end of the term of an exhibitor services agreement, NCM LLC will have a five-year right of first refusal to enter into a services agreement for the services provided under the exhibitor services agreement with the applicable founding member on terms equivalent to those offered by a third-party.

Either party may terminate the agreement upon:

- a material breach of the exhibitor services agreement by the other party after notice and a cure period;
- a government, regulatory or judicial injunction, order or decree; or
- bankruptcy, insolvency or dissolution of the other party, appointment of a receiver or trustee for the other party who is not dismissed within 60 days or cessation of business or inability to pay debts.

Theatres. The founding members will be required to make all their theatres available for the services, including theatres that are newly acquired or built during the term of the exhibitor services agreement, but excluding draft house and art house theatres (attendance at which shall not exceed 4% of the attendance at the founding member's participating theatres for the preceding year) and screens exhibiting IMAX technology. For newly acquired theatres that are subject to contracts with an alternative cinema advertising provider, if the founding member wishes to receive common membership units in NCM LLC (as provided in the common unit adjustment agreement described below) at the time the theatres are acquired, the exhibitor services agreement will provide that the founding member may make certain run out payments until NCM LLC can utilize the theatres for all of its services. Alternatively, the founding member may wait to receive common membership units for the acquired theatres until the contracts with the alternative providers have expired and NCM LLC may provide its services without limitation.

Lobby Entertainment Network. With exceptions for digitized theatres that already have lobby screens for the lobby entertainment network, the founding member will be required to place one lobby entertainment network screen in digitized theatres with ten or fewer auditoriums, two lobby entertainment network screens in digitized theatres with eleven to twenty auditoriums and three lobby entertainment network screens in digitized theatres with more than twenty auditoriums.

Inventory. The pre-feature program for digital on-screen advertising will be 20 to 30 minutes long, and the founding members covenant to use commercially reasonable efforts to open their auditoriums to customers at

least 20 minutes prior to the advertised show time. Lobby entertainment network advertising will be displayed in a repeating loop. With respect to lobby promotions, there is an inventory of lobby promotions that are pre-approved by the founding members. Additional lobby promotions may be added to the pre-approved inventory upon consent by NCM LLC and the founding member. For digital programming events and meeting events (except church worship services, which require approval), the exhibitor services agreement also will establish pre-approved periods when such events may be exhibited in applicable theatres, specifically on Monday through Thursday evenings for digital programming events and Monday through Thursday from 6:00 a.m. to 6:00 p.m. for meetings, in both cases except during specified peak holiday periods. Digital programming events may be exhibited and meeting events may be conducted at other times upon consent by NCM LLC and the founding member.

Payments. In consideration for NCM LLC's access to our founding members' theatre attendees for on-screen advertising and use of off-screen locations within the founding member's theatres for the lobby entertainment network and lobby promotions, the founding members will receive a monthly theatre access fee under the exhibitor services agreements. The theatre access fee is composed of a fixed payment per patron and a fixed payment per digital screen, which will be adjusted for any advertising exhibited by some, but not all, theatres or founding members because of content objections or technical capacity. The payment per theatre patron will increase by 8% every five years with the first such increase taking effect after the end of fiscal 2011 and the payment per digital screen will increase annually by 5%, beginning after the end of fiscal 2007. The theatre access fee paid in the aggregate to all founding members will not be less than 12% of NCM LLC's aggregate advertising revenue (as defined in the exhibitor services agreement), or it will be adjusted upward to reach this minimum payment.

As described in "Use of Proceeds," NCM LLC will also pay all of the proceeds it receives from us to the founding members for their agreeing to modify NCM LLC's payment obligation under the exhibitor services agreements. The modification agreed to by the founding members reflects a shift from circuit share expense under the prior agreements with our founding members, which previously obligated NCM LLC to pay the founding members a percentage of revenue, to the monthly theatre access fee under the exhibitor services agreements.

In consideration for the exhibition of digital programming events, the founding members will retain 15% of the revenue from ticket sales, net of taxes and refunds and 100% of the concession sales. NCM LLC will distribute a total of 15% of the net revenue received from any promotional fee for a digital programming event to the founding members that participated in such digital programming event, allocated based upon the number of tickets sold. Revenue from meeting events will be shared based on the type of event. For Meetings with a Movie, the founding member will retain the proceeds of movie ticket sales for a full sale of the auditorium (at adult ticket prices) and NCM LLC will retain other fees associated with the meeting. For meetings without a movie, NCM LLC will pay the founding member 15% of the rental revenue for the meeting. For church worship services, NCM LLC will pay the founding member 50% of the rental revenue for the meeting.

NCM LLC will pay the cost associated with providing its services to the founding members' theatres, which includes selling and marketing expenses (including base salaries, commissions and benefits of our advertising sales staff and marketing, public relations and research departments), network operations and maintenance costs (including costs to run our network operations center, satellite bandwidth costs and costs for the maintenance of the network software and hardware), advertising and event costs (including production and other costs associated with non-digital advertising, and direct costs of events) and administrative expenses (including salaries, bonuses and benefits for our administrative staff and occupancy costs). The founding members pay the in-theatre operational costs of exhibiting the services within the theatres (such as electricity), except that any incremental costs (such as third-party security at digital programming events) are reimbursed by NCM LLC.

Beverage Concessionaire Agreements. Under the exhibitor services agreements, NCM LLC will display up to 90 seconds of on-screen advertising for beverage concessionaires at the time established in their agreements with the founding members, but the founding members are required to pay an initial beverage agreement

advertising rate based on CPM for the beverage advertising. As long as the beverage agreement advertising rate does not exceed the highest rate being charged by NCM LLC for on-screen advertising, the rate will increase annually at a rate of (a) 8% per year for each of the first two calendar years following fiscal 2007, (b) 6% per year for the next two fiscal years, and (c) for all following years, at an annual percentage equal to the annual increase in the advertising rate charged by NCM LLC to unaffiliated third parties.

Equipment. Founding members' existing digitized theatres have the requisite equipment to participate in the advertising services. For newly acquired and built theatres, as well as theatres converting from non-digitized to digitized capacities, NCM LLC is responsible for procuring the equipment necessary to deliver its services on behalf of the founding members, or the founding members have the option to procure equipment directly. NCM LLC will pay for the equipment that is placed outside of theatres and for any testing equipment installed within the theatres to maintain NCM LLC's software. The founding members will pay for all other equipment placed inside these theatres. Under the exhibitor services agreements, the founding members will be responsible for installation of equipment purchased, but they may elect to have NCM LLC perform the installation, in which case NCM LLC will be reimbursed for installation services. If satellite service is not available and a landline connection is required for delivery of its services, NCM LLC will pay for the costs of the landline connection with respect to delivery of content from NCM LLC to the founding member's wide area network, and the founding member will pay the costs with respect to delivery of content from its wide area network to its theatres.

Each party owns the equipment for which it pays or for which it reimburses the other party. NCM LLC may request replacement, upgrade or modification of equipment or software in any theatre, provided such request is made to all founding members, and NCM LLC and the founding member will negotiate the terms and cost-sharing of any upgrade requests. Under the exhibitor services agreements, if no agreement is reached regarding the upgrade request, NCM LLC may elect to pay for the proposed replacements, upgrades or modifications. The parties, pursuant to the exhibitor services agreement, agree to use commercially reasonable efforts to ensure that the digital content network will be integrated with any network for delivery of digital cinema services so that NCM LLC's services can be delivered over any such digital cinema network. NCM LLC will perform repair and routine maintenance of equipment, unless the founding member elects to assume this responsibility. If NCM LLC is performing repair and routine maintenance, it will bear the cost of repairs (subject to limited restrictions), but not replacement. The founding member will pay the expense of equipment repair or replacement if the expense would constitute a capital expense for NCM LLC or if the expense is payable by the founding member's insurance provider.

Content Standards. Section 4.03 of the exhibitor services agreements establishes content standards for the services that NCM LLC provides. Specifically, content may not (a) be subject to a Motion Picture Association of America "X" or "NC-17" rating or the equivalent; (b) promote illegal activity; (c) promote the use of tobacco, sexual aids, birth control, firearms, weapons or similar products; (d) promote alcohol, except prior to "R"-rated films in an auditorium; (e) constitute religious advertising, except the time and location for local church services; (f) constitute political advertising or promote gambling; (g) promote competitive theatres, theatre circuits or other entities that compete with the founding member or NCM LLC; (h) violate any of the founding member's beverage agreements or identified exclusive contractual relationships; or (i) otherwise negatively reflect on the founding member or adversely affect the founding member's attendance, as determined in the founding member's reasonable discretion and specified with respect to the geographical locations affected. If certain founding members decline to exhibit an advertisement on the basis of these content standards, while other founding members agree to exhibit it, the revenue from such advertisement is considered "4.03 Revenue." 4.03 Revenue will increase the theatre access fee paid to the founding members that displayed such advertisement relative to the founding members that did not display such advertisement in all or some of their theatres.

Founding Member Brand. The exhibitor services agreements provide that NCM LLC, in coordination with each founding member, will create a brand identity for the founding member, presented in interstitial messaging during the pre-feature program, including an introduction and close to the program. NCM LLC will also include in the pre-feature show up to two minutes for promotion of the founding member in segments called branded slots, and NCM LLC will include founding member branding in the policy trailer it produces. The branded slots may include

theatre advertising, as described below. The branded slots are provided by NCM LLC to the founding members at no charge and include 45 seconds within 15 minutes of show time, 15 seconds of which will be placed within 11 minutes of show time, and the remainder placed at NCM LLC's discretion. We may move the placement of the branded slots up to one minute further from the advertised movie show time if NCM LLC sells additional advertising units to third parties that will follow the branded slots. After the advertised show time (and after the pre-feature show), the founding members may also exhibit a policy trailer regarding theatre policy and operations. The policy trailer may include promotions of the founding member's concessions and may display branding of film studios, distributors or production companies. Upon prior written approval of the founding member, NCM LLC may sell advertising for inclusion in the policy trailer. Under the exhibitor services agreements, NCM LLC will provide, at no additional cost to the founding members, creative services to prepare branding material for the founding members, subject to a 1,000 hour annual limit for creative services to each founding member. After this hour limit is reached, the founding member may purchase additional creative services on an hourly basis.

Founding Member Strategic Programs. The exhibitor services agreements allow a founding member to exhibit advertising that is not directly related to theatre operations but is designed to promote the theatres or the movie-going experience to increase attendance or revenue (other than revenue from the sale of advertising) for the founding member (called a founding member strategic program). The founding member, at no cost, may use one minute for every 30 minutes of advertising on the lobby entertainment network and certain lobby promotions for its strategic programs in up to two local or regional promotions per theatre per flight (the approximately four- to five-week period that advertising content will run before being refreshed by NCM LLC) and up to four national promotions per year, provided that only one national promotion is running at any given time. The founding member may purchase an additional minute of lobby entertainment network time, for strategic programs at rate card rates and subject to availability. Any additional strategic advertising on the lobby entertainment network or as part of a lobby promotion must be agreed to by NCM LLC.

Theatre Advertising. The exhibitor services agreements permit the founding members to use their branded slot time (as described above) within the *FirstLook* program and the lobby entertainment network and certain lobby promotions to promote various activities associated with operation of the theatres, including concessions, ticketing partners, gift card and loyalty programs, special events presented by the founding member and vendors of non-film related services provided to theatres, so long as such promotions are incidental to the vendor's service (called theatre advertising). The exhibitor services agreements also permit the founding members to:

- purchase additional theatre advertising at an arm's length basis and subject to availability;
- include promotion of concessions and display branding of film studios, distributor or production companies in the policy trailer;
- exhibit theatre advertising and other internal programming, on lobby screens in excess of the lobby entertainment network requirements;
- promote the grand opening of a theatre with promotions involving local businesses for the period of 14 days before to 14 days after the opening of such theatre, which may include, subject to availability, one on-screen advertisement of 30 seconds in length;
- place advertising for full-length feature films on special popcorn tubs in circumstances where NCM LLC does not sell such advertising; and
- allow employee uniform suppliers to advertise on theatre employees' uniforms.

Legacy Agreements. In the current agreements between NCM LLC and the founding members, mechanisms were established to address the servicing of and allocation of revenue relating to legacy advertising contracts that existed between the founding members and third-party advertisers. The exhibitor services agreement will provide that all remaining legacy agreements are assigned by the founding members to NCM LLC, or if such assignment is not possible, the founding member will pay to NCM LLC all revenue from the legacy agreement and NCM LLC will perform the obligations under that agreement.

Non-Competition. The founding member agrees not to compete with NCM LLC in the businesses that the exhibitor services agreement authorizes NCM LLC to conduct, unless:

- the founding member or an affiliate acquires a competing business as an incidental part of an acquisition and disposes of the competing business as soon as practicable;
- the founding member and any affiliates acquire an aggregate direct or indirect ownership of less than 10% of the voting power of a competitive business; or
- the founding member enters into an agreement for the acquisition or installation of equipment or the provision of services with a competitor of NCM LLC, if there is no violation of NCM LLC's exclusive provision of services under the exhibitor services agreement.

Certain Other Provisions. The exhibitor services agreement includes (a) a limited license from NCM LLC to the founding member for use of NCM LLC's software and marks and (b) a limited license from the founding member to NCM LLC for use of the founding member's marks. Each party makes standard representations and warranties, such as due formation and authorization to enter into and perform the agreement, and each party agrees to indemnify the other for certain liabilities. If the exhibitor services agreement with one founding member is amended, other founding members have the right to amend their exhibitor services agreements to match such change pursuant to a most-favored nations provision. Neither party may assign, including by operation of law, its rights or obligations under the exhibitor services agreement, except to certain permitted transferees affiliated with the transferring entity.

NCM LLC Operating Agreement

Agreement in Effect Before the Completion of the Offering. The founding members are parties to an amended and restated limited liability company operating agreement dated as of July 15, 2005, as amended, which governs the operations of NCM LLC. We refer to this agreement as the current LLC agreement. Under the current LLC agreement, NCM LLC is governed by a ten-member board of directors, who qualify as "managers" for purposes of the Delaware limited liability company statute. Each of Regal, AMC and Cinemark appoints three directors, and the tenth director is NCM LLC's chief executive officer. Each founding member's designation rights continue for as long as that member owns Class A membership units of NCM LLC. Board actions require a majority director vote, defined as the vote of nine directors.

The current LLC agreement provides for the creation of an audit committee, compensation committee and finance committee of the board of directors. All committees must consist of at least six directors, including two directors designated by each founding member. The current LLC agreement also provides for the appointment of a chief executive officer, chief financial officer, chief technology and operations officer and chief sales and marketing officer, whose appointments must be approved by the board.

By amendment dated December 12, 2006, the current LLC agreement was amended to adjust the number of units held by each founding member to account for Cinemark's participation in NCM LLC, including with the Century theatres, on an annualized basis for the trailing twelve months ended October 26, 2006. By amendment effective January 5, 2007, the current LLC agreement was further amended to adjust the number of units held by each founding member to account for the effective integration of the Loews screens on an annualized basis for the trailing twelve months ended October 26, 2006.

Agreement in Effect After the Offering. In connection with the completion of this offering, we and the founding members will enter into a third amended and restated limited liability company operating agreement of NCM LLC, which will become effective upon the completion of this offering. We refer to this agreement as the third restated LLC agreement.

Appointment as Manager. Under the third restated LLC agreement, we will become a member and the sole manager of NCM LLC. As the sole manager, we will be able to control all of the day to day business affairs and

decision-making of NCM LLC without the approval of any other member. As such, we, through our officers and directors, will be responsible for all operational and administrative decisions of NCM LLC and the day-to-day management of NCM LLC's business. Furthermore, we cannot be removed as manager of NCM LLC.

Except as necessary to avoid being classified as an investment company or with the founding members' approval, as long as we are the manager of NCM LLC our business will be limited to owning and dealing with units, managing the business of NCM LLC, fulfilling our obligations under the Exchange Act and activities incidental to the foregoing.

Founding Member Approval Rights. If any director designee to our board of directors designated by our founding members is not appointed to our board, nominated by us or elected by our stockholders, as applicable, then each of the founding members (so long as such founding member continues to own 5% of NCM LLC's issued and outstanding common membership units) will be entitled to approve the following actions of NCM LLC:

- approving any budget or any amendment or modification of the budget;
- incurring any indebtedness or entering into or consummating any other financing transaction that is not provided for in the budget;
- entering into or consummating any agreements or arrangements involving annual payments by NCM LLC (including the fair market value of any barter) in excess of $5 million (subject to annual adjustment based on the Consumer Price Index), except as otherwise provided in the budget, or any material modification of any such agreements or arrangements;
- entering into or consummating any agreements or arrangements involving annual receipts (including the fair market value of any barter) in excess of $20 million (subject to annual adjustment based on the Consumer Price Index), or any material modification of any such agreements or arrangements;
- except as contemplated herein, declaring, setting aside or paying any redemption of, dividends on, or the making of any other distributions in respect of, any of its membership units or other equity interests in NCM LLC, as the case may be, payable in cash, stock, property or otherwise, or any reorganization or recapitalization or split, combination or reclassification or similar transaction of any of its units, limited liability company interests or capital stock, as the case may be;
- amending any provision of the third restated LLC operating agreement to authorize, or to issue, any additional membership units or classes of units or other equity interests and the designations, preferences and relative, participating or other rights, powers or duties thereof;
- hiring or terminating the employment of the chief executive officer, chief financial officer, chief technology officer or chief sales and marketing officer of NCM LLC, or the entering into, amendment or termination of any employment, severance, change of control or other contract with any employee who has a written employment agreement with NCM LLC;
- changing the purposes of NCM LLC, or the provision by NCM LLC of any services beyond the scope of the services defined in the exhibitor services agreements, or services outside of the United States or Canada;
- entering into any agreement with respect to or the taking of any material steps to facilitate a transaction that constitutes a change of control of NCM LLC or a proposal for such a transaction;
- leasing (as lessor), licensing (as licensor) or other transfer of assets (including securities) (x) having a fair market value or for consideration exceeding $10 million (subject to annual adjustment based on the Consumer Price Index), taken as a whole, or (y) to which the revenue or the profits attributable exceed $10 million (subject to annual adjustment based on the Consumer Price Index), taken as a whole, in any one transaction or series of related transactions, in each case, determined using the most recent quarterly consolidated financial statement of NCM LLC;

- entering into any agreement with respect to or consummating any acquisition of any business or assets having a fair market value in excess of $10 million (subject to annual adjustment based on the Consumer Price Index) taken as a whole, in any one transaction or series of related transactions, whether by purchase and sale, merger, consolidation, restructuring, recapitalization or otherwise;
- settling claims or suits in which NCM LLC is a party for an amount that exceeds the relevant provision in the budget by more than $1 million (subject to annual adjustment based on the Consumer Price Index) or where equitable or injunctive relief is included as part of such settlement;
- entering into, modifying or terminating any material contract or transaction or series of related transactions (including by way of barter) between (x) NCM LLC or any of its subsidiaries and (y) any member or any affiliate of any member or any person in which any founding member has taken, or is negotiating to take, a material financial interest, in each case, other than relating to the purchase or sale of products or services in the ordinary course of business of NCM LLC;
- entering into any agreement for NCM LLC to provide to any new member or affiliate of any new member any services similar to those set forth in the exhibitor services agreement, or admitting to NCM LLC any new member;
- entering into, modifying or terminating any agreement for NCM LLC to provide any services to any person (other than a member or affiliate of a member) that requires capital expenditures or guaranteed payments in excess of $1 million annually (subject to annual adjustment based on the Consumer Price Index);
- dissolution of NCM LLC; the adoption of a plan of liquidation of NCM LLC; any action by NCM LLC to commence any suit, case, proceeding or other action (i) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors seeking to have an order for relief entered with respect to NCM LLC, or seeking to adjudicate NCM LLC as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to NCM LLC, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for NCM LLC, or for all or any material portion of the assets of NCM LLC, or making a general assignment for the benefit of the creditors of NCM LLC;
- approving any significant tax matters;
- valuation determinations to be made under the third restated LLC operating agreement;
- amending or changing certain provisions of the third restated LLC operating agreement; and
- any expenditure by NCM LLC to replace, upgrade or modify any equipment or software owned by any of the founding members or their affiliates.

For purposes of calculating the 5% ownership thresholds discussed above, shares of our common stock held by a founding member and received upon redemption of NCM LLC common membership units will be counted toward the threshold, but common membership units issued to NCM Inc. in connection with the redemption of common membership units by a founding member will be excluded, so long as such founding member continues to hold the common stock acquired through such redemption or such founding member has disposed of such shares of common stock to another founding member. Shares of our common stock otherwise acquired by the founding members will also be excluded, unless such shares of common stock were transferred by one founding member to another and were originally received by the transferring founding member upon redemption of NCM LLC common membership units. NCM LLC common membership units held by permitted transferees of a founding member will be combined with units held by the founding member for purposes of determining whether the 5% threshold has been met, and the founding member and its permitted transferees may exercise their designation rights jointly. Permitted transferees include affiliates of the founding member and entities that are owned more than 50% by the same entity or entities that ultimately control the founding member.

Compensation. We will not be entitled to compensation for our services as manager except as provided in the management services agreement described under "—Transactions with NCM LLC" below, or as otherwise approved by a vote of the members holding a majority of the outstanding common membership units plus each founding member. We will be entitled to reimbursement by NCM LLC for our reasonable out-of-pocket expenses incurred on its behalf.

Distributions. The third restated LLC agreement provides for mandatory distributions to members of all available cash. Available cash is defined in the third restated LLC agreement to be the amount equal to:

- NCM LLC's EBITDA, *plus*
- any non-cash items of deduction or loss subtracted in determining NCM LLC's earnings, interest income, amounts received pursuant to the Loews screen integration agreement or other similar agreements and net proceeds from the sale of NCM LLC assets, and *minus*
- non-cash items of interest or gain added in determining NCM LLC's earnings, amounts paid under the exhibitor services agreements and management services agreement or other similar agreements, taxes, capital expenditures, certain principal payments under the new revolving credit facility, mandatory principal and interest payments and other amounts paid under funded indebtedness and other restricted funds.

Available cash will not include amounts drawn or paid under NCM LLC's working capital line of credit. The mandatory distributions must occur quarterly.

Transfer Restrictions. The third restated LLC agreement generally permits transfers of membership units of NCM LLC, subject to limited exceptions. Any transferee of membership units must assume, by operation of law or written agreement, all of the obligations of the transferring member with respect to the transferred units, even if the transferee is not admitted as a member of NCM LLC. In the event of a transfer of membership units by a founding member, the transferee shall not have the rights and powers of a founding member (such as the right to designate directors for nomination), unless the transferee is an entity that is affiliated with the founding member or that is controlled by certain owners of the founding member.

Common Unit Redemption Right. The third restated LLC agreement provides a redemption right of the members to exchange common membership units of NCM LLC for our shares of common stock on a one-for-one basis (as adjusted to account for stock splits, recapitalization or similar events), or at our option, a cash payment equal to the market price of one share of our common stock. If we determine to make a cash payment, the member has the option to rescind its redemption request within the specified time period. In the event of a determination to make a cash payment, we are obligated to sell to a third party a number of shares equal to the number of redeemed units, to ensure that the number of NCM LLC common units we own equals the number of our outstanding shares of common stock. Upon the exercise of the redemption right, the redeeming member will surrender common units to NCM LLC for cancellation. Pursuant to our amended and restated certificate of incorporation, we will then contribute cash or shares of our common stock to NCM LLC in exchange for an amount of newly issued common units equal to the number of units surrendered by the redeeming member. NCM LLC will then distribute the cash or shares of common stock to the redeeming member to complete the redemption.

Recapitalization and Preferred Unit Redemption Right. The third restated LLC agreement recapitalizes the Class A membership units in NCM LLC into preferred units and common units. The preferred units are entitled to a distribution of certain net proceeds of a new term loan of $725 million that is a part of our senior secured credit facility, as described under "Financing Transaction" and, to the extent that the net proceeds from this offering exceed $686.3 million, (the amount NCM LLC will pay to the founding members for their agreeing to modify our payment obligations under our exhibitor services agreements) any such excess proceeds. Upon payment of such amount, each preferred unit will be cancelled and the holders of the preferred units shall cease to have any rights as a member of NCM LLC with respect to the preferred units.

Issuance of Units upon Exercise of Options or Vesting of Other Equity Compensation. Upon the exercise of options we have issued or the vesting of shares for other types of equity compensation (such as issuance of restricted or non-restricted stock, payment of bonuses in stock or settlement of stock appreciation rights in stock), we will have the right to acquire from NCM LLC a number of common units equal to the number of our shares being issued in connection with the exercise of options or vesting of shares for other types of equity compensation. In consideration for such units, we will contribute to NCM LLC the consideration we received for the exercise of options or vesting of shares for other types of equity compensation.

Dissolution. The third restated LLC agreement will provide that the unanimous consent of all members holding common units will be required to voluntarily dissolve NCM LLC. In addition to a voluntary dissolution, NCM LLC will be dissolved upon the entry of a decree of judicial dissolution in accordance with Delaware law. Upon a dissolution event, the proceeds of liquidation will be distributed in the following order:

- first, to pay the expenses of winding up and dissolving NCM LLC;
- second, to pay debts and liabilities owed to creditors of NCM LLC, other than members;
- third, to pay debts and liabilities owed to members; and
- fourth, to the members pro rata in accordance with their percentage interests.

Confidentiality. Each member will agree to maintain the confidentiality of the NCM LLC's intellectual property and other confidential information for a period of three years following the date of dissolution of NCM LLC or such earlier date as such member ceases to be a member. This obligation covers information provided to NCM LLC by the members and their affiliates, and excludes disclosures required by law or judicial process.

Amendment. The third restated LLC agreement may be amended by a vote of the members holding a majority of the outstanding common membership units plus each founding member. Amendments to specified provisions require the additional consent of us as manager. No amendment that would materially impair the voting power or economic rights of any outstanding common units in relation to any other outstanding class of units may be made without the consent of a majority of the affected units. No amendment that would materially impair the voting power or economic rights of any member in relation to the other members may be made without the consent of the affected member.

Indemnification. The third restated LLC agreement provides for indemnification of the manager, members and officers of NCM LLC and their respective subsidiaries or affiliates, as described in more detail under "Management—Limitation of Liability and Indemnification of Directors and Officers."

Unit Purchase Agreement

We intend to enter into a unit purchase agreement with our founding members. Under the unit purchase agreement, our founding members will agree to sell to us, and we will agree to buy from our founding members on a pro rata basis, up to 4,000,000 common membership units of NCM LLC, which represents approximately 4.3% of the common units of NCM LLC. The per unit price that we will pay for the common units will be equal to the per share purchase price that our common stock is sold to the public pursuant to this offering less underwriting discounts and commissions and offering expenses.

Common Unit Adjustment Agreement

In connection with the completion of this offering, we and the founding members will enter into a common unit adjustment agreement, which will provide a mechanism for adjusting membership units held by the founding members, based on increases or decreases in the number of screens operated by each founding member. Increases in the number of screens are included in the unit adjustment if arising from acquisition of a theatre or opening of a newly constructed theatre, except that 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 exhibitor services agreement or until such third party cinema advertising agreement expires. Decreases in the number of screens are included in the unit adjustment if arising from disposition of a theatre, unless the purchaser or sublessee enters into an agreement with NCM LLC similar to the exhibitor services agreement, the theatre is closed at the end of its lease term or a non-digitized theatre is closed within three years of the end of its lease term.

The adjustment of membership units pursuant to the common unit adjustment agreement will be 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 of all founding members. The adjustment will generally be calculated by multiplying a founding member's change in annual attendance from any acquisitions and dispositions during the relevant period by NCM LLC's enterprise value per attendee (as defined in the common unit adjustment agreement), and dividing this product by the sixty-day volume-weighted share price of our common stock. The changes in annual attendance will be calculated based on attendance at the relevant theatres during the prior twelve fiscal months; however, if an acquired theatre has not been operating during the twelve prior fiscal months, the change in annual attendance will be calculated based on 75% of the projected annual attendance for such theatre, with a subsequent adjustment made for any difference between 75% of the projected attendance and the actual attendance during the first twelve months of operation. Additionally, in the calculations for adjustment upon acquisition or disposition, only one-half of the attendance will be counted for theatres that are not digitized. If an acquired theatre that is not digitized is subsequently converted to a digitized theatre, the founding member will then be credited with half of that theatre's attendance.

Tax Receivable Agreement

The following transactions are expected to have the effect of reducing the amounts NCM Inc. would otherwise pay in the future to various tax authorities as a result of increasing its proportionate share of tax basis in NCM LLC's tangible and intangible assets:

- As described in "Use of Proceeds," NCM LLC's payment of $686.3 million to the founding members for their agreeing to modify NCM LLC's payment obligations under the exhibitor services agreements.
- As described in "Use of Proceeds," NCM LLC's use of $698.5 million of the proceeds obtained from a term loan that is a part of NCM LLC's new senior secured credit facility to redeem all the preferred membership units in NCM LLC held by the founding members.
- As described in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Common Unit Adjustment Agreement," the issuance of additional common membership units in NCM LLC to a founding member in the event of net positive increase in the number of screens operated by the founding member.
- As described in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—NCM LLC Operating Agreement—Common Unit Redemption Right," the receipt of shares of common stock in NCM Inc. or cash at NCM Inc.'s election by a founding member in connection with an exercise of its right to redeem common membership units in NCM LLC held by the founding member.

In connection with the transactions described above, we intend to enter into a tax receivable agreement with the founding members that will provide for NCM Inc.'s effective payment to the founding members of 90% of the amount of cash savings, if any, in U.S. federal, state, and local income tax or franchise tax that NCM Inc. actually realizes as a result of its expected proportionate increases in tax basis, including increases attributable to payments made under the tax receivable agreement. These tax benefit payments are not conditioned upon one or more of the founding members maintaining a continued ownership interest in either NCM LLC or NCM Inc. NCM Inc. expects to benefit from the remaining 10% of cash savings, if any, that it may actually realize.

Initially, any amounts that may be paid to the founding members under the tax receivable agreement will be attributable to the first and second transactions described above and such amounts will generally be allocated in accordance with each founding member's proportionate common membership interest in NCM LLC. Over time, any amounts that may be paid to the founding members under the tax receivable agreement may be attributable to a combination of one or more of the transactions described above, and the allocation of such amounts will depend on whether and to what extent any founding member has participated in either the third or fourth transaction described above, or possibly both such transactions.

For purposes of the tax receivable agreement, cash savings in income and franchise tax will be computed by comparing NCM Inc.'s actual income and franchise tax liability to the amount of such taxes that NCM Inc. would have been required to pay had there been no increase in NCM Inc.'s proportionate share of tax basis in NCM LLC's tangible and intangible assets and had the tax receivable agreement not been entered into. The tax receivable agreement shall generally apply to NCM Inc.'s taxable years up to and including the 30th anniversary date of the offering. The term of the tax receivable agreement will commence upon consummation of the offering and generally will continue until any utilized benefits are no longer subject to potential audit or examination by a taxing authority. The term of the tax receivable agreement may, however, be terminated at an earlier date in the event that NCM Inc. exercises its right to terminate the agreement pursuant to an early termination procedure that requires NCM Inc. to pay the founding members an agreed upon amount equal to the present value of the estimated remaining payments to be made under the agreement.

Although the actual timing and amount of any payments that may be made under the tax receivable agreement will vary depending upon a number of factors, we expect that the payments that NCM Inc. may effectively make to the founding members could be substantial. As an example, if the founding members also redeemed all of their common membership units in NCM LLC solely in exchange for shares of common stock in NCM Inc. in a taxable transaction at the time of the closing of the offering and related transactions, the total payments under the agreement could be up to approximately $730 million or more over 30 years or longer (assuming an initial offering price of $19.00, which represents the midpoint of the range of offering prices set forth on the cover of this prospectus).

If the Internal Revenue Service or other taxing authority were to subsequently challenge any of NCM Inc.'s cash savings covered by the tax receivable agreement, and if such challenge were ultimately upheld, the terms of the agreement require the founding members to repay to NCM Inc. an amount equal to the prior payments effectively made by NCM Inc. in respect of such disallowed cash savings, plus a proportionate share of any applicable interest and penalties. In such an event, and if a founding member is unable to make a timely repayment to NCM Inc. under the terms of the tax receivable agreement, NCM Inc. will have the ability to cause NCM LLC to offset against payments owed to the founding member. The repayment obligation is a several liability of each founding member and not a joint liability among the founding members.

If we receive a formal notice or assessment from a taxing authority with respect to any cash savings covered by the tax receivable agreement, we will place any subsequent tax benefit payments that would otherwise be made to the founding members into an interest-bearing escrow account until there is a final determination. We shall have full responsibility for, and sole discretion over, all NCM Inc. tax matters, including the filing and amendment of all tax returns and claims for refunds and the defense of all tax contests, subject to certain participation and approval rights held by the founding members. If one or more of the founding members was insolvent or bankrupt or otherwise unable to make payment under its repayment obligation, then our financial condition could be materially impaired.

Loews Screen Integration Agreement

The Loews screen integration agreement commits AMC to cause the theatres it acquired from Loews to participate in the exhibitor services agreement. In connection with this agreement, effective as of January 5, 2007, NCM LLC re-allocated the common membership units in NCM LLC among the founding members to

reflect the payments to be made by AMC pursuant to the agreement. The number of common membership units allocated to AMC was calculated by multiplying the total number of NCM LLC common membership units outstanding by a ratio of theatre screens and patrons at Loews theatres compared to the total number of theatre screens and patrons at all founding members' theatres. These U.S.-based Loews screens will become part of our national advertising network on an exclusive basis beginning on June 1, 2008, following the expiration of Loews' pre-existing contract with another cinema advertising provider. The Loews theatres will be subject to the following: (i) during the period beginning on June 1, 2008 through November 30, 2008, the run-out of on-screen advertising and entertainment content and (ii) during the period beginning on December 1, 2008 through February 28, 2009, the right of the prior advertising provider to up to one minute of advertising inventory during the pre-feature show, in each case, for pre-existing contractual obligations that exist on May 31, 2008. In accordance with the restated Loews screen integration agreement, AMC will pay us an amount that approximates the EBITDA we would have generated if we were able to sell advertising in the Loews theatre chain on an exclusive basis. These payments will be made on a quarterly basis in arrears until May 31, 2008 and will be, for accounting purposes, recorded directly to our members' equity accounts and will not be reflected in NCM LLC's statement of operations. Additionally, AMC will pay to NCM LLC amounts received from the other cinema advertising provider during the run-out periods from June 1, 2008 through February 28, 2009.

Software License Agreement

Agreement in Effect Before the Completion of the Offering. In connection with the initial formation of NCM LLC on March 29, 2005, AMC, Regal and NCM LLC entered into a software license agreement, pursuant to which AMC and Regal licensed to NCM LLC certain software and intellectual property rights, all of which relate to NCM LLC's delivery of on-screen content. This agreement was amended and restated on July 15, 2005, to reflect Cinemark's participation as a founding member. In connection with the completion of the offering, this agreement will be further amended and restated, in a document we refer to as the license agreement.

Agreement in Effect After the Completion of the Offering. Certain basic terms of the restated license agreement are discussed below:

License to NCM LLC. Pursuant to the license agreement, AMC and Regal grant NCM LLC a perpetual, worldwide, royalty free license to the technology specified in the license agreement, for use in the United States with respect to the services provided under the exhibitor services agreements. Subject to certain exceptions, the license to NCM LLC is exclusive with respect to the services provided under the exhibitor services agreements. NCM LLC may sublicense the object code of the licensed technology to exhibitors of the services (as specified in the exhibitor services agreements), to the extent necessary for those exhibitors to receive the services. Regal and AMC also grant NCM LLC a perpetual, worldwide, royalty free license to the source code of the licensed technology for use in the United States. NCM LLC must keep the source code of the technology confidential.

License by NCM LLC. NCM LLC grants the founding members, subject to certain limitations, a perpetual, worldwide, royalty free license to any existing NCM LLC developments based on licensed technology, for the founding members' purposes outside of the services that are defined in the exhibitor services agreements. The founding members each grant to NCM LLC, subject to certain limitations, a perpetual, royalty free license to any developments of such party based on the licensed technology that has application to the services provided under the exhibitor services agreement.

Ownership. Subject to certain exceptions, NCM LLC will retain ownership of any of its developments based on the licensed technology. Subject to the rights granted to NCM LLC under the license agreement, the founding members each retain ownership of the licensed technology and developments by the founding members based on the licensed technology.

Indemnification. NCM LLC indemnifies the founding members with respect to infringement claims.

Exhibitor Services Agreement Termination by Founding Members. Under the license agreement, if an exhibitor services agreement with NCM LLC is terminated, that founding member will have the right to use the licensed technology and NCM LLC's developments thereto for the purposes specified in the license agreement.

Director Designation Agreement

Designation Rights. Pursuant to a director designation agreement, so long as a founding member owns at least 5% of NCM LLC's issued and outstanding common membership units, such founding member will have the right to designate a total of two nominees to our ten-member board of directors who will be voted upon by our stockholders. If, at any time, any founding member owns less than 5% of NCM LLC's then issued and outstanding common membership units, then such founding member shall cease to have any rights of designation. The remaining directors will be selected for nomination by our nominating committee. For purposes of calculating the 5% ownership thresholds discussed above, shares of our common stock held by a founding member and received upon redemption of NCM LLC common membership units will be counted toward the threshold, but common membership units issued to NCM Inc. in connection with the redemption of common membership units by a founding member will be excluded, so long as such founding member continues to hold the common stock acquired through such redemption or such founding member has disposed of such shares of common stock to another founding member. Shares of our common stock otherwise acquired by the founding members will also be excluded, unless such shares of common stock were transferred by one founding member to another and were originally received by the transferring founding member upon redemption of NCM LLC common membership units. NCM LLC common membership units held by permitted transferees of a founding member will be combined with units held by the founding member for purposes of determining whether the 5% threshold has been met, and the founding member and its permitted transferees may exercise their designation rights jointly. Permitted transferees include affiliates of the founding member and entities that are owned more than 50% by the same entity or entities that ultimately control the founding member.

Independent Directors. The director designation agreement further provides that for so long as any founding member has the right to designate the director designees, at least one of the designees of such founding member must qualify as an "independent director" at the time of designation so that a majority of the members of the board will be independent directors. An "independent director" under the director designation agreement is a director who qualifies as an "independent director" of NCM Inc. under Nasdaq rules.

Company Obligations. We have agreed to use our best efforts to assure that each director designee is included in the board's slate of nominees submitted to our stockholders for election of directors and in the proxy statement prepared by management in connection with soliciting proxies for every meeting of our stockholders called with respect to the election of members of the board. We shall not be obligated to cause to be nominated for election to the board or recommend to our stockholders the election of any director designee (i) who fails to submit to us on a timely basis such questionnaires as we may reasonably require of our directors generally and such other information as we may reasonably request in connection with preparation of our filings under securities laws or (ii) if the board of directors or nominating committee determines in good faith, after consultation with outside legal counsel, that such action would result in a breach of the directors' fiduciary duties or applicable law. In the event such determination is made, the founding members shall be notified and given the opportunity to provide an alternative director designee.

At any time a vacancy occurs because of the death, disability, resignation or removal of a director designee, then the board, or any committee thereof, will not vote, fill such vacancy or take any action enumerated under "Description of Capital Stock—Special Approval Rights for Certain Matters" until such time that (i) such

founding member has designated a successor director designee and the board has filled the vacancy and appointed such successor director designee, (ii) such founding member fails to designate a successor director designee within 10 business days of such vacancy, or (iii) such founding member has specifically waived its rights to designate a successor director designee under the director designation agreement and has consented to the board, or any committee thereof, taking a vote on such enumerated actions prior to the board filling the vacancy with a successor director designee.

At any time that any founding member shall have any rights of designation under the director designation agreement, NCM Inc. will not take any action to change the size of our board from ten.

Assignment; Amendment. The right of each founding member to designate nominees for election to our board of directors is personal and may not be assigned except upon the prior written consent of the other parties to the agreement. No prior written consent shall be required for an assignment by any founding member to an affiliate who acquires common membership units and becomes a party to the director designation agreement. Such assignee's rights will cease at such time as it ceases to be an affiliate of a founding member. The director designation agreement may not be amended except with the written consent of each of the parties to the agreement.

Registration Rights Agreement

In connection with the completion of this offering, we and the founding members will enter into a registration rights agreement, which will become effective upon the completion of this offering. The registration rights agreement provides a founding member the right to demand that we use reasonable best efforts to effect, during the period from the 90 days prior to the expiration of the underwriter lock-up period until the one-year anniversary of the effectiveness of this offering, a registration statement for resale of registrable securities that are held by the founding member. Registrable securities subject to the registration rights agreement are shares of our common stock and any other securities issued or issuable with respect to or in exchange for such shares. The registration rights agreement also grants the founding members "piggyback" registration rights with respect to other registrations of our common stock effected during the period from the expiration of the underwriter lock-up period until the one-year anniversary of the effectiveness of this offering.

On the first business day after the one-year anniversary of the effectiveness of this offering, the registration rights agreement requires us to file a registration statement to register all registrable securities held by the founding members that are not already registered at that time, and to file resale registration statements after that time for any additional registrable securities that we issue to any founding member, within 20 days after such issuance. Additionally, we must use reasonable best efforts to maintain effectiveness of these mandatory registration statements until the earlier of the time when the founding members have disposed of all their registrable securities and the time when all registrable securities held by the founding members are eligible for resale under specified securities regulations. We are responsible for the expenses in connection with the registration of securities pursuant to the registration rights agreement.

Joint Defense Agreement

AMC and Regal, among others, entered into a joint defense and common interest agreement, dated August 16, 2004, which was supplemented by a joint defense and common interest agreement, dated July 13, 2005, by and among counsel for AMC, Regal and Cinemark. The joint defense agreement sets forth the terms and conditions under which the parties will cooperate and share information in order to advance their shared interests in owning and operating NCM LLC. In connection with the completion of the offering, counsel for NCM LLC and the founding members executed an amendment to the joint defense agreement, whereby NCM LLC was added as a party, and this offering was added to the range of transactions covered by the agreement.

Digital Cinema Letter Agreement

NCM LLC entered into a letter agreement on December 1, 2005 with the founding members to enable it to explore the possibility of implementing digital cinema in their theatres. In connection with the completion of this offering, NCM LLC and the founding members will enter into an amended and restated letter agreement with respect to digital cinema. Under the restated letter agreement, the founding members will agree to reimburse NCM LLC for its costs incurred in connection with an engagement letter we have entered into with J.P. Morgan Securities Inc. and a consulting contract we have entered into with Travis Reid, former Loews Cineplex Entertainment President and CEO, who is leading the effort to create a business plan and financing model for digital cinema with the major motion picture studios. The founding members also will pay NCM LLC a monthly fee for NCM LLC's activities in connection with the testing and deployment of digital cinema.

Under the J.P. Morgan Securities Inc. engagement letter, which is dated July 6, 2006, J.P. Morgan Securities Inc. will assist with the review of the business plan for digital cinema and with identifying and evaluating financing and capital structure alternatives. J.P. Morgan Securities Inc. also will have rights to participate in future transactions involving this newly formed entity for a specified period of time.

Founding Member Line of Credit

On March 29, 2005, NCM LLC entered into an amended and restated demand promissory note, or the demand note, with the founding members. The demand note permitted NCM LLC to borrow up to $11.0 million on a revolving basis, with borrowings funded by the founding members on a pro rata basis. Interest was payable monthly at 200 basis points over LIBOR. The demand note had a final maturity date of the earliest of March 31, 2007; the tenth day after a unanimous demand for payment by all founding members; or an event of default as defined in the demand note.

As of December 29, 2005, outstanding borrowings under the demand note were $1.3 million, and the interest rate was 6.34%. NCM LLC paid less than $0.1 million in interest to the founding members in 2005. On March 26, 2006, NCM LLC repaid all borrowings under the demand note in full using the proceeds of a borrowing under a new line of credit with an unaffiliated lender, and the demand note was cancelled.

Contribution Agreements and Related Agreements

AMC and Regal Contribution Agreement. In connection with the initial formation of NCM LLC on March 29, 2005, AMC, Regal and NCM LLC entered into a contribution and unit holders agreement, pursuant to which the two founding members contributed assets to NCM LLC in exchange for the issuance of Class A membership units. AMC contributed $4,338,409 in assets in exchange for 370 Class A membership units, and Regal contributed $7,387,021 in cash and assets in exchange for 630 Class A membership units. The contribution and unit holders agreement also established that AMC and Regal would make available working capital for a revolving loan, in an aggregate amount up to $11,000,000, which loan would be funded ratably by percentage of Class A membership units held.

In connection with the contribution and unit holders agreement and the formation of NCM LLC, Regal, AMC and NCM LLC entered into a transition services agreement on March 29, 2005, effective as of April 1, 2005. The transition services agreement, which expired on its terms on December 31, 2005, identified services (such as information technology, network and administrative support) to be provided by AMC and Regal to NCM LLC and by NCM LLC to Regal and the fees for such services, to support the initial operations of NCM LLC and the separation of the digital content network from Regal. The transition services agreement also provided the terms pursuant to which AMC and Regal loaned certain employees to NCM LLC. Additionally, Regal, AMC and NCM entered into a bill of sale and assignment and assumption agreement on March 29, 2005, which gave effect to the transfer of assets contemplated by the contribution and unit holders agreement.

Cinemark Contribution Agreement. In connection with Cinemark's entry as a founding member of NCM LLC, Cinemark and NCM LLC entered into a contribution agreement as of July 15, 2005, pursuant to which Cinemark contributed $7,328,662 cash and received 261 Class A membership units. Pursuant to this contribution agreement, Cinemark's cash contribution was used to pay the then-outstanding amounts loaned by AMC and Regal to NCM LLC. This contribution agreement modified the revolving loan provision of the contribution and unit holders agreement, so that AMC, Cinemark and Regal would ratably (based on Class A membership units held) fund up to $11,000,000 of an amended and restated demand note for NCM LLC borrowings. As discussed below under "—Founding Member Line of Credit," this note was cancelled upon NCM LLC's entry into its existing credit facility.

Agreement with Network LIVE

On May 2, 2006, NCM LLC entered into a term sheet with Casbah Productions, LLC d/b/a Network LIVE, pursuant to which Network Live will provide captured artist performances for distribution across the digital content network, for a term of 24 months. The term sheet contemplates between 12 and 48 events per year, which will be promoted through *FirstLook*, the lobby entertainment network, poster case and website advertising. Revenue from the events will be split among the theatre operator, Network LIVE and NCM LLC. During the term of the term sheet, Network LIVE will be the premium provider of content for NCM LLC theatres and thus NCM LLC will notify Network LIVE before directly negotiating with artists.

Network LIVE was a privately held joint venture of Anschutz Entertainment Group, Inc., XM Satellite Radio, Inc. and AOL, LLC. Anschutz Entertainment Group is a wholly-owned subsidiary of The Anschutz Corporation. The Anschutz Corporation is a wholly-owned subsidiary of the Anschutz Company. The Anschutz Company is the controlling stockholder of Regal Entertainment Group.

In fall 2006, Network LIVE dissolved and NCM LLC began working with Control Room, which has taken over production of the content formerly produced by Network LIVE. Control Room is not our affiliate.

Agreement with Hughes Network

On July 3, 2002, RCM entered into an equipment and services agreement with Hughes Network Systems, Inc. Pursuant to the equipment and services agreement, Hughes agreed to provide certain satellite communication services, equipment and software, for a term of 36 months. See "Business—Technology" above for a more detailed description of the Hughes technology. On July 2, 2005, NCM LLC and Hughes Network Systems, L.L.C. (formerly Hughes Network Systems, Inc.) entered into an amendment to the equipment and services agreement, pursuant to which, among other things, the term of the agreement was extended for an additional 24 months. For the nine months ended December 29, 2005 and the nine months ended September 28, 2006, the aggregate amount payable to Hughes was approximately $951,000 and $978,000, respectively.

Hughes Network Systems, LLC is a wholly-owned subsidiary of Hughes Communications Inc. As of April 12, 2006, Apollo Investment Fund IV, LP owned 66.2% of Hughes Communications Inc. As of May 26, 2006, Apollo Investment Fund V, LP owned 20.78% of AMC Entertainment Group. Apollo Investment Fund, IV, LP and Apollo Investment Fund V, LP are under common control through the ownership of their respective general partners and managers.

Agreement with The Anschutz Corporation

NCM LLC has an informal agreement with The Anschutz Corporation to use, on occasion, two private aircraft owned by The Anschutz Corporation. The private aircraft are used to travel to cities where regularly scheduled flights require significant time or expense. The aircraft are leased on a per hour basis at rates that we believe are at or below market rates.

The Anschutz Corporation is a wholly-owned subsidiary of the Anschutz Company. The Anschutz Company is the controlling stockholder of Regal Entertainment Group. For the nine months ended December 29, 2005 and the nine months ended September 28, 2006, the aggregate amounts paid to The Anschutz Corporation for use of the aircraft were approximately $54,000 and $43,000, respectively.

Agreements with Founding Members—Subleases

Chicago Regional Office. On December 5, 2005, NCM LLC entered into a sublease agreement with RCM pursuant to which NCM LLC subleases its regional office in Chicago, Illinois. Both the sublease and the lease expire on July 31, 2009. Pursuant to the sublease, NCM LLC pays rent in an amount equal to that which would have been paid by RCM under the terms of its lease. The amounts paid to the landlord for the nine months ended December 29, 2005 and the nine months ended September 28, 2006, were, in aggregate, approximately $31,000 and $35,000, respectively.

New York Regional Office. On January 27, 2006, NCM LLC entered into a sublease agreement with RCM pursuant to which NCM LLC subleases its regional office in New York, New York. Both the sublease and the lease expire on April 30, 2010. Pursuant to the sublease, NCM LLC pays rent to RCM in an amount equal to that which would have been paid by RCM under the terms of its lease. The amounts paid to RCM for the nine months ended December 29, 2005 and the nine months ended September 28, 2006, were, in aggregate, approximately $258,000 and $310,000, respectively.

Woodland Hills Regional Office. On March 22, 2005, RCM assigned its interests in a sublease from Regal to NCM LLC for its regional office in Woodland Hills, California. The lease and sublease expired on July 31, 2006. Pursuant to the sublease, NCM LLC paid rent to Regal in an amount equal to that which would have been paid by Regal under the terms of its lease. The amounts paid to Regal for the nine months ended December 29, 2005 and the nine months ended September 28, 2006 were, in aggregate, approximately $46,000 and $40,000, respectively. NCM LLC moved to different office space in Woodland Hills, described immediately below, during May 2006.

NCM LLC entered into a sublease agreement with AMC pursuant to which NCM LLC subleases its regional office in Woodland Hills, California. The lease expires on May 31, 2007. The sublease expires on May 30, 2007. Pursuant to the sublease, NCM LLC pays rent to AMC in an amount equal to that which would have been paid by AMC under the terms of its lease. The amount paid to AMC for the nine months ended September 28, 2006, was, in aggregate, approximately $41,000.

Transactions with NCM LLC

Common Unit Subscription Agreement

We intend to enter into a common unit subscription agreement with NCM LLC. Subject to the satisfaction of certain conditions described below, under the common unit subscription agreement, NCM LLC will agree to issue and sell to us, and we will agree to buy from NCM LLC, 38,000,000 common units of NCM LLC, which represents approximately 40.5% of common units of NCM LLC. The per unit purchase price we will pay for the common units will be equal to the per share purchase price that our common stock is sold to the public pursuant to this offering less underwriting discounts and commissions and offering expenses.

Until the consummation of the sale of the common units of NCM LLC pursuant to the common unit subscription agreement, NCM LLC will agree to:

- conduct the business of NCM LLC, in the ordinary course consistent with past practice,
- use all commercially reasonable efforts to (A) retain the services of its key employees, (B) preserve NCM LLC's relationships with material customers, suppliers, sponsors, licensors and creditors, and (C) maintain and keep NCM LLC's properties and assets in as good repair and condition as at present, ordinary wear and tear excepted, and

- maintain its capital structure as it existed on the date of the common unit subscription agreement and refrain from making any distributions to the founding members or their affiliates, or make any direct or indirect redemption, retirement, purchase or other acquisition of any membership interests in NCM LLC of any nature.

In addition to other customary closing conditions, the sale of the common units of NCM LLC will be conditioned upon our entry into an underwriting agreement with the managing underwriters for this offering, the completion of the recapitalization of NCM LLC as described in this prospectus, and the absence of any order, decree or judgment of any court or other governmental authority that makes the sale of the common units of NCM LLC to us illegal or invalid. The common unit subscription agreement will automatically be terminated if the closing conditions are not satisfied or waived on or before a specified date or if the registration statement relating to this offering is withdrawn for any reason prior to such date.

Management Services Agreement

We intend to enter into a management services agreement with NCM LLC pursuant to which we will agree to provide certain specific management services to NCM LLC, including those services typically provided by the individuals serving in the positions of president and chief executive officer, president of sales and chief marketing officer, executive vice president and chief financial officer, executive vice president and chief technology and operations officer and executive vice president and general counsel. In exchange for the services, NCM LLC will reimburse us for compensation and other expenses of our officers and employees and for certain out-of-pocket costs. NCM LLC will also provide administrative and support services to us, such as office facilities, equipment, supplies, payroll and accounting and financial reporting. The management services agreement also provides that our employees may participate in NCM LLC's benefit plans, and that NCM LLC employees may participate in our equity incentive plan. NCM LLC will indemnify NCM Inc. for any losses arising from NCM Inc.'s performance under the management services agreement, except that NCM Inc. will indemnify NCM LLC for any losses caused by NCM Inc.'s willful misconduct or gross negligence.

Option Substitution Agreement

We intend to provide option substitution agreements to holders of outstanding options of NCM LLC to cancel each NCM LLC option and substitute the option with an option to purchase common stock of NCM Inc. See "Management—Equity Incentive Plan—Substitution of NCM LLC Options and Restricted Units" above for additional discussion of the option substitution.

Restricted Stock Agreement

We intend to provide restricted stock agreements to holders of restricted units of NCM LLC to cancel each NCM LLC restricted unit and substitute the restricted unit with a share of restricted common stock of NCM Inc. See "Management—Equity Incentive Plan—Substitution of NCM LLC Options and Restricted Units" above for additional discussion of the restricted stock substitution.

PRINCIPAL STOCKHOLDERS

The following table presents information concerning the beneficial ownership of the shares of our common stock as of January 10, 2007, giving effect to the completion of this offering and the reorganization, and assuming the redemption of all of the outstanding NCM LLC common membership units in exchange for, our common stock, by:

- each person we know to be the beneficial owner of 5% of more of our outstanding shares of common stock;
- each of our named executive officers;
- each of our directors and nominees for director; and
- all of our executive officers and directors as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power over securities. Except in cases where community property laws apply or as indicated in the footnotes to this table, we believe that each stockholder identified in the table possesses sole voting and investment power over all shares of common stock shown as beneficially owned by the stockholder. Percentage of beneficial ownership is based on 38,000,000 shares of common stock and 93,850,951 NCM LLC membership units outstanding after the completion of this offering. No shares of common stock subject to options are currently exercisable or exercisable within 60 days of January 10, 2007. Unless indicated below, the address of each individual listed below is 9110 E. Nichols Ave., Suite 200, Centennial, Colorado 80112-3405.

Beneficial Owner**	Number of Shares of Common Stock Beneficially Owned(1)	Percentage of Shares of Common Stock Beneficially Owned
Five Percent Stockholders		
American Multi-Cinema, Inc.(2)	18,822,976	20.1%
Cinemark Media, Inc.(3)	14,159,437	15.1%
Madison Dearborn Capital Partners IV, L.P.(4)	10,494,728	11.2%
Regal CineMedia Holdings, LLC(5)	22,868,538	24.4%
The Anschutz Company(6)	12,166,421	13.0%
Philip F. Anschutz(6)	12,166,421	13.0%
Directors and Executive Officers		
Kurt C. Hall(7)	78,947	*
Clifford E. Marks	0	0%
Gary W. Ferrera	0	0%
Thomas C. Galley	0	0%
Ralph E. Hardy	0	0%
Peter C. Brown	0	0%
Michael L. Campbell	0	0%
Lee Roy Mitchell	0	0%
Lawrence A. Goodman	0	0%
David R. Haas	0	0%
James R. Holland, Jr.	0	0%
Stephen L. Lanning	0	0%
Edward H. Meyer	0	0%
Scott N. Schneider	0	0%
All directors, nominees for director and executive officers as a group (14 persons)	78,947	*

* Less than one percent.

(1) NCM LLC common membership units are redeemable at any time at the option of the holder. Upon any redemption, we may choose whether to redeem the units for shares of our common stock on a one-for-one basis or for a cash payment equal to the market price of shares of our common stock. If each member of NCM LLC chose to redeem all of its NCM LLC common membership units and we elected to issue shares of our common stock in redemption of all of the units, AMC would receive 18,822,976 shares of our common stock, Cinemark would receive 14,159,437 shares of our common stock and Regal would receive 22,868,538 shares of our common stock. These share amounts would represent 20.1%, 15.1% and 24.4%, respectively, of our outstanding common stock immediately following this offering.

(2) The address of this stockholder is 920 Main Street, Kansas City, Missouri 64105.

(3) The address of this stockholder is 3900 Dallas Parkway, Suite 500, Plano, Texas 75093.

(4) The address of this stockholder is Three First National Plaza, Suite 3800, Chicago, Illinois 60602. Represents beneficial ownership as of February 28, 2006 based on the Annual Report on Form 10-K filed by Cinemark, Inc. on April 14, 2006.

(5) The address of this stockholder is 7132 Regal Lane, Knoxville, Tennessee 37918.

(6) The address of this stockholder is 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202. Represents beneficial ownership as of March 31, 2006 based on the Definitive Proxy Statement on Schedule 14A filed by Regal Entertainment Group on April 14, 2006. All of the shares shown as beneficially owned by Mr. Anschutz are held by Anschutz Company, which is controlled by Mr. Anschutz and shares voting and dispositive power with Mr. Anschutz.

(7) Kurt C. Hall, our President, Chief Executive Officer and Chairman has expressed an interest in purchasing common stock in the offering totaling approximately $1,500,000.

DESCRIPTION OF CAPITAL STOCK

Authorized Capital

The following description of material terms of our capital stock and certain provisions of our certificate of incorporation and bylaws, each of which will be in effect on the closing of this offering, are summaries and are qualified by reference to the certificate of incorporation and the bylaws, copies of which have been filed as exhibits to the registration statement, of which this prospectus forms a part.

Our authorized capital stock consists of:

- 120,000,000 shares of common stock, par value $.01 per share; and
- 10,000,000 shares of preferred stock, par value $.01 per share.

Common Stock

Upon the completion of this offering, there will be 38,000,000 shares of common stock issued and outstanding.

Voting Rights

Each holder of common stock will be entitled to one vote per share.

Our directors will be elected by all of our common stockholders voting together as a single class. The director designation agreement among the founding members will provide that each founding member will have the right to designate a total of two nominees to our ten-member board of directors who will be voted upon by our stockholders. Holders of shares of common stock will not be entitled to cumulate their votes in the election of directors.

Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of our outstanding voting power. Except as otherwise required by the DGCL, our certificate of incorporation or the voting rights granted to any preferred stock we subsequently issue, the holders of outstanding shares of common stock and preferred stock entitled to vote thereon, if any, will vote as one class with respect to all matters to be voted on by our stockholders. Except as otherwise provided by law, and subject to any voting rights granted to any preferred stock we subsequently issue, amendments to our certificate of incorporation must be approved by holders of at least a majority of the combined voting power of the outstanding common stock. Under the DGCL, amendments to our certificate of incorporation that would alter or change the powers, preferences or special rights of the common stock so as to affect them adversely also must be approved by a majority of the votes entitled to be cast by the holders of the shares affected by the amendment, voting as a separate class.

Dividends

Holders of common stock will share ratably (based on the number of shares of common stock held) in any dividend declared by our board of directors, subject to any preferential rights of any outstanding preferred stock.

Other Rights

Upon our liquidation, dissolution or winding up, after payment in full of the amounts required to be paid to holders of preferred stock, if any, all holders of common stock, regardless of class, will be entitled to share ratably in any assets available for distribution to holders of shares of common stock. No shares of any class of common stock are subject to redemption or have preemptive rights to purchase additional shares of common stock.

Preferred Stock

Upon completion of this offering, our board of directors will be authorized, without further stockholder approval, to issue from time to time up to an aggregate of 10 million shares of preferred stock in one or more series and to fix or alter the designations, preferences, rights and any qualifications, limitations or restrictions of the shares of each such series thereof, including the dividend rights, dividend rates, conversion rights, voting rights, terms of redemption (including sinking fund provisions), redemption price or prices, liquidation preferences and the number of shares constituting any series or designations of such series. Upon the closing of this offering, there will be no shares of preferred stock outstanding. We have no present plans to issue any shares of preferred stock. See "—Anti-Takeover Effects of Certain Provisions of Delaware Law, the Certificate of Incorporation and the Bylaws."

Options and Other Equity Awards

In connection with the completion of this offering, options previously granted by NCM LLC to its employees under the NCM LLC Unit Option Plan that remain outstanding as of the date of the completion of the offering will be substituted with options granted under our equity incentive plan. In addition, the NCM LLC plan provides that under certain conditions, option holders will receive an additional equity award of options or restricted units at the time of an initial public offering, which we refer to as the "IPO awards." We intend to enter into option substitution agreements with holders of outstanding options of NCM LLC to cancel each NCM LLC option and substitute the option with an option to purchase common stock of NCM Inc. We expect to issue options to purchase approximately 1,572,960 shares under our equity incentive plan in substitution for NCM LLC options and 352,661 shares of restricted stock in substitution for IPO awards in the form of restricted units previously granted under the NCM LLC Unit Option Plan to employees of NCM LLC. In addition, we plan to grant options to acquire 218,000 shares of our common stock to our employees, and 6,316 shares of restricted stock to our non-employee directors, upon the completion of this offering. Upon completion of this offering, options to purchase a total of 1,790,960 shares of common stock and 358,977 shares of restricted stock will be outstanding. See "Management—Equity Incentive Plan" and "Shares Eligible for Future Sale."

Anti-Takeover Effects of Certain Provisions of Delaware Law, the Certificate of Incorporation and the Bylaws

We have elected in our certificate of incorporation not to be subject to Section 203 of the DGCL, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation's voting stock for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Accordingly, we will not be subject to any anti-takeover effects of Section 203.

Certain other provisions of the certificate of incorporation and bylaws may be considered to have an anti-takeover effect and may delay or prevent a tender offer or other corporate transaction that a stockholder might consider to be in its best interest, including those transactions that might result in payment of a premium over the market price for our shares. These provisions are designed to discourage certain types of transactions that may involve an actual or threatened change of control of us without prior approval of our board of directors. These provisions are meant to encourage persons interested in acquiring control of us to first consult with our board of directors to negotiate terms of a potential business combination or offer. We believe that these provisions protect against an unsolicited proposal for a takeover of us that might affect the long term value of our stock or that may be otherwise unfair to our stockholders. For example, our certificate of incorporation and bylaws:

- establish supermajority approval requirements by our directors before our board may take certain actions;
- authorize the issuance of "blank check" preferred stock that could be issued by our board of directors to increase the number of outstanding shares, making a takeover more difficult and expensive;
- establish a classified board of directors;

- allow removal of directors only for cause;
- prohibit stockholder action by written consent;
- do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates; and
- provide that the founding members will be able to exercise a greater degree of influence over the operations of NCM LLC, which may discourage other nominations to our board of directors, if any director nominee designated by the founding member is not elected by our stockholders.

Classified Board of Directors

Our board of directors will be divided into three classes of directors serving staggered three-year terms, designated as Class I, Class II and Class III. The members of each class shall serve for a staggered three-year term, except that Class I directors in the initial term immediately following the offering will serve for one year and the Class II directors in the initial term immediately following the offering will serve for two years. Each director will be elected to serve until the election of the director's successor at an annual meeting of stockholders for the election of directors for the year in which the director's term expires or at a special meeting called for that purpose. As a result, approximately one third of our board of directors will be elected each year. Our board of directors will initially consist of ten directors and are to be elected by the holders of a plurality of the voting power of our outstanding common stock, voting together as a single class. Directors may be removed only for cause.

Special Approval Rights for Certain Matters

So long as a founding member beneficially owns at least 5% of NCM LLCs issued and outstanding common membership units, approval of at least 90% of the directors then in office (provided that if the board has less than ten directors, then the approval of at least 80% of the directors then in office) will be required before (i) NCM Inc. may take any of the following actions or (ii) NCM Inc., in its capacity as sole manager of NCM LLC, may authorize NCM LLC to take any of the following actions:

- assign, transfer, sell or pledge all or a portion of the membership units of NCM LLC beneficially owned by NCM Inc.;
- acquire, dispose, lease or license assets by NCM Inc. or NCM LLC or enter into a contract to do the foregoing, in a single transaction or in two or more transactions (related or unrelated) in any consecutive twelve-month period with an aggregate value (as determined in good faith by the board) exceeding 20% of the fair market value of the business of NCM LLC operating as a going concern (as determined in good faith by the board);
- merge, reorganize, recapitalize, reclassify, consolidate, dissolve, liquidate or enter into a similar transaction;
- incur any funded indebtedness (including the refinancing of any funded indebtedness) or repay before due any funded indebtedness (other than a working capital revolving line of credit) with a fixed term in either case, in a single transaction or in two or more transactions (related or unrelated) in an aggregate amount in excess of $15.0 million per year;
- issue, grant or sell shares of common stock or rights with respect to common stock, except in connection with NCM Inc.'s equity incentive compensation plans or any conversion or exchange of NCM LLC membership units in accordance with the NCM LLC operating agreement;
- issue, grant or sell any NCM Inc. preferred stock or rights with respect to preferred stock;
- authorize, issue, grant or sell additional NCM LLC membership units or rights with respect to membership units (except as otherwise permitted in the common unit adjustment agreement or NCM Inc.'s equity incentive compensation plans);

- amend, modify, restate or repeal any provision of NCM Inc.'s certificate of incorporation or bylaws or the NCM LLC operating agreement;
- enter into, modify or terminate certain contracts not in the ordinary course of business of the type specified in Item 601(b)(10)(i) of Regulation S-K;
- except as specifically set forth in the NCM LLC operating agreement, declare, set aside or pay any redemption of, or dividends with respect to, membership interests, payable in cash, property or otherwise;
- amend any material terms or provisions (as defined in the Nasdaq rules) of NCM Inc.'s equity incentive plan or enter into or consummate any new equity incentive compensation plan;
- make any change in the current business purpose of NCM Inc. to serve solely as the manager of NCM LLC or any change in the current business purpose of NCM LLC to provide the services as set forth in the exhibitor services agreements; and
- approve any actions relating to NCM LLC that could reasonably be expected to have a material adverse tax effect on the founding members.

For purposes of calculating the 5% ownership thresholds for the supermajority director approval rights discussed above, shares of our common stock held by a founding member and received upon redemption of NCM LLC common membership units will be counted toward the threshold. Common membership units issued to NCM Inc. in connection with the redemption of common membership units by a founding member will be excluded, so long as such founding member continues to hold the common stock acquired through such redemption or such founding member has disposed of such shares of common stock to another founding member. Shares of our common stock otherwise acquired by the founding members will also be excluded, unless such shares of common stock were transferred by one founding member to another and were originally received by the transferring founding member upon redemption of NCM LLC common membership units. NCM LLC common membership units held by permitted transferees of a founding member will be combined with units held by the founding member for purposes of determining whether the 5% threshold has been met, and the founding member and its permitted transferees may exercise their designation rights jointly. Permitted transferees include affiliates of the founding member and entities that are owned more than 50% by the same entity or entities that ultimately control the founding member.

Special Approval Right of Directors

In addition to approval by the audit committee which is required by Nasdaq rules, (i) any modification or amendment of an exhibitor services agreement which could reasonably be expected (in the good faith determination of the board) to result in payments to or from NCM LLC in excess of $50,000, or (ii) entry into or amendment of any contract or transaction which could reasonably be expected (in the good faith determination of the board) to result in payments in excess of $50,000 between NCM LLC or NCM Inc., on the one hand, and a founding member or such founding member's affiliate, on the other hand, requires the approval of a majority of the directors then in office and a majority of the independent directors then in office.

Special Meeting of Stockholders

Special meetings of our stockholders may be called only by a majority of our directors.

Actions by Written Consent

Stockholder action can be taken only at an annual or special meeting of stockholders, and cannot be taken by written consent in lieu of a meeting.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our bylaws provide that stockholders seeking to bring business before an annual meeting of stockholders, or to nominate candidates for election as directors at an annual meeting of stockholders, must provide timely notice thereof in writing. To be timely, a stockholder's notice generally must be delivered to and received at our principal executive offices, not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, that in the event that the date of such meeting is advanced more than 30 days prior to, or delayed by more than 70 days after, the anniversary of the preceding year's annual meeting of our stockholders, a stockholder's notice to be timely must be so delivered not earlier than the close of business on the 120th day prior to such meeting and not later than the close of business on the later of the 90th day prior to such meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. Our bylaws also specify certain requirements as to the form and content of a stockholder's notice. These provisions may preclude stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders.

Authorized But Unissued Shares

The authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Amendments to Certificate of Incorporation or Bylaws

The DGCL provides generally that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless a corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage. The affirmative vote of the holders of at least 66-2/3% of our issued and outstanding common stock, voting as a single class, is required to amend or repeal our bylaws. The affirmative vote of the holders of at least a majority of our issued and outstanding common stock, in addition to the supermajority board approval described under "—Special Approval Rights for Certain Matters" above, is required to amend or repeal our certificate of incorporation. In addition, under the DGCL, an amendment to our certificate of incorporation that would alter or change the powers, preferences or special rights of the common stock so as to affect them adversely also must be approved by a majority of the votes entitled to be cast by the holders of the shares affected by the amendment, voting as a separate class. Subject to our bylaws, our board of directors may from time to time make, amend, supplement or repeal our bylaws by vote of a majority of our board of directors.

NCM LLC Common Membership Units

Upon completion of this offering, there will be 93,850,951 common membership units issued and outstanding, 22,868,538 of which will be beneficially owned by Regal, 18,822,976 of which will be beneficially owned by AMC, 14,159,437 of which will be beneficially owned by Cinemark, and 38,000,000 of which will be beneficially owned by us.[1] The number of outstanding common membership units owned by us will at all times equal the number of shares of our outstanding common stock. With respect to this offering and any future offering of common stock, the net cash proceeds we receive, including with regard to the exercise of options issued under our equity incentive plan, will be concurrently transferred to NCM LLC in exchange for common membership units equal in number to the number of shares of common stock we issued. Pursuant to the terms of our certificate of

[1] Excludes unvested restricted stock and shares underlying unvested stock options that will be granted by NCM Inc., which will result in an increase in the number of common membership units held by NCM Inc. upon vesting or exercise, respectively. A 10% increase in the number of shares of common stock sold would result in an increase of 2.3% in the percentage of NCM LLC membership units held by NCM Inc. and a corresponding reduction in the percentage held by the founding members.

incorporation and the third restated LLC agreement, if a member of NCM LLC, other than us, chooses to have common membership units redeemed, we may elect to issue cash or shares of our common stock on a one-for-one basis. See "Certain Relationships and Related Party Transactions—Transactions with Founding Members—LLC Operating Agreement" and "Corporate History and Reorganization."

Registration Rights

In connection with the completion of this offering, we will enter into a registration rights agreement with the founding members. See "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Registration Rights Agreement."

Transfer Agent and Registrar

The transfer agent and registrar for the common stock is expected to be Computershare, New York, New York.

Listing

We have filed an application to list our common stock on the Nasdaq Global Market under the symbol "NCMI". The NCM LLC common membership units will not be listed on any securities exchange.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, and we cannot assure you that a significant public market for our common stock will develop or be sustained after this offering. Sales of significant amounts of our common stock in the public market after this offering, including shares of our common stock issued upon exercise of outstanding options or upon redemption of the NCM LLC common membership units in exchange for our common stock, or the perception that such sales could occur, could adversely affect the prevailing market price of our common stock and could impair our future ability to raise capital through the sale of our equity securities.

Sale of Restricted Shares and Lock-Up Agreements

Upon completion of this offering, 38,000,000 shares of common stock and 93,850,951 NCM LLC common membership units will be outstanding. If the underwriters' over-allotment option is exercised in full, there will be 42,000,000 shares of common stock, and 93,850,951 NCM LLC common membership units outstanding.

Of the 38,000,000 shares of common stock to be outstanding upon completion of this offering, 37,921,053 shares of common stock offered pursuant to this offering, or 41,921,053 shares if the underwriters' over-allotment option is exercised in full, will be freely tradable without restriction or further registration under federal securities laws except to the extent shares of common stock are purchased in this offering by our affiliates, as that term is defined in Rule 144 under the Securities Act.

All of NCM LLC's common membership units are "restricted securities" under the Securities Act. The 55,850,951 shares of common stock issuable on redemption of NCM LLC common membership units, are, or when issued on conversion or redemption will be, eligible for public sale if registered under the Securities Act or sold in accordance with Rule 144 of the Securities Act, subject to the contractual provisions of our agreements with our founding members. See "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Registration Rights Agreement."

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act of 1933 relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus.

Our officers and directors have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus. The founding members have agreed to the same restrictions for a period of 180 days after the date of this prospectus.

Rule 144

In general, Rule 144 allows a stockholder (or stockholders where shares are aggregated) who has beneficially owned shares of our common stock for at least one year (including the holding period of any prior owner other than an affiliate) and who files a Form 144 with the SEC to sell within any three-month period a number of those shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal 380,000 shares immediately after this offering; or

- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of the Form 144 with respect to such sale.

Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us. An "affiliate" is a person that directly, or indirectly, through one or more intermediate controls or is controlled by, or is under common control with us.

55,850,951 shares will be eligible for sale under Rule 144 one year from the date of the issuance of our common stock upon redemption of the NCM LLC common membership units or, if earlier, after the exchange or the resale of such shares of common stock is registered under the Securities Act.

Rule 144(k)

Under Rule 144(k), a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the 90 days preceding a sale, and who has beneficially owned the shares proposed to be sold for at least two years, would be entitled to sell those shares without regard to the manner of sale, public information, volume limitation or notice requirements of Rule 144.

To the extent that our affiliates sell their shares, other than pursuant to Rule 144 or a registration statement, the purchaser's holding period for the purpose of effecting a sale under Rule 144 commences on the date of transfer from the affiliate.

Registration Rights

Upon completion of this offering, the founding members will hold in the aggregate approximately 55,850,951 NCM LLC common membership units. As described above in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—NCM LLC Operating Agreement—Common Unit Redemption Right," the founding members will have the right to redeem these common membership units in exchange for, at our option, our common stock on a one-for-one basis or a cash payment equal to the market price of one share of our common stock. Following such redemption, pursuant to the registration rights agreement described above in "Certain Relationships and Related Party Transactions—Transactions with Founding Members—Registration Rights Agreement," the founding members will have the right, subject to various conditions and limitations, to demand the filing of, and include such shares of our common stock in, registration statements relating to our common stock, subject to the 180-day lock-up arrangement described above. These registration rights of our stockholders could impair the prevailing market price and impair our ability to raise capital by depressing the price at which we could sell our common stock.

Options and Restricted Stock

In addition to the 38,000,000 shares of common stock outstanding immediately after this offering, there will be outstanding options to purchase 1,790,960 shares of our common stock and 358,977 outstanding shares of restricted common stock. We will substitute 352,661 shares of restricted stock for restricted units that will be granted to NCM LLC option holders as "IPO awards" and 1,572,960 options to acquire our common stock for options that were granted by NCM LLC throughout 2006 in connection with the completion of this offering. We also plan to grant options to acquire 218,000 shares of our common stock to our employees, and 6,316 shares of restricted stock to our non-employee directors, upon the completion of this offering. None of the options will be exercisable and none of the restricted stock will be vested at the completion of this offering.

As soon as practicable after the completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act covering shares of our common stock reserved for issuance under our equity incentive plan. Accordingly, shares of our common stock registered under such registration statement will be available for sale in the open market upon exercise by the holders, subject to vesting restrictions, Rule 144 limitations applicable to our affiliates and the contractual lock-up provisions described above.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the material U.S. federal income tax considerations generally applicable to beneficial owners of our common stock ("Holders") that acquire shares of our common stock pursuant to this offering and that hold such shares as capital assets (generally, for investment). This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury regulations, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which are subject to change, possibly on a retroactive basis, or differing interpretations. This summary does not consider specific facts and circumstances that may be relevant to a particular Holder's tax position and does not consider any tax laws other than U.S. federal income tax laws (for example, this summary does not consider any state, local, estate or gift, or non-U.S. tax consequences of an investment in our common stock). It also does not apply to Holders subject to special tax treatment under the U.S. federal income tax laws (including partnerships or other pass-through entities, banks, insurance companies, dealers in securities, persons who hold common stock as part of a "straddle," "hedge," "conversion transaction" or other risk-reduction or integrated transaction, controlled foreign corporations, passive foreign investment companies, foreign personal holding companies, companies that accumulate earnings to avoid U.S. federal income tax, U.S. Holders (as defined below) who do not have the U.S. dollar as their functional currency, tax-exempt organizations, former U.S. citizens or residents and persons who hold or receive common stock as compensation).

For purposes of this summary, the term "U.S. Holder" means a Holder of shares of our common stock that, for U.S. federal income tax purposes, is:

(i) an individual who is a citizen or resident of the United States;

(ii) a corporation or other entity taxable as a corporation created in or organized under the laws of the United States, any state thereof or the District of Columbia;

(iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

(iv) a trust (x) if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more "U.S. persons," as defined in section 7701(a)(30) of the Code, have the authority to control all substantial decisions of such trust or (y) that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The term "Non-U.S. Holder" means any Holder of shares of our common stock that is neither a U.S. Holder nor a partnership (including an entity that is treated as a partnership for U.S. federal income tax purposes).

If a partnership holds shares of our common stock, the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Partners of partnerships that hold shares of our common stock should consult their tax advisors.

This summary is included herein as general information only. Accordingly, each prospective Holder is urged to consult its tax advisor with respect to the U.S. federal, state, local and non-U.S. income and other tax consequences of holding and disposing of our common stock.

U.S. Holders

The following discussion summarizes the material U.S. federal income tax consequences of the ownership and disposition of our common stock applicable to "U.S. Holders," subject to the limitations described above.

Distributions

Distributions of cash or property that we pay in respect of our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits (as

determined under U.S. federal income tax principles) and will be includible in gross income by a U.S. Holder upon receipt. Any such dividend will be eligible for the dividends received deduction if received by an otherwise qualifying corporate U.S. Holder that meets the holding period and other requirements for the dividends received deduction. Dividends paid by us to certain non-corporate U.S. Holders (including individuals), with respect to taxable years beginning on or before December 31, 2010, are eligible for U.S. federal income taxation at the rates generally applicable to long-term capital gains for individuals (currently at a maximum tax rate of 15%), provided that the U.S. Holder receiving the dividend satisfies applicable holding period and other requirements. If the amount of a distribution exceeds our current and accumulated earnings and profits, such excess first will be treated as a tax-free return of capital to the extent of the U.S. Holder's tax basis in our common stock, and thereafter will be treated as capital gain.

Dispositions

Upon a sale, exchange or other taxable disposition of shares of our common stock, a U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount realized on the sale, exchange or other taxable disposition and the U.S. Holder's adjusted tax basis in the shares of our common stock. Such capital gain or loss will be long-term capital gain or loss if the U.S. Holder has held the shares of the common stock for more than one year at the time of disposition. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are currently subject to U.S. federal income taxation at a maximum rate of 15%. The deductibility of capital losses is subject to limitations under the Code.

Information Reporting and Backup Withholding Requirements

In general, dividends on our common shares, and payments of the proceeds of a sale, exchange or other disposition of our common shares paid to a U.S. Holder are subject to information reporting and may be subject to backup withholding at a current maximum rate of 28% unless the U.S. Holder (i) is a corporation or other exempt recipient or (ii) provides an accurate taxpayer identification number and certifies that it is not subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder will be refunded or credited against the U.S. Holder's U.S. federal income tax liability, if any, provided that the required information is furnished to the IRS.

Non-U.S. Holders

The following discussion summarizes the material U.S. federal income tax consequences of the ownership and disposition of our common stock applicable to "Non-U.S. Holders," subject to the limitations described above.

U.S. Trade or Business Income

For purposes of this discussion, dividend income and gain on the sale, exchange or other taxable disposition of our common stock will be considered to be "U.S. trade or business income" if such income or gain is (i) effectively connected with the conduct by a Non-U.S. Holder of a trade or business within the United States and (ii) in the case of a Non-U.S. Holder that is eligible for the benefits of an income tax treaty with the United States, attributable to a permanent establishment (or, for an individual, a fixed base) maintained by the Non-U.S. Holder in the United States. Generally, U.S. trade or business income is not subject to U.S. federal withholding tax (provided the Non-U.S. Holder complies with applicable certification and disclosure requirements); instead, a Non-U.S. Holder is subject to U.S. federal income tax on a net income basis at regular U.S. federal income tax rates (in the same manner as a U.S. person) on its U.S. trade or business income. Any U.S. trade or business income received by a Non-U.S. Holder that is a corporation also may be subject to a "branch profits tax" at a 30% rate, or at a lower rate prescribed by an applicable income tax treaty, under specific circumstances.

Distributions

Distributions of cash or property that we pay in respect of our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). A Non-U.S. Holder generally will be subject to U.S. federal withholding tax at a 30% rate, or at a reduced rate prescribed by an applicable income tax treaty, on any dividends received in respect of our common stock. If the amount of a distribution exceeds our current and accumulated earnings and profits, such excess first will be treated as a tax-free return of capital to the extent of the Non-U.S. Holder's tax basis in our common stock, and thereafter will be treated as capital gain. In order to obtain a reduced rate of U.S. federal withholding tax under an applicable income tax treaty, a Non-U.S. Holder will be required to provide a properly executed IRS Form W-8BEN certifying its entitlement to benefits under the treaty. A Non-U.S. Holder of our common stock that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS. A Non-U.S. Holder should consult its own tax advisor regarding its possible entitlement to benefits under an income tax treaty.

The U.S. federal withholding tax described in the preceding paragraph does not apply to dividends that represent U.S. trade or business income of a Non-U.S. Holder who provides a properly executed IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Dispositions

A Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax in respect of any gain on a sale, exchange or other taxable disposition of common stock unless:

- the gain is U.S. trade or business income;
- the Non-U.S. Holder is an individual who is present in the United States for 183 or more days in the taxable year of the disposition and meets other conditions (in which case, such Non-U.S. Holder will be subject to U.S. federal income tax at a rate of 30% (or a reduced rate under an applicable tax treaty) on the amount by which certain capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources); or
- we are or have been a "U.S. real property holding corporation" (a "USRPHC") under section 897 of the Code at any time during the shorter of the five-year period ending on the date of disposition and the Non-U.S. Holder's holding period for the common stock (in which case, such gain will be subject to U.S. federal income tax in the same manner as U.S. trade or business income).

In general, a corporation is a USRPHC if the fair market value of its "U.S. real property interests" equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. If we are determined to be a USRPHC, the U.S. federal income and withholding taxes relating to interests in USRPHCs nevertheless will not apply to gains derived from the sale or other disposition of our common stock by a Non-U.S. Holder whose shareholdings, actual and constructive, at all times during the applicable period, amount to 5% or less of the common stock, provided that the common stock is regularly traded on an established securities market. We do not believe that we currently are a USRPHC, and we do not anticipate becoming a USRPHC in the future. However, no assurance can be given that we will not be a USRPHC, or that our common stock will be considered regularly traded, when a Non-U.S. Holder sells its shares of our common stock.

Information Reporting and Backup Withholding Requirements

We must annually report to the IRS and to each Non-U.S. Holder any dividend income that is subject to U.S. federal withholding tax, or that is exempt from such withholding tax pursuant to an income tax treaty.

Copies of these information returns also may be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides. Under certain circumstances, the Code imposes a backup withholding obligation (currently at a rate of 28%) on certain reportable payments. Dividends paid to a Non-U.S. Holder of common stock generally will be exempt from backup withholding if the Non-U.S. Holder provides a properly executed IRS Form W-8BEN or otherwise establishes an exemption and the payor does not have actual knowledge or reason to know that the Holder is a U.S. person.

The payment of the proceeds from the disposition of our common stock to or through the U.S. office of any broker, U.S. or foreign, will be subject to information reporting and possible backup withholding unless the owner certifies as to its non-U.S. status under penalties of perjury or otherwise establishes an exemption, *provided* that the broker does not have actual knowledge or reason to know that the Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. The payment of the proceeds from the disposition of our common stock to or through a non-U.S. office of a non-U.S. broker will not be subject to information reporting or backup withholding unless the non-U.S. broker has certain types of relationships with the United States (a "U.S. related person"). In the case of the payment of the proceeds from the disposition of our common stock to or through a non-U.S. office of a broker that is either a U.S. person or a U.S. related person, the Treasury regulations require information reporting (but not backup withholding) on the payment unless the broker has documentary evidence in its files that the owner is a Non-U.S. Holder and the broker has no knowledge to the contrary. Non-U.S. Holders should consult their own tax advisors on the application of information reporting and backup withholding to them in their particular circumstances (including upon their disposition of common stock).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder will be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, if any, provided that the required information is furnished to the IRS.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement filed as an exhibit relating to this prospectus, we have agreed to sell to the underwriters named below, and the underwriters have severally agreed to purchase, the respective number of shares of common stock set forth below:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
J.P. Morgan Securities Inc.	
Lehman Brothers Inc.	
Morgan Stanley & Co. Incorporated	
AGM Securities LLC	
Allen & Company LLC	
Banc of America Securities LLC	
Bear, Stearns & Co. Inc.	
Citigroup Global Markets Inc.	
Deutsche Bank Securities Inc.	
Goldman, Sachs & Co	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
UBS Securities LLC	
Total	38,000,000

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 4,000,000 additional shares at the initial public offering price less underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of common stock.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. The underwriters and selling group members may allow a discount of $ per share on sales to other broker/dealers. After the initial public offering the representative may change the public offering price and concession and discount to broker/dealers.

The following table summarizes the compensation and estimated expenses we will pay:

	Per Share		Total	
	Without Over-allotment	With Over-allotment	Without Over-allotment	With Over-allotment
Underwriting Discounts and Commissions paid by us	$	$	$	$
Expenses payable by us				

The representative has informed us that it does not expect sales to accounts over which the underwriters have discretionary authority to exceed 5% of the shares of common stock being offered.

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act of 1933 relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus. However, in the event that either (1) during the last 17 days of the "lock-up" period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the "lock-up" period, we announce that we will release earnings results during the 16-day period beginning on the last day of the "lock-up" period, then in either case the expiration of the "lock-up" will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

Our officers and directors have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus. The founding members have also agreed to the same restrictions for a period of 180 days after the date of this prospectus. However, in the event that either (1) during the last 17 days of the "lock-up" period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the "lock-up" period, we announce that we will release earnings results during the 16-day period beginning on the last day of the "lock-up" period, then in either case the expiration of the "lock-up" will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

Credit Suisse Securities (USA) LLC has advised us that (i) it has no present intent or arrangement to release any of the securities subject to the lock-up agreements, (ii) there are no specific criteria that Credit Suisse Securities (USA) LLC will use in determining whether to release any securities from the lock-up agreements, (iii) the release of any securities will be considered on a case by case basis and (iv) the factors it could use in deciding whether to release securities may include the length of time before the lock-up expires, the number of shares involved, the reason for the requested release, market conditions, the trading price of our common stock, historical trading volumes of our common stock and whether the person seeking the release is an officer, director or affiliate of NCM Inc.

The underwriters have reserved for sale at the initial public offering price up to 1,900,000 shares of the common stock for employees, directors and other persons associated with us who have expressed an interest in purchasing common stock in the offering. For example, Kurt C. Hall, our President, Chief Executive Officer and Chairman, has expressed an interest in purchasing common stock totaling approximately $1,500,000. The number of shares available for sale to the general public in the offering will be reduced to the extent these persons purchase the reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares.

We have agreed to indemnify the underwriters against liabilities under the Securities Act, including liabilities incurred in connection with the sale of reserved shares as described in the previous paragraph, or contribute to payments that the underwriters may be required to make in that respect.

We have applied to list the shares of common stock on the Nasdaq Global Market.

In connection with the listing of the common stock on the Nasdaq Global Market, the underwriters will undertake to sell round lots of 100 shares or more to a minimum of 2,000 beneficial owners.

Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, investment banking, financial advisory and lending services for us and our affiliates for which they have received, or will receive, customary fees and expenses.

Upon the closing of this offering, NCM LLC will enter into a new $805.0 million senior secured credit facility with a group of lenders that will include affiliates of several of the underwriters. This facility will consist of a six-year, $80.0 million revolving credit facility and an eight-year, $725.0 million term loan facility.

An affiliate of Credit Suisse Securities (USA) LLC acts as a lender under our $20.0 million existing revolving credit facility, which includes a $2.0 million letter of credit sub-facility. The existing revolving credit facility will be repaid with the proceeds of our new senior secured credit facility.

An affiliate of Credit Suisse Securities (USA) LLC acts as lender, sole lead arranger, sole book-runner and administrative agent under a credit facility with Regal, or the $1.75 billion Regal credit facility. The credit facility consists of a $1.65 billion term loan facility and $100.0 million revolving credit facility. In March 2006, the facility was repriced, and in June 2006 a $200.0 million incremental term loan was extended. In November 2006, the facility was refinanced. An affiliate of Credit Suisse Securities (USA) LLC acts as a lender and co-documentation agent under AMC's $850.0 million credit facility. In January 2006, Credit Suisse Securities (USA) LLC acted as a joint book-runner in connection with an offering of the aggregate of $325.0 million of AMC's senior subordinated notes due 2016, or the AMC notes. On November 1, 2006, Credit Suisse Securities (USA) LLC acted as sole book-runner in connection with the offering of $160.2 million of shares of Regal common stock by Oaktree Capital Management, LLC.

An affiliate of Lehman Brothers Inc. acts as a lender under our $20.0 million existing revolving credit facility, which includes a $2.0 million letter of credit sub-facility. The existing revolving credit facility will be repaid with the proceeds of our new senior secured credit facility.

An affiliate of Lehman Brothers Inc. acted as a lender under Cinemark's $360.0 million revolving credit facility, which was refinanced in October 2006. An affiliate of Lehman Brothers Inc. acts as a lender, joint lead arranger, joint book-runner and administrative agent under Cinemark's new $1.27 billion credit facility, or the $1.27 billion Cinemark credit facility. In addition, an affiliate of Lehman Brothers Inc. acts as a lender under the $1.75 billion Regal credit facility. Lehman Brothers Inc. is an advisor to Cinemark in connection with Cinemark's acquisition of Century Theatres. In December 2005, Lehman Brothers Inc. acted as the sole book-runner in connection with Regal's issuance of 1.5 million shares of Class A common stock to a private investment fund.

J.P. Morgan Securities Inc. is engaged to assist with structuring the financing in connection with the digital cinema project. See "Summary—Recent Developments." J.P. Morgan Securities Inc. acts as a lender and syndication agent in connection with the AMC $200.0 million revolving credit facility. In January 2006, J.P. Morgan Securities Inc. acted as joint book-runner in connection with the offering of the AMC notes.

An affiliate of Morgan Stanley & Co. Incorporated acts as a lender, joint lead arranger and joint book-runner under the $1.27 billion Cinemark credit facility. Morgan Stanley & Co. Incorporated acted as an advisor to Century Theatres in connection with its acquisition by Cinemark.

An affiliate of Banc of America Securities LLC acts as a lender under our $20.0 million existing revolving credit facility, which includes a $2.0 million letter of credit sub-facility. The existing revolving credit facility will be repaid with the proceeds of our new senior secured credit facility. Banc of America Securities LLC acts as a co-lead arranger and an affiliate of Banc of America Securities LLC acts as a lender and syndication agent under AMC's $175.0 million revolving credit facility. An affiliate of Banc of America Securities acts as a lender and documentation agent under AMC's $200.0 million revolving credit facility. An affiliate of Banc of America

Securities acts as a lender and co-documentation agent under AMC's $650.0 million term loan. An affiliate of Banc of America Securities acted as a lender under Cinemark's $360 million credit facility. The credit facility consists of a $100.0 million revolving credit facility and a $260.0 million term loan facility.

An affiliate of Citigroup Global Markets Inc. acts as a leader under our $20.0 million existing revolving credit facility, which includes a $2.0 million letter of credit sub-facility. The existing revolving credit facility will be repaid with the proceeds of our new senior secured credit facility. An affiliate of Citigroup Global Markets Inc. acts as administrative agent and as a lender under AMC's $175.0 million credit facility.

An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated acts as a lender under Regal's $1,005.0 million term loan facility.

As of January 5, 2007, several of the underwriters have affiliates who own common stock of one or more of our founding members. An affiliate of Citigroup Global Markets Inc. owned approximately 3.0% of AMC's common stock, less than 1.0% of Regal's common stock and less than 1.0% of Cinemark's common stock. Goldman, Sachs and Co. owned less than 1.0% of Regal's common stock. An affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.8% of Regal's common stock. An affiliate of J.P. Morgan Securities Inc. owned approximately 20.8% of AMC's common stock and less than 1.0% of Regal's common stock. An affiliate of Credit Suisse Securities (USA) LLC owned less than 1.0% of Regal's common stock, less than 1.0% of Cinemark's common stock and less than 1.0% of AMC's common stock. Banc of America Securities LLC and its affiliates owned approximately 4.3% of Regal's common stock. See "Use of Proceeds."

Prior to this offering, there has been no public market for the common stock. The initial public offering price will be determined by negotiations among us and the underwriters. The principal factors to be considered in determining the initial public offering price include the following:

- the information included in this prospectus and otherwise available to the underwriters;
- market conditions for initial public offerings;
- the history of and prospectus for our business and our past and present operations;
- our past and present earnings and current financial position;
- an assessment of our management;
- the market of securities of companies in business similar to ours; and
- the general condition of the securities markets.

The initial public offering price may not correspond to the price at which our common stock will trade in the public market subsequent to this offering, and an active trading market may not develop and continue after this offering.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, and penalty bids in accordance with Regulation M under the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.
- Penalty bids permit the representative to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the Nasdaq Global Market or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representative may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make Internet distributions on the same basis as other allocations.

Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

The common stock is offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

Each of the underwriters has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver any of the common stock directly or indirectly, or distribute this prospectus supplement or the accompanying prospectus or any other offering material relating to the common stock, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the underwriting agreement.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Underwriter represents and agrees that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State at any time,

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the manager for any such offer; or

(d) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each of the underwriters severally represents, warrants and agrees as follows:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling with Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to the company; and

(b) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the common stock in, from or otherwise involving the United Kingdom.

The underwriters will not offer or sell any of our common stock directly or indirectly in Japan or to, or for the benefit of any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person, except in each case pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law of Japan and any other applicable laws and regulations of Japan. For purposes of this paragraph, "Japanese person" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan;

The underwriters and each of their affiliates have not (i) offered or sold, and will not offer or sell, in Hong Kong, by means of any document, our common stock other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32 of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance or (ii) issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to our common stock which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to our securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance any rules made under that Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This prospectus or any other offering material relating to our common stock has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the common stock will be offered in Singapore pursuant to exemptions under Section 274 and Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the " Securities and Futures Act"). Accordingly our common stock may not be offered or sold,

or be the subject of an invitation for subscription or purchase, nor may this prospectus or any other offering material relating to our common stock be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than (a) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, (b) to a sophisticated investor, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Our common stock may not be offered, sold, transferred or delivered in or from The Netherlands as part of their initial distribution or at any time thereafter, directly or indirectly, other than to, individuals or legal entities situated in The Netherlands who or which trade or invest in securities in the conduct of a business or profession (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, collective investment institution, central governments, large international and supranational organizations, other institutional investors and other parties, including treasury departments of commercial enterprises, which as an ancillary activity regularly invest in securities; hereinafter, “Professional Investors”), provided that in the offer, prospectus and in any other documents or advertisements in which a forthcoming offering of our common stock is publicly announced (whether electronically or otherwise) in The Netherlands it is stated that such offer is and will be exclusively made to such Professional Investors. Individual or legal entities who are not Professional Investors may not participate in the offering of our common stock, and this prospectus or any other offering material relating to our common stock may not be considered an offer or the prospect of an offer to sell or exchange our common stock.

LEGAL MATTERS

We are represented by Holme Roberts & Owen LLP, Denver, Colorado, who will pass upon the validity of the shares of common stock offered hereby. The underwriters are represented by Skadden, Arps, Slate, Meagher & Flom LLP, Los Angeles, California.

EXPERTS

The financial statement of National CineMedia, Inc. as of October 5, 2006, included in this prospectus has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement, and has been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of National CineMedia, LLC as of December 29, 2005 and September 28, 2006, and for the nine months ended December 29, 2005 and September 28, 2006, included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Regal CineMedia Corporation, a predecessor of National CineMedia, LLC, as of December 30, 2004, and for the years ended January 1, 2004 and December 30, 2004 and the three months ended March 31, 2005, included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of National Cinema Network, Inc., joint predecessor of National CineMedia, LLC, as of March 31, 2005, for the successor period from December 24, 2004, through March 31, 2005, and for the predecessor periods from April 2, 2004 through December 23, 2004 and the year ended April 1, 2004, included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC, in Washington, D.C., a registration statement on Form S-1 under the Securities Act with respect to the common stock offered hereby. This prospectus is a part of the registration statement and, as permitted by the SEC's rules, does not contain all of the information presented in the registration statement. For further information with respect to us and our common stock offered hereby, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and schedules thereto, may be read and copied at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at *www.sec.gov*, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto. The registration statement, including the exhibits and schedules thereto, is also available for reading and copying at the offices of the The Nasdaq Stock Market at One Liberty Plaza, 165 Broadway, New York, NY 10006.

As a result of this offering, we will become subject to the informational requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports, proxy statements and other information with the SEC. We intend to furnish our stockholders with annual reports containing consolidated financial statements certified by an independent public accounting firm. We also maintain an Internet site at *www.ncm.com*. **Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which this prospectus forms a part, and you should not rely on any such information in making your decision whether to purchase our securities.**

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
National CineMedia, Inc.
Centennial, Colorado

We have audited the accompanying balance sheet of National CineMedia, Inc. (the "Company") as of October 5, 2006. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such balance sheet presents fairly, in all material respects, the financial position of the Company at October 5, 2006, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Denver, Colorado
January 9, 2007

National CineMedia, Inc.

Balance Sheet as of October 5, 2006

Assets	
Cash and cash equivalents	$ —
Total assets	$ —
Stockholder's Equity	
Common stock, $0.001 par value, 1,000 shares authorized, none issued or outstanding	$ —
Total stockholder's equity	$ —

See accompanying notes to balance sheet.

National CineMedia, Inc.

Notes to Balance Sheet
As of October 5, 2006

1. Organization

National CineMedia, Inc. (the "Company"), was incorporated in the state of Delaware on October 5, 2006 for the sole purpose of being a member and sole manager of National CineMedia, LLC. The Company filed its initial registration statement on Form S-1 with the Securities and Exchange Commission on October 12, 2006 concerning the sale of common stock. Upon completion of its initial public offering, the Company will use all of the proceeds to purchase an interest in National CineMedia, LLC and act as the sole manager, and to reimburse National CineMedia, LLC for deferred offering costs it has incurred related to the initial public offering. As of October 5, 2006 the Company has not been capitalized nor have any common or preferred shares been issued.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members of
National CineMedia, LLC
Centennial, Colorado

We have audited the accompanying balance sheets of National CineMedia, LLC ("NCM") as of December 29, 2005 and September 28, 2006 and the related statements of operations, members' equity, and cash flows for the nine month periods ended December 29, 2005 and September 28, 2006. These financial statements are the responsibility of NCM's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of National CineMedia, LLC as of December 29, 2005 and September 28, 2006 and the results of its operations and its cash flows for the nine month periods ended December 29, 2005 and September 28, 2006, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Denver, Colorado
December 20, 2006

NATIONAL CINEMEDIA, LLC

BALANCE SHEETS
(In millions)

	December 29, 2005	September 28, 2006	Pro forma September 28, 2006 (Unaudited, Note 14)
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ —	$ 4.6	$ 4.6
Receivables—net	36.6	51.9	51.9
Prepaid expenses and other current assets	1.0	1.1	1.1
Total current assets	37.6	57.6	57.6
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $8.7 million in 2005 and $11.4 million in 2006	10.0	11.6	11.6
OTHER ASSETS:			
Network affiliate agreements, net of accumulated amortization of $1.2 million in 2005 and $1.9 million in 2006	1.1	0.4	0.4
Deferred offering costs	—	2.3	—
Debt issuance costs	—	0.1	14.6
Deposits and other	0.1	0.2	0.2
Total other assets	1.2	3.0	15.2
TOTAL	$ 48.8	$ 72.2	$ 84.4
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES:			
Accounts payable	$ 5.1	$ 5.0	$ 5.0
Amounts due to Members	24.0	43.8	43.8
Short-term borrowings from Members	1.3	—	—
Accrued payroll and related expenses	1.5	6.1	6.1
Accrued expenses	5.5	1.9	1.9
Deferred revenue	1.6	2.2	2.2
Total current liabilities	39.0	59.0	59.0
OTHER LIABILITIES			
Unit option plan payable	—	1.1	—
Borrowings	—	10.0	735.0
Total other liabilities	—	11.1	735.0
Total liabilities	39.0	70.1	794.0
COMMITMENTS AND CONTINGENCIES (Notes 1, 8 and 12)			
MEMBERS' EQUITY	9.8	2.1	(709.6)
TOTAL	$ 48.8	$ 72.2	$ 84.4

See accompanying notes to financial statements.

NATIONAL CINEMEDIA, LLC

STATEMENTS OF OPERATIONS
(In millions)

	9 Months Ended December 29, 2005	9 Months Ended September 28, 2006
REVENUE:		
Advertising	$ 56.0	$ 128.2
Administrative fees—Members	30.8	4.3
Meetings and events	11.7	12.5
Other	0.3	0.2
Total	98.8	145.2
EXPENSES:		
Advertising operating costs	6.3	6.0
Meetings and events operating costs	5.4	4.5
Circuit share costs—Members	38.6	88.6
Network costs	9.2	10.5
Selling and marketing costs	24.9	27.9
Administrative costs	9.8	11.4
Severance Plan costs	8.5	3.4
Depreciation and amortization	3.0	3.4
Other costs	—	0.4
Total	105.7	156.1
OPERATING INCOME (LOSS)	(6.9)	(10.9)
INTEREST EXPENSE—NET	—	0.3
NET INCOME (LOSS)	$ (6.9)	$ (11.2)

See accompanying notes to financial statements.

NATIONAL CINEMEDIA, LLC

STATEMENT OF MEMBERS' EQUITY
(In millions)

Statement of Members' Equity	Members' Equity
Issuance of initial units at inception date in exchange for contributed assets, net of liabilities assumed	$ 0.9
Issuance of additional units in exchange for cash	7.3
Contribution of Severance Plan payments	8.5
Net loss	(6.9)
Balance—December 29, 2005	9.8
Capital contribution from member	0.9
Contribution of Severance Plan payments	3.5
Distribution to Members	(0.9)
Net loss	(11.2)
Balance—September 28, 2006	$ 2.1

See accompanying notes to financial statements.

NATIONAL CINEMEDIA, LLC

STATEMENTS OF CASH FLOWS
(In millions)

	9 Months Ended December 29, 2005	9 Months Ended September 28, 2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (6.9)	$ (11.2)
Adjustments to reconcile net income (loss) to net cash provided by operating (used in) activities:		
Depreciation and amortization	3.0	3.4
Non-cash Severance Plan and Share-Based Compensation costs	8.0	4.5
Changes in operating assets and liabilities:		
Decrease (increase) in receivables—net	(36.6)	(15.3)
Decrease (increase) in prepaid expenses and other current assets	(0.6)	(0.2)
Increase in deposits and other assets	(0.1)	(0.2)
Increase (decrease) in accounts payable	5.1	(1.4)
Increase in amounts due to Members	20.5	23.3
Increase (decrease) in accrued expenses	3.1	1.1
Payment of Severance Plan costs	—	(3.5)
Increase (decrease) in deferred revenue	1.6	0.6
Net cash provided by (used in) operating activities	(2.9)	1.1
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(5.9)	(4.0)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in deferred offering costs	—	(1.3)
Proceeds of short-term borrowings from Members	9.5	3.0
Repayments of short-term borrowings to Members	(8.2)	(4.2)
Proceeds from borrowings under Revolving Credit Facility	—	27.5
Repayments of borrowings under Revolving Credit Facility	—	(17.5)
Proceeds from Member contribution	0.2	0.9
Proceeds from issuance of units	7.3	—
Distribution to Members	—	(0.9)
Net cash provided by financing activities	8.8	7.5
INCREASE IN CASH AND CASH EQUIVALENTS	—	4.6
CASH AND CASH EQUIVALENTS:		
Beginning of period	—	—
End of period	$ —	$ 4.6
Supplemental disclosure of non-cash financing and investing activity:		
Contribution of Severance Plan payments	$ 8.5	$ 3.5
Increase in deferred offering costs	$ —	$ 1.0
Increase in property and equipment	$ —	$ 0.3

See accompanying notes to financial statements.

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

1. THE COMPANY AND BASIS OF PRESENTATION

National CineMedia, LLC ("NCM") provides advertising, business meetings, and event services to its Members under Exhibitor Services Agreements that extend through April 1, 2010. NCM also provides such services to certain third-party theatre circuits under "Network Affiliate Agreements" expiring at various dates through September 2009. NCM operates on a fiscal year ending on the first Thursday after December 25, which in certain years results in a 53-week year. The business meetings and event services operations are operating segments but do not meet the quantitative thresholds for segment reporting.

NCM was formed on March 29, 2005 through the combination of the operations of National Cinema Network, Inc. ("NCN"), a wholly owned subsidiary of AMC Entertainment, Inc. ("AMCE"), and Regal CineMedia Corporation ("RCM"), a wholly owned subsidiary of Regal Entertainment Group ("Regal", or, in relation to RCM, the "Parent"). In accordance with the Contribution and Unit Holders Agreement entered into on that date by NCM, NCN, and RCM, 370 units were issued to NCN and 630 units were issued to Regal CineMedia Holdings, LLC ("RCM Holdings") in exchange for the contribution of $0.9 million of cash and other assets, net of liabilities assumed. All assets contributed to and liabilities assumed by NCM were recorded on NCM's records in the amounts as reflected on the Members' historic accounting records, based on the application of accounting principles for the formation of a joint venture under EITF 98-4, "*Accounting by a Joint Venture for Businesses Received at Its Formation*". Although legally structured as a limited liability company, NCM is considered a joint venture for accounting purposes given the joint control provisions of the operating agreement among the members, consistent with Accounting Principles Board Opinion No. 18, "*The Equity Method of Accounting for Investments in Common Stock*". RCM and NCN are each considered to be predecessors of NCM. The following table summarizes the assets contributed to and liabilities assumed by NCM:

Cash	$ 0.2
Property and equipment	5.9
Network affiliate agreements	2.3
Other assets	0.4
Compensation-related obligation	(4.0)
Accrued expenses	(3.9)
Total	$ 0.9

On July 15, 2005, in exchange for a cash contribution of $7.3 million, 261 NCM units were issued to Cinemark Media, Inc. ("Cinemark Media"), a wholly owned subsidiary of Cinemark USA, Inc. ("Cinemark").

As the result of final adjustments to the valuations attributed to the contributed assets and liabilities resulting from AMC's merger on December 23, 2004 with Marquee Holdings Inc., NCN contributed additional cash during 2006, which was then distributed to RCM Holdings and Cinemark Media, thus having no impact on the assets and liabilities of NCM.

NCN, RCM Holdings, and Cinemark Media have signed an Amended and Restated Limited Liability Company Operating Agreement ("LLCOA"), in order to set forth their respective rights and obligations in connection with their ownership of NCM. Among other provisions, each of the three Members is allowed to designate three board members, with NCM's Chief Executive Officer being the tenth board member. Matters that require the approval of NCM's board of directors require the approval of nine board members.

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

There are currently 1,261 Member units outstanding, of which 630 (50.0%) are owned by RCM Holdings, 370 (29.3%) are owned by NCN, and 261 (20.7%) are owned by Cinemark Media. Should a Liquidity Event as defined in the LLCOA occur, each Member's ownership percentage will be recalculated based upon the total Advertising Circuit Share percentage (as defined below) for the previous twelve months for that Member.

NCM, RCM, Cinemark, and American Multi-Cinema, Inc. ("AMC"), a wholly owned subsidiary of AMCE, entered into an Amended and Restated Software License Agreement in connection with the licensing of software and related rights ancillary to the use of such software by NCM for the conduct of its business. Improvements made to this software subsequent to March 31, 2005 are owned by the Company. None of RCM, Cinemark, or AMC can use its software to provide the services performed by NCM pursuant to the Exhibitor Services Agreements (as described herein).

In addition, a Transition Services Agreement was entered into by NCM, AMC, NCN, Regal, and RCM pursuant to which the parties agreed to reimburse each other for services provided on the behalf of others during a transition period from April 1, 2005 through December 31, 2005.

NCM has entered into an Exhibitor Services Agreement ("ESA") with Regal Cinemas, Inc. ("RCI"), a wholly owned subsidiary of Regal, with AMC, and with Cinemark. Under these agreements, subject to limited exceptions, NCM is the exclusive provider of advertising and event services to the Members' theatres. In the case of Cinemark, the ESA is also subject to the advertising services agreements between Cinemark on the one hand and Technicolor Screen Services, Inc. and Val Morgan Advertising, Inc. on the other hand. Both of these agreements (the "Screenvision Agreements") expired December 31, 2005, with certain "advertising runout" rights that extended through March 31, 2006. In exchange for the right to provide these services to the Members, NCM is required to pay to the Members a specified percentage of NCM's advertising revenue ("Advertising Circuit Share"), and an agreed-upon auditorium rent ("Auditorium Rent") in relation to the meetings and events held in Member theatres, in aggregate known as "Circuit Share Expense." During 2005, the "Advertising Circuit Share Percentage" was 65%. During 2006, the "Advertising Circuit Share" percentage was 68%, a change approved by the members at the end of 2005. The Advertising Circuit Share is allocated among the Members based on a formula that takes into account the number of patrons served and screens operated by each Member during the previous quarter. In accordance with the LLCOA, the Advertising Circuit Share Percentage may be changed at the end of each year by a unanimous vote of the Members. These agreements would terminate immediately upon the dissolution of NCM LLC. Each of these agreements would also terminate in the event of withdrawal by AMC, Cinemark or Regal, respectively, from NCM LLC pursuant to the terms of NCM LLC's Operating Agreement. Each of the agreements may also be terminated (i) in the event of a material breach of any provision of the agreement which breach remains uncured after notice and an opportunity to cure and (ii) in the event a permanent injunction or other final order or decree is entered by a governmental, regulatory or judicial entity which enjoins or otherwise prevents performance of obligations under the agreement.

Pursuant to the ESAs, AMC and Regal, through their subsidiaries, retained all advertising contracts sold by NCN's or RCM's sales teams prior to April 1, 2005 ("AMC Legacy Contracts" and "Regal Legacy Contracts," respectively), and agreed to pay an administrative fee as a percentage of revenue (equal to 35% during 2005 and 32% during 2006) from these contracts payable to NCM to service these contracts through their expiration. Cinemark retained all advertising contracts signed pursuant to the Screenvision Agreements ("Cinemark Legacy Contracts," and together with AMC Legacy Contracts and Regal Legacy Contracts, the "Legacy Contracts"),

subject to an administrative fee (35% in 2005 and 32% in 2006), payable to NCM for all revenue generated by the Screenvision Agreements subsequent to December 31, 2005. Total advertising revenue managed by NCM associated with the Legacy Contracts was $88.0 million for the period ended December 29, 2005 and $13.4 million for the period ended September 28, 2006. Administrative fee revenue will decline over time as the Legacy Contracts expire.

As a result of the various related party agreements discussed in Note 6, the operating results as presented are not necessarily indicative of the results that would have occurred if all agreements were with non-related third parties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Revenue Recognition*—**Advertising revenue and administrative fees from Legacy Contracts are recognized in the period in which an advertising contract is fulfilled against the contracted theatre attendees. Deferred revenue refers to the unearned portion of advertising contracts. All deferred revenue is classified as a current liability. Meetings and events revenue is recognized in the period in which the event was held. Legacy Contracts are contracts for advertising services with customers sold by founding members prior to the formation of NCM, which were not assigned to NCM, where the services were to be delivered after the formation. Administrative fees are earned by the Company for its services in fulfilling the Legacy Contracts, based on a percentage of Legacy Contract revenue (32% during 2006 and 35% during 2005). Administrative fees will decline as Legacy Contracts are fulfilled. Except for administrative fees, the Company's revenue is earned from contracts with third parties.

***Operating Costs*—**Advertising-related operating costs primarily include personnel and other costs related to advertising fulfillment and, to a lesser degree production costs of non-digital advertising and payments due to unaffiliated theatres circuits under the "Network Affiliate Agreements". These costs relate to the advertising revenue recorded by the Company as well as NCM's administrative fees associated with the Legacy Contracts.

Meeting and event operating costs include equipment rental, catering, movie tickets acquired primarily from the theatre circuits, and other direct costs of the meeting or event.

Circuit share costs are fees payable to the theatre circuits for the right to exhibit advertisements within the theatres.

Network costs include personnel, satellite bandwidth, repairs, and other costs of maintaining and operating the digital network and preparing advertising and other content for transmission across the digital network. These costs may be applicable to either the advertising or the meetings and events business lines.

***Cash and Equivalents*—**All highly liquid debt instruments and investments purchased with a remaining maturity of three months or less are classified as cash equivalents. Periodically these are cash balances in a bank in excess of the federally insured limits or in the form of a money market demand account with a major financial institution.

A cash overdraft of $0.2 million is included in accounts payable and reflects the balances held in bank accounts, net of $0.9 million of outstanding checks, as of December 29, 2005.

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

***Receivables*—**Bad debts are provided for using the allowance for doubtful accounts method based on historical experience and management's evaluation of outstanding receivables at the end of the year. Trade accounts receivable are uncollateralized and represent a large number of geographically dispersed debtors, none of which are individually material.

***Property and Equipment*—**Property and equipment is stated at cost. Major renewals and improvements are capitalized, while replacements, maintenance, and repairs that do not improve or extend the lives of the respective assets are expensed currently. In general, the equipment associated with the digital network that is located within the theatre is owned by the Members, while equipment outside the theatre is owned by the Company. The Company records depreciation and amortization using the straight-line method over the following estimated useful lives:

Equipment	4–10 years
Computer hardware and software	3–5 years
Leasehold improvements	Lesser of lease term or asset life

Amounts due to Members—Amounts due to founding members include circuit share costs and cost reimbursements and are offset by the administrative fees earned on Legacy Contracts. Payments to our founding members against outstanding balances are made monthly.

***Network Affiliate Agreements*—**Network affiliate agreements were contributed at NCM's formation at the net book value of the Members and are amortized on a straight-line basis over the remaining life of the agreement. These agreements require payment to the affiliate of 35% to 55% of the advertising revenue associated with the advertisements played in affiliate theatres, and also specify minimum payments that must be made. Amortization expense related to the network affiliate agreements for the period ended December 29, 2005 was $1.2 million and for the period ended September 28, 2006 was $0.7 million.

***Income Taxes*—**As a limited liability company, NCM LLC's taxable income or loss is allocated to Members in accordance with the provisions in the Amended and Restated Limited Liability Company Operating Agreement. Therefore, no provision or liability for income taxes has been included in the financial statements.

***Stock-Based Compensation*—**In December 2002, the FASB issued SFAS No. 148, *Accounting for Stock-Based Compensation—Transition and Disclosure*. SFAS No. 148 amends SFAS No. 123, *Accounting for Stock- Based Compensation*, to provide alternative methods of transition for a voluntary change to SFAS No. 123's fair value based method of accounting for stock-based employee compensation. In addition, SFAS No. 148 amends the disclosure requirements of SFAS No. 123 and APB Opinion No. 28, *Interim Financial Reporting*, to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy with respect to stock-based employee compensation on reported net income and earnings per share in annual and interim financial statements. Under SFAS No. 123, entities are permitted to recognize as expense the fair value of all stock-based awards on the date of grant over the vesting period and alternatively allows entities to continue to apply the provisions of APB Opinion No. 25, *Accounting for Stock Issued to Employees* and related interpretations, and provide pro forma net income or loss and earnings or loss per share disclosures as if the fair-value-based method defined in SFAS No. 123 had been applied. In December 2004, the FASB revised SFAS 123 with SFAS 123(R), *Share-Based Payment*. SFAS 123(R) eliminates the intrinsic value-based method and requires all entities to recognize compensation expense in an amount equal to the fair value of share based payments granted to employees. NCM LLC adopted SFAS 123(R) December 30, 2005, but the adoption had no impact on financial position or results of operations because there were no share based awards outstanding at the

date of adoption. On April 4, 2006, NCM's Board of Directors approved the NCM LLC 2006 Unit Option Plan, as more fully described in Note 11. The Company has recorded expense of $1.1 million for the nine months ended September 28, 2006 for the options issued under the 2006 Unit Option Plan pursuant to the requirements of SFAS 123(R).

***Estimates*—**The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include those related to the reserve for uncollectible accounts receivable, deferred revenue and equity based compensation. Actual results could differ from those estimates.

3. RECENT ACCOUNTING PRONOUNCEMENTS

During June 2006, the FASB issued Interpretation No. ("FIN") 48, *Accounting for Uncertainty in Income Taxes*—an interpretation of FASB Statement No. 109. This interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, *Accounting for Income Taxes*, and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. This interpretation is effective for fiscal years beginning after December 15, 2006. As a limited liability company, NCM's taxable income or loss is allocated to the Founding Members in accordance with the provisions of its operating documents. However, with the proposed formation of National CineMedia, Inc., it will be a taxable entity and will be required to consider this interpretation as it relates to both itself and the Company's consolidated tax position at National CineMedia, Inc. The Company is currently evaluating the impact the interpretation may have on its future financial condition, results of operations, and cash flows.

During October 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. This statement does not require any new fair value measurements but provides guidance on how to measure fair value and clarifies the definition of fair value under accounting principles generally accepted in the United States of America. The statement also require new disclosures about the extent to which fair value measurements in financial statements are based on quoted market prices, market-corroborated inputs, or unobservable inputs that are based on management's judgments and estimates. The statement is effective for fiscal years beginning after November 15, 2007. The statement will be applied prospectively by the Company for any fair value measurements that arise after the date of adoption.

The FASB has also issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans—an amendment of FASB Statements No. 87, 88, 106, and 132(R).* As the Company has no plans covered by this standard, it will have no effect on the Company's financial statements.

The SEC has issued Staff Accounting Bulletin No. 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements* ("SAB 108"), in September 2006. SAB 108 requires entities to quantify misstatements based on their impact on each of their financial statements and related disclosures. SAB 108 is effective as of December 31, 2006. The adoption of this standard is not expected have an impact on the Company's consolidated results of operations, cash flows or financial position.

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

4. RECEIVABLES

Receivables consisted of the following at December 29, 2005 and September 28, 2006:

	December 29, 2005	September 28, 2006
Trade accounts	$ 37.0	$ 52.8
Other	0.1	0.1
Less allowance for doubtful accounts	(0.5)	(1.0)
Total	$ 36.6	$ 51.9

5. DEFERRED OFFERING COSTS

The Company has paid certain costs associated with the proposed initial public offering ("IPO") of National CineMedia, Inc., a newly formed holding company whose sole asset will be approximately 40.5% of the common membership units of the Company (See Note 14). These costs will be reimbursed to the Company by National CineMedia, Inc. at the time of the IPO. Should the National CineMedia, Inc. IPO not be completed, these deferred offering costs would be expensed as administrative expenses at the time the determination is made that the IPO will not occur or is significantly delayed.

6. RELATED-PARTY TRANSACTIONS

Included in media and events operating costs is $2.1 million and $1.7 million for the nine months ended December 29, 2005 and September 28, 2006, respectively, related to purchases of movie tickets and concession products from the Members primarily for resale to NCM's customers, of which $1.9 million and $1.2 million for the nine months ended December 29, 2005 and September 28, 2006, respectively, was paid to Regal and $0.2 million and $0.5 million for the nine months ended December 29, 2005 and September 28, 2006, respectively, was paid to AMC.

As discussed in Note 1, at the formation of NCM and upon the admission of Cinemark as a Member, circuit share agreements and administrative services fee agreements were consummated with each Member. Circuit share expense and administrative fee revenue by Member is as follows:

	For the nine months ended December 29, 2005		For the nine months ended September 28, 2006	
	Circuit Share Expense	Administrative Fee Revenue	Circuit Share Expense	Administrative Fee Revenue
AMC	$ 19.4	$ 8.3	$ 27.1	$ 0.2
Cinemark	0.1	—	18.9	0.3
Regal	19.1	22.5	42.6	3.8
Total	$ 38.6	$ 30.8	$ 88.6	$ 4.3

Upon the formation of NCM, the level of such payments as a percentage of advertising revenue was significantly increased. Also, advertising revenue and related circuit share costs related to founding member Legacy Contracts that would have been recorded as such by the founding members are not included in the

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
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(In millions)

statement of operations of NCM because of the provisions of the administrative services agreement, under which NCM earned a fee of 35% of the $88.0 million of revenue from such contracts for the nine months ended December 29, 2005 and NCM earned a fee of 32% of the $13.4 million of revenue from such contracts for the nine months ended September 28, 2006. As the Legacy Contracts expire and NCM sells new advertising agreements, advertising revenue and related circuit share costs will increase.

Payments from NCM for employee and other services provided under the Transition Services Agreement to Regal and its subsidiaries totaled $3.3 million, and to AMC and its subsidiaries totaled $3.2 million for the nine months ended December 29, 2005. Additionally, Regal and its subsidiaries paid $0.1 million to NCM for services provided by NCM to RCI under the Transition Services Agreement for the nine months ended December 29, 2005.

During 2005, AMC and RCI purchased $0.5 million and $0.6 million, respectively, of NCM's advertising inventory for their own use and during 2006, AMC and RCI purchased $0.5 million and $1.0 million of NCM's advertising inventory for their own use. The value of such purchases are calculated by reference to NCM's advertising rate card and is included in advertising revenue with a percentage of such amounts returned by NCM to the members as advertising circuit share.

As further described in Note 10 "Stock Option Plan", certain RCM employees who would become employees of NCM had been granted Regal stock options and restricted stock. As specified within the Contribution and Unit Holders Agreement and in accordance with the RCI Severance Plan for Equity Compensation (the "Severance Plan"), in lieu of continued participation in the Regal stock option and restricted stock plan by these employees, Regal agreed to make cash payments to these employees at an agreed-upon value for such options and restricted stock, with payments to be made on the dates which such options and restricted stock would have otherwise vested. Additionally, the Contribution and Unit Holders Agreement provided that NCM will reimburse Regal $4.0 million associated with Regal's obligations under this arrangement. This $4.0 million obligation was recorded as a liability on NCM's records as of March 29, 2005, reducing the capital accounts of AMC and Regal pro-rata to their ownership percentages. The first payment of $0.5 million was made to Regal on March 29, 2005, with the remaining $3.5 million paid to Regal on March 29, 2006. The total cost of the Severance Plan, including payments in lieu of dividend distributions on restricted stock, is estimated to be in the range of approximately $15.0 million to $16.0 million. As the Severance Plan provides for payments over future periods that are contingent upon continued employment with National CineMedia, the cost of the Severance Plan will be recorded as an expense over the remaining required service periods. As the payments under the Plan are being funded by Regal, Regal will be credited with a capital contribution equal to this severance plan expense. During the periods ended December 29, 2005 and September 28, 2006, severance expense and the related capital contribution were $8.5 million and $3.4 million, respectively. Severance expense for the remainder of fiscal 2006, and for fiscal years 2007 and 2008 at a minimum is expected to be $0.7 million, $1.9 million and $0.6 million, respectively, prior to the inclusion of payments in lieu of distributions on restricted stock and the impact of any employee terminations.

Amounts due to (from) Members at December 29, 2005 is comprised of:

	AMC	Cinemark	Regal	Total
Circuit share payments	$11.7	$ 0.1	$10.6	$22.4
Cost reimbursement	0.6	—	—	0.6
Compensation-related payment	—	—	3.5	3.5
Administrative fee	—	—	(2.5)	(2.5)
Total	$12.3	$ 0.1	$11.6	$24.0

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

Amounts due to (from) Members at September 28, 2006 is comprised of:

	AMC	Cinemark	Regal	Total
Circuit share payments	$13.0	$ 9.8	$21.1	$43.9
Cost reimbursement	0.1	—	0.1	0.2
Administrative fee	—	—	(0.3)	(0.3)
Total	$13.1	$ 9.8	$20.9	$43.8

7. BORROWINGS

Short-term borrowings from members—In 2005, NCM signed an Amended and Restated Demand Promissory Note (the "Demand Note") with its Members (the "Holders") under which the Company could borrow up to $11 million on a revolving basis. Borrowings under the Demand Note were funded by the Members pro rata to their ownership of units. Interest was payable monthly, at 200 basis points over LIBOR. Interest paid to the Members during 2005 and 2006 was less than $0.1 million, respectively. As of December 29, 2005, outstanding borrowings under the Demand Note totaled $1.3 million. The interest rate as of that date was 6.34%. The demand note was repaid and cancelled on March 22, 2006.

Long-term borrowings—On March 22, 2006, NCM entered into a bank-funded $20 million Revolving Credit Agreement (the "Revolver"), of which $2 million may be utilized in support of letters of credit. The Revolver is collateralized by trade receivables, and borrowings under the Revolver are limited to 85% of eligible trade receivables as defined. The Revolver has a final maturity date of March 22, 2008, but may be prepaid by the Company at its option pursuant to the terms of the Revolver, and it bears interest, at NCM's option, at either an adjusted Eurodollar rate or the base rate plus, in each case, an applicable margin. Outstanding borrowings at September 28, 2006, were $10.0 million. Available borrowings under the Revolver were $10.0 million at September 28, 2006. The aggregate interest rate on outstanding borrowings as of that date was 7.86%.

8. LEASE OBLIGATIONS

The Company leases office facilities for its headquarters in Centennial, Colorado and also in various cities for its sales and marketing personnel as sales offices. The Company has no capital lease obligations. Total lease expense for the nine months ended December 29, 2005 and September 28, 2006 was $1.1 million and $1.2 million, respectively.

Future minimum lease payments under noncancelable operating leases are as follows:

2006 (fourth quarter)	$0.4
2007	1.6
2008	1.6
2009	1.5
2010	1.2
2011	1.3
Thereafter	2.3
Total	$9.9

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

9. EMPLOYEE BENEFIT PLANS

NCM sponsors the National CineMedia LLC 401(k) Profit Sharing Plan (the "plan") under section 401(k) of the Internal Revenue Code of 1986, as amended, for the benefit of substantially all full-time employees. The plan provides that participants may contribute up to 20% of their compensation, subject to Internal Revenue Service limitations. Employee contributions are invested in various investment funds based upon elections made by the employee. The Company made discretionary contributions of $0.3 million and $0.4 million during the periods ended December 29, 2005 and September 28, 2006, respectively.

10. STOCK OPTION PLAN

In connection with the formation of National CineMedia, on May 11, 2005, Regal Cinemas, Inc. ("RCI", a wholly-owned subsidiary of Regal) adopted and approved the RCI Severance Plan for Equity Compensation (the "Severance Plan"). Participation in the Severance Plan is limited to employees of RCM, who held unvested options to purchase shares of Regal's common stock or unvested shares of Regal's restricted common stock pursuant to the terms of the Incentive Plan immediately prior to such employee's termination of employment with RCM and commencement of employment with National CineMedia. Each employee's termination of employment with RCM was effective as of the close of business on May 24, 2005, and commencement of employment with National CineMedia was effective as of the next business day on May 25, 2005. (Between April 1, 2005 and May 24, 2005, NCM was billed for the costs of these employees' compensation and related benefits.) Under the terms of and subject to the conditions of the Severance Plan, each eligible employee who participates in the Severance Plan (a "Participant") is, at the times set forth in the Severance Plan, entitled to a cash payment equal to (1) with respect to each unvested stock option held on May 24, 2005, the difference between the exercise price of such unvested option and $20.19 (the fair market value of a share of Regal's common stock on May 24, 2005, as calculated pursuant to the terms of the Severance Plan) and (2) with respect to each unvested share of restricted stock, $20.19 (the fair market value of a share of Regal's common stock on May 24, 2005, as calculated pursuant to the terms of the Severance Plan). In addition, the Severance Plan provides that each Participant who held unvested shares of restricted stock on May 24, 2005, will be entitled to receive payments in lieu of dividend distributions in an amount equal to the per share value of dividends paid on Regal's common stock times the number of shares of such restricted stock. Each such Participant will receive these payments in lieu of dividend distributions until the date that each such Participant's restricted stock would have vested in accordance with the Incentive Plan. Solely for purposes of the calculation of such payments with respect to restricted stock, in the event of any stock dividend, stock split or other change in the corporate structure affecting Regal's common stock, there shall be an equitable proportionate adjustment to the number of shares of restricted stock held by each Participant immediately prior to his or her termination of employment with RCM.

Each Participant's cash payment will vest according to the year and date on which such unvested options and restricted stock held by such Participant would have vested pursuant to the terms of the Incentive Plan and the related award agreement had employment with RCM not ceased. The Severance Plan is a change in terms of the Regal options and restricted stock, resulting in a new measurement date for these equity compensation arrangements. The total cost of the Severance Plan, including payments in lieu of dividend distributions on restricted stock, is estimated to be in the range of approximately $15.0 million to $16.0 million. As the Severance Plan provides for payments over future periods that are contingent upon continued employment with NCM, the cost of the Severance Plan will be recorded as an expense over the remaining required service periods. As expenses recognized, Regal, which is funding payments under the Severance Plan, is credited with a capital

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE
NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

contribution. During the nine-months ended December 29, 2005 and September 28, 2006, the Company recorded total severance expense of approximately $8.5 million, including approximately $0.1 million of payments in lieu of dividends, and $3.4 million, respectively, related to the Severance Plan. The Company records the expense as a separate line item in the statements of operations. The amount recorded is not allocated to advertising operating costs, network costs, selling and marketing costs and administrative costs because the recorded expense is associated with the past performance of Regal's common stock market value rather than current period performance. The table below presents the estimated allocation of the expense if the Company did allocate it to these specific line items:

	Nine Months Ended December 29, 2005	Nine Months Ended September 28, 2006
Advertising operating costs	$ 0.1	$ —
Network costs	0.5	0.3
Selling and marketing costs	1.7	1.6
Administrative costs	6.2	1.5
Total	$ 8.5	$ 3.4

Future charges under the Severance Plan are estimated to be $0.7 million in the remainder of 2006, $1.9 million in 2007 and $0.6 million in 2008.

11. UNIT OPTION PLAN

On April 4, 2006, the Company's board of directors approved a unit option plan. 27.640 units are reserved for issuance under option grants as of September 28, 2006. Activity in the unit option plan has been as follows:

	Units	Weighted Average Exercise Price
Granted	27.2	$ 1.1
Forfeited	(2.0)	1.0
Balance at September 28, 2006	25.2	1.1

No options are exercisable at September 28, 2006. Options outstanding at September 28, 2006 have been granted at the following exercise prices: 21.6 units at $1.0 million per unit; 2.4 units at $1.1 million per unit and 1.2 units at $1.5 million per unit, all at an average remaining life of approximately nine years.

All options granted vest over periods of 69 through 81 months. The options include provisions under which, in certain circumstances, the holders may be able to put the options back to the Company and receive a cash payment based on a formula tied to the attainment of certain operating objectives. Therefore, under SFAS No. 123(R), the options are accounted for as liability awards rather than equity awards.

The Company has estimated the calculated value of these options at $0.5 million per unit, based on the Black-Scholes option pricing model. The Black-Scholes model requires that the Company make estimates of various factors used in the Black-Scholes model, the most critical of which are the fair value of equity and the expected volatility of

equity value. Since the Company's options were granted in contemplation of an IPO as described in Note 14, the Company has considered the expected pricing of the IPO to estimate the equity value, for each unit underlying the options. As the NCM LLC unit options were issued in contemplation of an IPO (see Note 14), the Company has determined the calculated value of the options based on the estimated equity fair value of NCM LLC, as derived from the expected IPO pricing. The estimate of equity fair value was calculated by (i) applying the estimated multiple of net income (loss) before interest expense, income tax benefit (provision) and depreciation and amortization expense ("EBITDA") that will be used in pricing the IPO, determined from our ongoing discussions with our investment bankers, to our estimate of 2007 EBITDA, to arrive at enterprise value, and then (ii) subtracting the estimated senior secured term debt expected to be outstanding at the consummation of the offering, to arrive at equity value. Under liability accounting, the Company will reestimate the calculated value of the options as of each reporting date. The calculated value of the options will be charged to operations over the vesting period. Charges or credits related to changes in the estimated calculated value of the options will be recognized as of each reporting date.

The following assumptions were used in the valuation of the options:

- Expected life of options—9 years. The expected life of the options was determined by using the average of the vesting and contractual terms of the options (the "simplified method" as described in SEC Staff Accounting Bulletin 102).
- Risk free interest rate—4.9%. The risk-free interest rate was determined by using the applicable Treasury rate as of the grant date.
- Expected volatility of membership units—30.0%. Expected volatility was estimated based on comparable companies and industry indexes for historic stock price volatility.
- Dividend yield—3.0%. The estimated dividend yield was determined using management's expectations based on estimated cash flow characteristics and expected dividend policy after the IPO discussed in Note 14.

The forfeiture rate was not significant, because a substantial number of options are held by a few executives of the Company who are expected to continue employment through the vesting period.

For the nine-month period ended September 28, 2006, the Company recognized $1.1 million of share-based compensation expense for these options. As of September 28, 2006, unrecognized compensation cost related to nonvested options was $12.5 million, which will be recognized over a weighted average remaining period of between 63 and 75 months, subject to variability due to the requirement to reestimate fair value of the options as of each reporting date under the liability method.

At the completion of the contemplated IPO of National CineMedia, Inc., the public company expects to issue in substitution options of the public company to holders of the outstanding options under the Unit Option Plan, under defined terms and conditions and pursuant to a formula that will be approved at the consummation of the IPO.

12. COMMITMENTS AND CONTINGENCIES

The Company is subject to claims and legal actions in the ordinary course of business. The Company believes such claims will not have a material adverse effect on the Company's financial position or results of operations.

NATIONAL CINEMEDIA, LLC

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 29, 2005, AND SEPTEMBER 28, 2006 AND FOR THE NINE MONTHS ENDED DECEMBER 29, 2005 AND SEPTEMBER 28, 2006
(In millions)

13. QUARTERLY FINANCIAL DATA (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter
		(Dollars in millions)	
2006			
Operations:			
Advertising and other revenue	$ 27.4	$ 57.1	$ 60.7
Expenses	36.8	58.3	61.3
Net (loss)	$ (9.4)	$ (1.2)	$ (0.6)
Balance Sheet:			
Total assets	$ 36.8	$ 64.8	$ 72.2
Members' equity	$ 2.4	$ 1.9	$ 2.1

	Second Quarter	Third Quarter	Fourth Quarter
		(Dollars in millions)	
2005			
Operations:			
Advertising and Other Revenue	$ 25.6	$ 28.6	$ 44.6
Expenses	27.7	30.4	47.6
Income tax provision	—	—	—
Net income (loss)	$ (2.1)	$ (1.8)	$ (3.0)
Balance Sheet:			
Total assets	$ 25.4	$ 32.4	$ 48.8
Stockholders'/Members' equity	$ 5.1	$ 10.4	$ 9.8

14. PRO FORMA BALANCE SHEET (UNAUDITED)

National CineMedia, Inc., a newly formed holding company, has filed a registration statement for an IPO of its common stock. The net proceeds from the offering, estimated to be $674.3 million, will be used to acquire an approximate 40.5% interest in the Company. In connection therewith, the Company intends to effect a recapitalization under which:

- The Company will be recapitalized on a noncash basis with a distribution to the Members of common membership units and preferred membership units for each currently outstanding membership unit.
- The Company will split the newly issued common membership units into the number of units necessary to allow National CineMedia, Inc. to acquire one common membership unit of the Company for each share issued in the IPO and achieve an approximate 40.5% ownership interest in the Company.
- National CineMedia, Inc. will become a member and the managing member of the Company upon its purchase of common membership units as described above at a price per share equal to the IPO offering price of National CineMedia, Inc. common stock, net of underwriting discounts and commissions and offering expenses.
- The Company will pay the proceeds from the sale of common membership units to National CineMedia, Inc. to the Founding Members in consideration of the Members agreeing to change the terms of the exhibitor services agreements. The modifications will change the method by which payments are made under the exhibitor services agreements from a percentage of revenue to a fixed monthly amount per digital screen operated by the founding members plus a charge per theatre patron. Under the modified exhibitor services agreements the amount of payment will be significantly reduced. As the modified exhibitor services agreement contracts represent an intangible asset received from a founder, and in accordance with accounting guidance for payments made to promoters at the time of an initial public offering, the payments to the founding members will be accounted for as a capital distribution.
- Approximately $735.0 million will be borrowed under a new senior credit facility, the net proceeds of which will be used to repay the Company’s existing bank debt and pay approximately $698.5 million to the Founding Members to redeem the newly created preferred membership units.

The pro forma balance sheet presented in the financial statements reflects the impact of the above transactions on the historic balance sheet as if they had occurred on September 28, 2006.

* * * * * *

NATIONAL CINEMEDIA, LLC

CONDENSED STATEMENTS OF OPERATIONS
(In millions)
(unaudited)

	6 months ended September 29, 2005	3 months ended September 29, 2005	3 months ended September 28, 2006
REVENUE:			
Advertising	$ 24.8	$ 15.8	$ 54.9
Administrative fees—Members	23.2	10.4	0.8
Meetings and events	6.1	2.4	4.8
Other	—	—	0.2
Total	54.1	28.6	60.7
EXPENSES:			
Advertising operating costs	3.9	1.7	2.2
Meetings and events operating costs	2.4	0.9	1.5
Circuit share costs—Members	16.8	10.6	38.0
Network costs	5.7	2.9	3.5
Selling and marketing costs	15.1	7.6	9.6
Administrative costs	6.2	3.4	4.1
Severance Plan costs	6.1	2.4	0.7
Depreciation and amortization	1.9	0.9	1.1
Other costs	—	—	0.4
Total	58.1	30.4	61.1
Operating loss	(4.0)	(1.8)	(0.4)
Interest expense, net	—	—	0.2
NET LOSS	$ (4.0)	$ (1.8)	$ (0.6)

See accompanying notes to financial statements.

NATIONAL CINEMEDIA, LLC

NOTES TO CONDENSED FINANCIAL STATEMENTS
(unaudited)

1. THE COMPANY AND BASIS OF PRESENTATION

National CineMedia, LLC (the "Company" or "NCM") provides advertising, business meetings, and event services to its Members under Exhibitor Services Agreements which extend through April 1, 2010. NCM also provides such services to certain third-party theatre circuits under "Network Affiliate Agreements" expiring at various dates through September 16, 2009. The Company operates on a 52-week fiscal year, with the fiscal year ending on the first Thursday after December 25, which in certain years results in a 53-week year. See the footnotes to the Company's audited financial statements included in this prospectus for a description of the transactions by which the Company was formed and capitalized.

As the result of final adjustments to the valuations attributed to the assets and liabilities contributed to the Company at formation, NCN contributed additional cash to NCM during 2006, which was then distributed to RCM Holdings and Cinemark Media, thus having no impact on the assets and liabilities of NCM.

There are currently 1,261 Member units outstanding, of which 630 (50.0%) are owned by RCM Holdings, 370 (29.3%) are owned by NCN, and 261 (20.7%) are owned by Cinemark Media. Should a Liquidity Event as defined in the LLCOA occur, each Member's ownership percentage will be recalculated based upon the percentage of the total Advertising Circuit Share (as defined below) paid in the previous twelve months which was paid to that Member.

NCM has entered into a variety of governance and business arrangements with NCN, RCM Holdings, and Cinemark Media and their affiliates, which are described in the Company's audited financial statements, beginning on page F-2. Capitalized terms as used herein have the same meanings as defined in the audited financial statements.

During 2006, the "Advertising Circuit Share Percentage" was 68%, while in 2005 it was 65%. The Advertising Circuit Share is allocated among the Members based on a formula which takes into account the number of patrons served and screens operated by each Member during the previous quarter. In accordance with the LLCOA, the Advertising Circuit Share Percentage may be changed at the end of each year by a unanimous vote of the Members.

Pursuant to the ESAs, AMC and Regal, through their subsidiaries, retained all advertising contracts sold by NCN's or RCM's sales teams prior to April 1, 2005 and agreed to pay an administrative fee (32% during 2006 and 35% during 2005) to NCM to service these contracts. Cinemark retained all advertising contracts signed pursuant to the Screenvision Agreements again subject to a 32% administrative fee payable to NCM for all revenue generated by these agreements subsequent to December 31, 2005. Total advertising revenue managed by NCM associated with the Legacy Contracts was $66.5 million for the six months ended September 29, 2005, and $29.8 million and $2.5 million for the three month periods ended September 29, 2005 and September 28, 2006, respectively. Administrative fee revenue will decline over time as the Legacy Contracts expire.

Since NCM was not formed until March 29, 2005, there are no nine-month statements of operations or cash flows available for presentation. NCM's balance sheet as of September 29, 2006 and its statements of operations and cash flows are presented in the financial statements beginning on page F-2.

These financial statements are unaudited and are prepared in accordance with the rules and regulations of the Securities and Exchange Commission for interim financial information. The accounting policies used in the preparation of these financial statements are the same as those used in the preparation of the Company's audited financial statements, as modified by accounting standards for interim financial statements. In the opinion of management, all adjustments, consisting only of normal recurring accruals, have been made to present fairly the Company's interim financial position and results of operations.

NATIONAL CINEMEDIA, LLC

NOTES TO CONDENSED FINANCIAL STATEMENTS—(Continued)
(unaudited)

As a result of the various related party agreements, the operating results as presented are not necessarily indicative of the results which would have occurred if all agreements were with non-related third parties.

2. RECENT ACCOUNTING PRONOUNCEMENTS

During June 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes—an Interpretation of FASB Statement No. 109." This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, "Accounting for Income Taxes," and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This Interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. This Interpretation is effective for fiscal years beginning after December 15, 2006. As a limited liability company, National CineMedia LLC's taxable income or loss is allocated to the Founding Members in accordance with the provisions of our operating documents. However, with the proposed formation of National CineMedia Inc., it will be a taxable entity and will be required to consider this Interpretation as it relates to both itself and the Company's consolidated tax position at NCM Inc. We are currently evaluating the impact the Interpretation may have on its future financial condition, results of operations and cash flows.

During October 2006 the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements." This statement does not require any new fair value measurements but provides guidance on how to measure fair value and clarifies the definition of fair value under GAAP. The statement also requires new disclosures about the extent to which fair value measurements in financial statements are based on quoted market prices, market-corroborated inputs or unobservable inputs that are based on management's judgments and estimates. The statement is effective for fiscal years beginning after November 15, 2007. The statement will be applied prospectively by the Company for any fair value measurements that arise after the date of adoption.

The FASB has also issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans—an amendment of FASB Statements No. 87, 88, 106, and 132(R).* As the Company has no plans covered by this standard, it will have no effect on the Company's financial statements.

The SEC has issued Staff Accounting Bulletin No. 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements* ("SAB 108"), in September 2006. SAB 108 requires entities to quantify misstatements based on their impact on each of their financial statements and related disclosures. SAB 108 is effective as of December 31, 2006. The adoption of this standard is not expected to have an impact on the Company's consolidated results of operations, cash flows or financial position.

3. RELATED PARTY TRANSACTIONS

Circuit share expense and administrative fee revenue by Member during the six months ended September 29, 2005 is as follows:

	Circuit share expense	Administrative fee revenue
AMC	$ 8.5	$ 7.2
Regal	8.3	16.0
Total	$ 16.8	$ 23.2

NATIONAL CINEMEDIA, LLC

NOTES TO CONDENSED FINANCIAL STATEMENTS—(Continued)
(unaudited)

Circuit share expense and administrative fee revenue by Member during the three months ended September 29, 2005 was as follows:

	Circuit share expense	Administrative fee revenue
AMC	$ 4.6	$ 3.4
Regal	6.0	7.0
Total	$ 10.6	$ 10.4

Circuit share expense and administrative fee revenue by Member during the three months ended September 28, 2006 are as follows:

	Circuit share expense	Administrative fee revenue
AMC	$ 11.1	$ —
Cinemark	8.3	—
Regal	18.6	0.8
Total	$ 38.0	$ 0.8

Included in costs of revenue—meetings and events is $0.8 million, $0.2 million and $0.4 million for the six months ended September 29, 2005, the three months ended September 29, 2005 and the three months ended September 28, 2006, respectively, related to purchases of movie tickets and concession products from Regal primarily for resale to NCM's customers. For AMC, $0.1 million of such products were purchased for resale for the three months ended September 28, 2006.

During the three months ended September 28, 2006, AMC and RCI purchased $0.3 million and $0.3 million, respectively, of NCM's advertising inventory for their own use. The value of such purchases are calculated by reference to NCM's advertising rate card and is included in advertising revenue, with 68% of such amounts returned by NCM to the Members as Advertising Circuit Share. There were no such purchases in 2005.

4. EMPLOYEE BENEFIT PLANS

The Company sponsors the National CineMedia LLC 401(k) Profit Sharing Plan (the "plan") under section 401(k) of the Internal Revenue Code of 1986, as amended, for the benefit of substantially all full-time employees. The Company made discretionary contributions of $0.2 million, $0.1 million and $0.1 million during the six months ended September 29, 2005 and the three months ended September 29, 2005 and September 28, 2006, respectively.

In accordance with the RCI Severance Plan for Equity Compensation, payments are made to certain employees of the company who were previously employed by RCM, and who held unvested options to purchase shares of Regal's common stock on the date of their termination from RCM. The Company recorded severance expense of $6.1 million, $2.4 million and $0.7 million for the six months ended September 29, 2005, and the three months ended September 29, 2005 and September 28, 2006, respectively. The Company records the expense as a separate line item in the statements of operations. The amount recorded is not allocated to advertising operating costs, network costs, selling and marketing costs, and administrative costs because the recorded expense is associated with the past performance of Regal's common stock market value rather than

current period performance. The table below presents the estimated allocation of the expense if the Company did allocate it to these specific line items:

	Six months ended September 29, 2005	Three months ended September 29, 2005	Three months ended September 28, 2006
Advertising operating costs	$ 0.1	$ —	$ —
Network costs	0.4	0.1	0.1
Selling and marketing costs	1.2	0.5	0.3
Administrative costs	4.4	1.8	0.3
Total	$ 6.1	$ 2.4	$ 0.7

On April 4, 2006 the Company's Board of Directors approved the National CineMedia, LLC 2006 Unit Option Plan. The options include provisions under which the holders may be able to put the options back to the Company and receive a cash payment based on a formula tied to the attainment of certain operating performance thresholds. Therefore, under Statement of Financial Accounting Standard SFAS No. 123(R), these options will be accounted for as liability rather than equity awards.

For the three month period ended September 28, 2006, the Company issued 1.200 unit options all at an exercise price of $1.5 million. During the three month period ended September 28, 2006, no options were exercised or forfeited, and at September 28, 2006, 25.203 options are outstanding. None of the options have vested.

For the three month periods ended September 28, 2006, the Company recognized $0.8 million of share-based compensation expense for these options. As of September 28, 2006, unrecognized compensation cost related to non-vested options was $12.5 million, which amount will be recognized over a weighted average remaining period of between 63 and 75 months, subject to variability due to the requirement to re-estimate fair value of the options as of each reporting date.

5. COMMITMENTS AND CONTINGENCIES

The Company is subject to claims and legal actions in the ordinary course of business. The Company believes such claims will not have a material adverse effect on the Company's financial position or results of operations.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members of
National CineMedia, LLC
Centennial, Colorado

We have audited the accompanying balance sheet of Regal CineMedia Corporation ("RCM"), as of December 30, 2004 and the related statements of operations, stockholder's equity, and cash flows for the years ended January 1, 2004, and December 30, 2004, and the three month period ended March 31, 2005. These financial statements are the responsibility of RCM's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Regal CineMedia Corporation as of December 30, 2004 and the results of its operations and its cash flows for the years ended January 1, 2004, and December 30, 2004, and the three month period ended March 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Denver, Colorado
December 20, 2006

REGAL CINEMEDIA CORPORATION

BALANCE SHEET
(In millions, except share data)

	December 30, 2004
ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	$ 2.5
Receivables—net	28.8
Prepaid expenses and other current assets	0.5
Deferred income taxes	0.7
Total current assets	32.5
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $6.5 million in 2004	4.2
AMOUNTS DUE FROM PARENT	12.7
TOTAL	$ 49.4
LIABILITIES AND STOCKHOLDER'S EQUITY	
CURRENT LIABILITIES:	
Accounts payable	$ 2.3
Accrued payroll and related expenses	3.3
Accrued expenses	2.9
Deferred revenue	0.4
Total current liabilities	8.9
OTHER LIABILITIES	
Borrowings	0.5
Total other liabilities	0.5
DEFERRED INCOME TAXES	0.5
Total liabilities	9.9
COMMITMENTS AND CONTINGENCIES (Notes 1, 5 and 8)	
STOCKHOLDER'S EQUITY:	
Common stock, $0.001 par value—authorized, issued and outstanding 5,000 shares	—
Additional paid-in capital	22.5
Retained earnings	17.0
Total stockholder's equity	39.5
TOTAL	$ 49.4

See accompanying notes to financial statements.

REGAL CINEMEDIA CORPORATION

STATEMENTS OF OPERATIONS
(In millions)

	Year Ended January 1, 2004	Year Ended December 30, 2004	3 Months Ended March 31, 2005
REVENUE:			
Advertising	$ 65.2	$ 83.6	$ 15.6
Meetings and events	7.0	11.5	2.1
Other	0.2	0.2	0.1
Total	72.4	95.3	17.8
EXPENSES:			
Advertising operating costs	4.4	3.7	0.9
Meetings and events operating costs	2.1	3.9	0.8
Circuit share costs—Members	15.3	16.6	2.4
Network costs	5.0	8.1	2.4
Selling and marketing costs	11.7	15.9	4.4
Administrative costs	10.3	10.8	3.4
Deferred stock compensation	1.4	1.4	0.3
Depreciation and amortization	0.9	1.0	0.4
Total	51.1	61.4	15.0
OPERATING INCOME (LOSS)	21.3	33.9	2.8
PROVISION FOR INCOME TAXES	8.4	13.3	1.1
NET INCOME (LOSS)	$ 12.9	$ 20.6	$ 1.7

See accompanying notes to financial statements.

REGAL CINEMEDIA CORPORATION

STATEMENTS OF STOCKHOLDER'S EQUITY
(In millions)

Statement of Stockholder's Equity	Common Stock	Additional Paid-in Capital	Retained Earnings	Total
Balance—December 26, 2002	$ —	$ 22.5	$ (16.5)	$ 6.0
Net income	—	—	12.9	12.9
Balance—January 1, 2004	—	22.5	(3.6)	18.9
Net income	—	—	20.6	20.6
Balance—December 30, 2004	—	22.5	17.0	39.5
Net income	—	—	1.7	1.7
Balance—March 31, 2005	$ —	$ 22.5	$ 18.7	$41.2

See accompanying notes to financial statements.

REGAL CINEMEDIA CORPORATION

STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended January 1, 2004	Year Ended December 30, 2004	3 Months Ended March 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 12.9	$ 20.6	$ 1.7
Adjustments to reconcile net income (loss) to net cash provided by operating (used in) activities:			
Depreciation and amortization	0.9	1.0	0.4
Deferred stock compensation	1.4	1.4	0.3
Deferred income taxes	0.1	0.5	(0.2)
Changes in operating assets and liabilities:			
Decrease (increase) in receivables—net	(10.6)	(8.2)	13.0
Decrease (increase) in prepaid expenses and other current assets	(0.5)	0.2	(0.1)
Increase (decrease) in accounts payable	0.2	(0.8)	(0.5)
Increase (decrease) in accrued expenses	1.7	2.6	(2.8)
Increase (decrease) in deferred revenue	0.6	(1.5)	0.4
Increase (decrease) in other liabilities	(0.3)	0.1	0.1
Net cash provided by (used in) operating activities	6.4	15.9	12.3
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	(1.3)	(2.7)	(1.4)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase in due from Parent	(4.7)	(11.2)	(10.6)
Net cash provided by (used in) financing activities	(4.7)	(11.2)	(10.6)
INCREASE IN CASH AND CASH EQUIVALENTS	0.4	2.0	0.3
CASH AND CASH EQUIVALENTS:			
Beginning of period	0.1	0.5	2.5
End of period	$ 0.5	$ 2.5	$ 2.8

See accompanying notes to financial statements.

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004 AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005

(In millions)

1. THE COMPANY AND BASIS OF PRESENTATION

RCM provided advertising, business meetings, and event services to Regal Entertainment Group and its subsidiaries ("Regal"). RCM also provided advertising services to one theatre circuit under a "Network Affiliate Agreement" expiring in September 2009.

RCM was formed in February, 2002 and became a wholly-owned subsidiary of Regal on April 12, 2002. As a subsidiary of Regal, certain services (such as information technology and human resources support and payroll processing) were provided to RCM at no cost, and RCM incurred certain network support and maintenance costs on behalf of Regal which are unrelated to RCM's businesses. Additionally, RCM managed certain businesses other than as described above on behalf of Regal. In order to present RCM's financial statements on a comparable basis with that of NCM, the operating results of those businesses which were not contributed to NCM are not included in the financial statements of RCM, and certain assets which were not contributed to NCM have also been excluded from these financial statements. In order to present RCM on a "stand-alone" basis, allocated costs of those services provided at no charge by Regal have been estimated based on similar costs incurred subsequent to formation and included in these financial statements, and costs of services provided to Regal by RCM which were unrelated to the businesses operated by RCM have been excluded from these financial statements. Management believes the estimates and adjustments are reasonable.

As a result of the various related party agreements with Regal, the operating results as presented are not necessarily indicative of the results that would have occurred if all agreements were with non-related third parties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Revenue Recognition*—**Advertising revenue is recognized in the period in which an advertising contract is fulfilled against the contracted theatre attendees. Deferred revenue refers to the unearned portion of advertising contracts. All deferred revenue is classified as a current liability. Meetings and events revenue is recognized in the period in which the event was held.

***Operating Costs*—**Advertising-related operating costs primarily include personnel and other costs related to advertising fulfillment and, to a lesser degree production costs of non-digital advertising. and payments due to unaffiliated theatres circuits under the "Network Affiliate Agreement".

Meeting and event operating costs include equipment rental, catering, movie tickets acquired primarily from the theatre circuits, and other direct costs of the meeting or event.

Circuit share costs are fees payable to Regal for the right to exhibit advertisements within the theatres.

Network costs include personnel, satellite bandwidth, repairs, and other costs of maintaining and operating the digital network and preparing advertising and other content for transmission across the digital network. These costs may be applicable to either the advertising or the meetings and events business lines.

***Cash and Equivalents*—**All highly liquid debt instruments and investments purchased with a remaining maturity of three months or less are classified as cash equivalents. Periodically these are cash balances in a bank in excess of the federally insured limits or in the form of a money market demand account with a major financial institution.

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

***Receivables*—**Bad debts are provided for using the allowance for doubtful accounts method based on historical experience and management's evaluation of outstanding receivables at the end of the year. Trade accounts receivable are uncollateralized and represent a large number of geographically dispersed debtors, none of which are individually material.

***Property and Equipment*—**Property and equipment is stated at cost. Major renewals and improvements are capitalized, while replacements, maintenance, and repairs that do not improve or extend the lives of the respective assets are expensed currently. In general, the equipment associated with the digital network that is located within the theatre is owned by the theatres, while equipment outside the theatre is owned by RCM. RCM records depreciation and amortization using the straight-line method over the following estimated useful lives:

Equipment	4–10 years
Computer hardware and software	3–5 years
Leasehold improvements	Lesser of lease term or asset life

***Due from Parent*—**Amounts Due from Parent result primarily from the remittance of excess cash balances by RCM to the Parent. These amounts are non-interest-bearing, and are recorded as non-current assets as there is no intent that these will be repaid in the next twelve months.

***Income Taxes*—**Income taxes are accounted for by RCM under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. In addition, income tax rules and regulations are subject to interpretation and require judgment and may be challenged by the taxation authorities. RCM established accruals relative to tax uncertainties that management deems to be probable of loss and that can be reasonably estimated. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded if it is deemed more likely than not that its deferred income tax assets will not be realized. RCM reassesses its need for the valuation allowance for its deferred income taxes on an ongoing basis.

***Stock-Based Compensation*—**In December 2002, the FASB issued SFAS No. 148, *Accounting for Stock-Based Compensation—Transition and Disclosure*. SFAS No. 148 amends SFAS No. 123, *Accounting for Stock- Based Compensation*, to provide alternative methods of transition for a voluntary change to SFAS No. 123's fair value based method of accounting for stock-based employee compensation. In addition, SFAS No. 148 amends the disclosure requirements of SFAS No. 123 and APB Opinion No. 28, *Interim Financial Reporting*, to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy with respect to stock-based employee compensation on reported net income and earnings per share in annual and interim financial statements. Under SFAS No. 123, entities are permitted to recognize as expense the fair value of all stock-based awards on the date of grant over the vesting period and alternatively allows entities to continue to apply the provisions of APB Opinion No. 25, *Accounting for Stock Issued to Employees* and related interpretations, and provide pro forma net income or loss and earnings or loss per share disclosures as if the fair-value-based method defined in SFAS No. 123 had been applied. In December 2004, the FASB revised SFAS 123 with SFAS 123(R), *Share-Based Payment*. SFAS 123(R) eliminates the intrinsic value-based method and requires all entities to recognize compensation expense in an amount equal to the fair value of share based payments granted to employees.

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

Certain employees participated in the 2002 Regal Entertainment Group Stock Incentive Plan. As permitted by SFAS No. 123, RCM accounted for the cost of these stock option grants (the "Incentive Plan") using the intrinsic value method in accordance with the provisions of APB No. 25, which requires compensation costs to be recognized for the excess of the fair value of options on the date of grant over the option exercise price. Had the fair value of options granted under the Stock Incentive Plan described in Note 7— "Stock Option Plan" been recognized in accordance with SFAS No. 123, as compensation expense on a straight-line basis over the vesting period of the grants, RCM's reported net income would have been recorded in the amounts indicated below:

	Fiscal 2003	Fiscal 2004	13-Weeks Ended March 31, 2005
Net income—as reported	$12.9	$20.6	$ 1.7
Add stock-based compensation recognized, net of related tax effects	0.9	0.9	0.2
Less stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(2.0)	(2.2)	(0.5)
Pro forma net income	$11.8	$19.3	$ 1.4

The pro forma results do not purport to indicate the effects on reported net income for recognizing compensation expense that is expected to occur in future years. The fair value of each option grant is estimated on the date of grant using (1) the minimum value method for options granted prior to the exchange transaction and (2) the Black-Scholes option pricing model for the exchanged options and all options issued after the exchange transaction.

The weighted-average grant-date fair value of options granted in fiscal 2003, fiscal 2004 and the thirteen weeks ended March 31, 2005, were estimated using the Black-Scholes option pricing model with the following assumptions:

	Fiscal 2003	Fiscal 2004
Risk-free interest rate	3.0-3.9%	4.3%
Expected life (years)	7.5	7.5
Expected volatility	38%–39%	39%
Expected dividend yield	3.0%	4.5%
Weighted average grant date fair value	$ 6.36	$5.01

No stock options were granted during the thirteen weeks ended March 31, 2005 under the 2002 Regal Entertainment Group Stock Incentive Plan.

Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include those related to the reserve for uncollectible accounts receivable, deferred revenue, income taxes and equity based compensation. Actual results could differ from those estimates.

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

3. RECEIVABLES

Receivables consisted of the following at December 30, 2004:

	December 30, 2004
Trade accounts	$ 28.3
Other	1.0
Less allowance for doubtful accounts	(0.5)
Total	$ 28.8

4. INCOME TAXES

RCM's taxable income and expenses are included in the consolidated Federal and state (other than in those states requiring unitary tax returns) tax returns of Regal and amounts payable related to income tax expense are settled as part of the net Amounts Due from Parent.

The components of the provision for income taxes are as follows:

	Fiscal 2003	Fiscal 2004	13-Weeks Ended March 31, 2005
Federal:			
Current	$ 7.0	$10.8	$ 1.2
Deferred	0.1	0.4	(0.2)
	7.1	11.2	1.0
State:			
Current	1.3	2.0	0.1
Deferred	—	0.1	—
	1.3	2.1	0.1
Total income tax provision	$ 8.4	$13.3	$ 1.1

A reconciliation of the provision for income taxes as reported and the amount computed by multiplying the income before taxes and extraordinary item by the U.S. federal statutory rate of 35% was as follows:

	Fiscal 2003	Fiscal 2004	13-Weeks Ended March 31, 2005
Provision calculated at federal statutory income tax rate	$ 7.5	$11.9	$ 1.0
State and local income taxes—net of federal benefit	0.8	1.3	0.1
Other	0.1	0.1	—
Total income tax provision	$ 8.4	$13.3	$ 1.1

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

Significant components of the net deferred tax asset at December 30, 2004, consisted of the following:

Deferred tax assets:	
Deferred rent	$ 0.2
Allowance for bad debts	0.2
Stock options	0.5
Total deferred tax assets	0.9
Valuation allowance	0.0
Total deferred tax assets—net of valuation allowance	0.9
Deferred tax liabilities—excess of book basis over tax basis of fixed assets	(0.7)
Net deferred tax assets (liability)	$ 0.2

In assessing the valuation of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which these temporary differences become deductible. RCM has not recorded a valuation allowance against deferred tax assets at December 30, 2004, as management believes it is not more likely than not that such deferred tax asset amounts would not be realized in future tax periods.

5. LEASE OBLIGATIONS

The Company leases office facilities for its headquarters in Centennial, Colorado and also in various cities for its sales and marketing personnel as sales offices. The Company has no capital lease obligations. Total lease expense for fiscal 2003, fiscal 2004, and the thirteen weeks ended March 31, 2005 was $1.3 million, $1.3 million, and $0.7 million, respectively.

Future minimum lease payments under noncancelable operating leases are as follows:

2006 (fourth quarter)	$0.4
2007	1.6
2008	1.6
2009	1.5
2010	1.2
2011	1.3
Thereafter	2.3
Total	$9.9

In connection with the formation of NCM, all office leases to which RCM was a party were transferred to NCM, and RCM bears no financial responsibility for payments under these leases.

6. EMPLOYEE BENEFIT PLANS

RCM participated in the Regal Entertainment Group 401(k) Profit Sharing Plan (the “plan”) under section 401(k) of the Internal Revenue Code of 1986, as amended, for the benefit of substantially all full-time

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

employees. The plan provides that participants may contribute up to 20% of their compensation, subject to Internal Revenue Service limitations. Employee contributions are invested in various investment funds based upon elections made by the employee. RCM made discretionary contributions of $0.1 million, $0.2 million, and $0.1 million during fiscal 2003, fiscal 2004, and the thirteen weeks ended March 31, 2005, respectively. Subsequent to the formation of NCM, all RCM participants in the Regal 401(k) plan became participants in the NCM 401(k) plan.

7. STOCK OPTION PLAN

Certain employees participated in the 2002 Regal Entertainment Group Stock Incentive Plan while employees of RCM. Stock option grants were made at exercise prices not less than the fair market value as of the date of grant and were exercisable in installments of 20% per year. For the years ended January 1, 2004, December 30, 2004, and the three months ended March 31, 2005, RCM recorded administrative compensation expense related to these stock options of $1.4 million, $1.4 million and $0.3 million, respectively, related to such options.

In connection with the July 1, 2003, and June 2, 2004, extraordinary cash dividends paid by Regal and pursuant to the antidilution adjustment terms of the Incentive Plan, the exercise price and the number of shares of common stock subject to options were adjusted to prevent dilution and restore their economic position to that existing immediately before the extraordinary dividends. Stock option information presented herein has been adjusted to give effect to the extraordinary dividends. There were no accounting consequences for changes made to reduce the exercise prices and increase the number of shares underlying options as a result of the extraordinary cash dividends because (1) the aggregate intrinsic value of the awards immediately after the extraordinary dividends was not greater than the aggregate intrinsic value of the awards immediately before the extraordinary dividends and (2) the ratio of the exercise price per share to the market value per share was not reduced.

The following table summarizes information about stock options outstanding held by RCM employees:

	Options Outstanding	Weighted Average Exercise Shares Price	Weighted Average Grant Date Fair Value	Options Exercisable at Year End
Under option—December 26, 2002	3,399,682	$ 8.02	$ —	90,116
Options granted in 2003 at fair value	541,018	12.89	4.19	—
Options exercised in 2003	(549,742)	5.52	—	—
Options canceled in 2003	(130,507)	13.72	—	—
Under option—January 1, 2004	3,260,451	9.02	—	269,332
Options granted in 2004 at fair value	116,750	17.83	5.01	—
Options exercised in 2004	(801,189)	7.20	—	—
Options canceled in 2004	(81,563)	15.08	—	—
Under option—December 30, 2004	2,494,449	9.82	—	291,793
Options exercised in 2005	(74,888)	9.50	—	—
Options canceled in 2005	(6,480)	16.69	—	—
Under option—March 31, 2005	2,413,081	$ 9.81	—	707,549

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
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(In millions)

The following table summarizes information about the Plan's stock options at March 31, 2005, including the weighted average remaining contractual life and weighted average exercise price:

	Options Outstanding			Options Exercisable	
Range of Exercise Price	Number Outstanding at March 31, 2005	Weighted Average Contractual Life	Weighted Average Exercise Price	Number Exercisable at March 31, 2005	Weighted Average Exercise Price
$2.69–$5.38	782,837	7.09	$ 3.09	393,039	$ 3.09
$7.80–$11.51	752,095	7.39	11.11	114,856	10.21
$12.24–$17.83	878,149	7.62	14.69	199,654	14.23
	2,413,081	7.38	$ 9.81	707,549	$ 7.39

During the first quarter of fiscal 2005, Regal granted restricted stock awards to certain officers and key employees of RCM. Under the restricted stock program, common stock of Regal was granted at no cost to officers and key employees, subject to a continued employment restriction. The restriction is fulfilled upon continued employment for a specified number of years (typically four years after the award date) and as such restrictions lapse, the award immediately vests. The plan participants are entitled to cash dividends and to vote their respective shares, although the sale and transfer of such shares is prohibited during the restricted period. On February 11, 2005, 75,170 shares were granted under the restricted stock program at a share price of $19.90 per share. Unearned compensation of approximately $1.5 million (equivalent to the market value at the date of grant) will be amortized to expense over the restriction period.

In connection with the formation of National CineMedia, on May 11, 2005, Regal Cinemas, Inc. ("RCI", a wholly-owned subsidiary of Regal) adopted and approved the RCI Severance Plan for Equity Compensation (the "Severance Plan"). Participation in the Severance Plan is limited to employees of RCM, who held unvested options to purchase shares of Regal's common stock or unvested shares of Regal's restricted common stock pursuant to the terms of the Incentive Plan immediately prior to such employee's termination of employment with RCM and commencement of employment with National CineMedia. Each employee's termination of employment with RCM was effective as of the close of business on May 24, 2005, and commencement of employment with National CineMedia was effective as of the next business day on May 25, 2005. (Between April 1, 2005 and May 24, 2005, NCM was billed for the costs of these employees' compensation and related benefits.) Under the terms of and subject to the conditions of the Severance Plan, each eligible employee who participates in the Severance Plan (a "Participant") is, at the times set forth in the Severance Plan, entitled to a cash payment equal to (1) with respect to each unvested stock option held on May 24, 2005, the difference between the exercise price of such unvested option and $20.19 (the fair market value of a share of Regal's common stock on May 24, 2005, as calculated pursuant to the terms of the Severance Plan) and (2) with respect to each unvested share of restricted stock, $20.19 (the fair market value of a share of Regal's common stock on May 24, 2005, as calculated pursuant to the terms of the Severance Plan). In addition, the Severance Plan provides that each Participant who held unvested shares of restricted stock on May 24, 2005, will be entitled to receive payments in lieu of dividend distributions in an amount equal to the per share value of dividends paid on Regal's common stock times the number of shares of such restricted stock. Each such Participant will receive these payments in lieu of dividend distributions until the date that each such Participant's restricted stock would have vested in accordance with the Incentive Plan. Solely for purposes of the calculation of such payments with respect to restricted stock, in the event of any stock dividend, stock split or other change in the corporate structure affecting Regal's common stock, there shall be an equitable proportionate adjustment to the number of shares of restricted stock held by each Participant immediately prior to his or her termination of employment with RCM.

REGAL CINEMEDIA CORPORATION

NOTES TO FINANCIAL STATEMENTS—(Continued)
AS OF DECEMBER 31, 2004, AND FOR THE YEARS ENDED JANUARY 1, 2004
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(In millions)

Each Participant's cash payment will vest according to the year and date on which such unvested options and restricted stock held by such Participant would have vested pursuant to the terms of the Incentive Plan and the related award agreement had employment with RCM not ceased. The Severance Plan is a change in terms of the Regal options and restricted stock, resulting in a new measurement date for these equity compensation arrangements. The total cost of the Severance Plan, including payments in lieu of dividend distributions on restricted stock, is estimated to be in the range of approximately $15.0 million to $16.0 million. As the Severance Plan provides for payments over future periods that are contingent upon continued employment with NCM, the cost of the Severance Plan will be recorded as an expense over the remaining required service periods. As expenses recognized, Regal, which is funding payments under the Severance Plan, is credited with a capital contribution.

8. COMMITMENTS AND CONTINGENCIES

The Company is subject to claims and legal actions in the ordinary course of business. The Company believes such claims will not have a material adverse effect on the Company's financial position or results of operations.

* * * * * *

REPORT OF REGISTERED INDEPENDENT PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of
National Cinema Network, Inc.
Kansas City, Missouri

We have audited the accompanying balance sheet of National Cinema Network, Inc. (a wholly owned subsidiary of AMC Entertainment Inc.) as of March 31, 2005 and the related statements of operations, stockholder's equity, and cash flows for the period December 24, 2004 through March 31, 2005 (Successor Company operations), and for the period April 2, 2004 through December 23, 2004 and the year ended April 1, 2004 (Predecessor Company operations). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of National Cinema Network, Inc. as of March 31, 2005 and the results of its operations and its cash flows for the period December 24, 2004 through March 31, 2005, in conformity with accounting principles generally accepted in the United States of America. Further, in our opinion, the Predecessor Company financial statements, referred to above, present fairly, in all material respects, the results of its operations and its cash flows for the period April 2, 2004 through December 23, 2004, and the year ended April 1, 2004, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Denver, Colorado
December 20, 2006

NATIONAL CINEMA NETWORK, INC.

BALANCE SHEET
(In millions, except share data)

	March 31, 2005 (Successor)
ASSETS	
CURRENT ASSETS:	
Receivables—net	$ 20.1
Prepaid expenses and other current assets	0.3
Total current assets	20.4
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $7.9	0.7
OTHER ASSETS:	
Intangible assets, net	9.7
Goodwill	30.0
Total other assets	39.7
TOTAL	$ 60.8
LIABILITIES AND STOCKHOLDER'S EQUITY	
CURRENT LIABILITIES:	
Accounts payable	$ 1.2
Accrued expenses	11.2
Intercompany due to parent	48.0
Total current liabilities	60.4
OTHER LIABILITIES	
Long-term liabilities	0.3
Total other liabilities	0.3
Total liabilities	60.7
COMMITMENTS AND CONTINGENCIES (Note 7)	
STOCKHOLDER'S EQUITY:	
Common stock, $1 par value—authorized, issued and outstanding 1,000 shares	—
Additional paid-in capital	1.0
Accumulated deficit	(0.9)
Total stockholder's equity	0.1
TOTAL	$ 60.8

See accompanying notes to financial statements.

NATIONAL CINEMA NETWORK, INC.

STATEMENTS OF OPERATIONS
(in millions)

	52 weeks ended April 1, 2004 (Predecessor)	April 2, 2004 through December 23, 2004 (Predecessor)	December 24, 2004 through March 31, 2005 (Successor)
REVENUE	$ 69.9	$ 56.5	$ 15.5
EXPENSES:			
Circuit costs—Related Party	18.7	18.6	5.5
Advertising operating costs	17.9	11.3	3.5
Network costs	1.6	2.3	1.1
Selling and marketing expense	15.1	10.0	3.2
General and administrative	9.5	6.1	1.9
Office closure expense	0.5	0.3	—
Restructuring charge	1.0	—	0.8
Depreciation and amortization	2.4	0.9	1.0
Loss (gain) on disposition of assets	(0.1)	(0.3)	—
Total	66.6	49.2	17.0
EARNING (LOSS) BEFORE INCOME TAXES	3.3	7.3	(1.5)
INCOME TAX EXPENSE (BENEFIT)	1.4	3.0	(0.6)
NET INCOME (LOSS)	$ 1.9	$ 4.3	$ (0.9)

See accompanying notes to financial statements.

NATIONAL CINEMA NETWORK, INC.

STATEMENTS OF STOCKHOLDER'S EQUITY
(In millions except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total Stockholder's Equity
	Shares	Amount				
Predecessor From April 3, 2003 Through December 23, 2004						
BALANCE—April 3, 2003	1,000	$ —	$ 1.0	$ —	$ (1.7)	$ (0.7)
Comprehensive loss—net income	—	—	—	—	1.9	1.9
BALANCE—April 1, 2004	1,000	—	1.0	—	0.2	1.2
Comprehensive loss—net income	—	—	—	—	4.3	4.3
BALANCE—Prior to merger transaction	1,000	—	1.0	—	4.5	5.5
Elimination of Predecessor Company stockholder's equity	(1,000)	—	(1.0)	—	(4.5)	(5.5)
BALANCE—December 23, 2004	—	$ —	$ —	$ —	$ —	$ —
Successor From Inception on December 24, 2004 Through March 31, 2005						
BALANCE—December 24, 2004	—	$ —	$ —	$ —	$ —	$ —
Comprehensive loss—net loss	—	—	—	—	(0.9)	(0.9)
Capital contribution	—	—	—	—	—	
AMC Entertainment Inc.	1,000	—	1.0	—	—	1.0
BALANCE—March 31, 2005	1,000	$ —	$ 1.0	$ —	$ (0.9)	$ 0.1

See accompanying notes to financial statements.

NATIONAL CINEMA NETWORK, INC.

STATEMENTS OF CASH FLOWS
(in millions)

	52 weeks ended April 1, 2004 (Predecessor)	April 2, 2004 through December 23, 2004 (Predecessor)	December 24, 2004 through March 31, 2005 (Successor)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 1.9	$ 4.3	$ (0.9)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Stock-based compensation	0.4	—	—
Deferred income taxes	(0.9)	(0.7)	(0.3)
Depreciation and amortization	2.4	0.9	1.0
Loss (gain) on disposition of assets	(0.1)	(0.3)	—
Changes in assets and liabilities:			
Receivables	(1.0)	(11.9)	6.1
Other assets	0.5	0.7	0.5
Accounts payable	(2.6)	—	(0.1)
Accrued expenses and other liabilities	0.5	4.9	(3.8)
Net cash provided by (used in) operating activities	1.1	(2.1)	2.5
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(0.1)	—	—
Proceeds from disposition of long-term assets	0.4	0.4	0.1
Net cash provided by investing activities	0.3	0.4	0.1
CASH FLOWS FROM FINANCING ACTIVITIES—Increase (decrease) in Due from Parent	(1.4)	1.7	(2.6)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	—	—	—
CASH AND EQUIVALENTS—Beginning of year	—	—	—
CASH AND EQUIVALENTS—End of year	$ —	$ —	$ —
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION—Cash paid for income taxes	$ —	$ 0.2	$ 0.2

See accompanying notes to financial statements.

NATIONAL CINEMA NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS
PERIODS ENDED MARCH 31, 2005, DECEMBER 23, 2004, AND APRIL 1, 2004

1. THE COMPANY AND BASIS OF PRESENTATION:

National Cinema Network, Inc. ("NCN" or the "Company"), a wholly owned subsidiary of AMC Entertainment Inc. ("AMC"), is principally involved in "in-theatre advertising." NCN provides both a slide program and a "Pre-Show Countdown" program. The slide program is comprised of "On-Screen Entertainment" (such as trivia questions and facts) and commercial advertising. This program runs before feature films. The "Pre-Show Countdown" program is on-screen advertising intended to run during the seating period immediately prior to the advertised show time. The Company also provides: in-theatre audio which is played in the theatre complex; internet advertising; and other promotional in-theatre products. Programs run in theatres throughout the United States.

Effective April 1, 2005, AMC and Regal Entertainment Group ("REG") combined their respective cinema screen advertising businesses into a new joint venture (the "Joint Venture") company called National CineMedia, LLC ("NCM"). The new company engages in the marketing and sale of cinema advertising and promotions products; business communications and training services; and the distribution of digital alternative content. AMC contributed fixed assets and exhibitor agreements of NCN to NCM. In consideration of the NCN contributions described above, NCM, issued a 37% interest in its Class A units to NCN. Subsequent to March 31, 2005, NCM received a $7.3 million cash contribution from Cinemark Media Inc. for an ownership interest in NCM, reducing NCN's ownership interest in the Joint Venture to 29%.

The financial statements include the accounts of the NCN business contributed to NCM, and exclude the accounts of its subsidiary, National Cinema Network of Canada, Inc., and other minor business activities not contributed to NCM.

AMC completed a merger on December 23, 2004, in which Marquee Holdings Inc. ("Holdings") acquired AMC (the "Predecessor"). Upon the consummation of the merger between Marquee and AMC on December 23, 2004, Marquee merged with and into AMC, with AMC as the surviving reporting entity (the "Successor"). The merger was treated as a purchase with Marquee being the "accounting acquirer" in accordance with Statement of Financial Accounting Standards No. 141 *Business Combinations.* As a result, the Successor applied the purchase method of accounting to the separable assets, including goodwill, and liabilities of the accounting acquiree, AMC and its subsidiaries, including NCN, as of December 23, 2004. The financial statements presented herein reflect the Successor's application of purchase accounting for the period from December 24, 2004 through March 31, 2005.

Fiscal Year—The Company has a 52/53 week fiscal year ending on the Thursday closest to the last day of March. Both the 2005 and 2004 fiscal years reflect a 52 week period, with fiscal 2005 being separated into NCN as subsidiary of Successor for the 14 weeks from December 24, 2004 through March 31, 2005, and NCN as subsidiary of Predecessor for the 38 weeks from April 2, 2004 through December 23, 2004.

2. SIGNIFICANT ACCOUNTING POLICIES:

***Receivables*—**Bad debts are provided for using the allowance for doubtful accounts method based on historical experience and management's evaluation of outstanding receivables at the end of the year. Trade accounts receivable are uncollateralized and represent a large number of geographically dispersed debtors, none of which are individually material.

***Property and Equipment*—**Property and equipment is stated at cost. Major renewals and improvements are capitalized, while replacements, maintenance, and repairs that do not improve or extend the lives of the respective assets are expensed currently. In general, the equipment associated with the digital network that is

located within the theatre is owned by the theatres, while equipment outside the theatre is owned by the Company. The Company records depreciation and amortization using the straight-line method. The estimated useful lives are generally three to ten years.

Revenue Recognition and Circuit Agreements—The Company recognizes revenue related to on-screen advertising over the period the related advertising is delivered on-screen or in-theatre pursuant to the specific terms of its agreements with advertisers. NCN operates its advertising program through agreements with AMC and with other theatre circuits. These circuit agreements stipulate the amount of circuit payments a theatre will receive for running on-screen slides, on-film programs and other related in-theatre products and services. The Company's circuit agreements have terms of 1 to 5 years, with an annual cancellation provision included in select agreements. Certain circuits have agreements requiring an annual minimum exhibitor share payment. The Company recognizes the minimum exhibitor share payments as an expense on a straight-line basis over the terms of the agreements and any excess minimum exhibitor share payments are recognized when earned.

Office Closure Expense and Restructuring Charges—Office closure expense is primarily related to payments made or expected to be made to landlords to terminate a lease for office space that has been vacated. Offices are closed due to initiatives to reduce overhead costs by integrating the Company's administrative functions into AMC's home office location. Office closure expense is recognized at the time the office is vacated. Expected payments to landlords are accrued in full based on actual lease terms at discounted contractual amounts. Accretion expense for exit activities are included as a component of the office closure expense.

The Company recognizes restructuring charges based on the nature of the costs incurred. Costs resulting from one-time termination benefits where employees are not required to render future services are recognized as a liability when management commits to a plan of termination which identifies the number of employees to be terminated, their job classifications, locations, expected termination dates, date when the plan is to be communicated to the employees, and establishes the detailed terms of the benefits to be received by employees.

If employees are required to render service until they are terminated in order to receive the termination benefits, the benefits are measured at the fair value of the costs and related liabilities at the communication date and are recognized ratably over the future service period from the communication date.

In March 2005, the Company recorded $0.8 million as a restructuring charge related to one-time termination benefits in connection with the announcement of the Joint Venture. During the period ended April 1, 2004, the Company recorded restructuring charges of $1.0 million primarily related to one-time termination benefits in connection with an initiative to reduce overhead costs by integrating the Company's administrative functions into AMC's home office location.

Income Taxes—The Company joins with AMC in filing a consolidated U.S. Corporation Income Tax return and, in certain states, consolidated state income tax returns. With respect to the consolidated federal and state income tax returns, the Company accrues income taxes to AMC as if the Company filed separate federal and state income tax returns. Accordingly, the Company's provision for income taxes is computed as if it filed separate income tax returns. Income taxes are calculated in accordance with Statement of Financial Accounting Standards No. 109 ("SFAS 109"), *Accounting for Income Taxes*. The statement requires that deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws and regulations.

NATIONAL CINEMA NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS—(Continued)
PERIODS ENDED MARCH 31, 2005, DECEMBER 23, 2004, AND APRIL 1, 2004

Long-Lived Assets, Including Goodwill and Other Acquired Intangible Assets

The Company evaluates the carrying value of long-lived assets, excluding goodwill, at least annually for impairment or when events and circumstances indicate the carrying amount of an asset may not be recoverable. For the year ended March 31, 2005, no such events or circumstances were identified. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flows from such asset (or asset group) are separately identifiable and less than the asset's (or asset group's) carrying value. In that event, a loss is recognized to the extent that the carrying value exceeds the fair value of the long-lived asset. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. For the year ended March 31, 2005, the Company made no material adjustments to its long-lived assets.

Goodwill and other indefinite lived intangible assets are not subject to amortization, but are subject to an impairment test at least annually or more frequently if events or circumstances indicate that impairment might exist. The Company has not yet finalized its allocation of the purchase price in the merger with Holdings, and accordingly has not yet been required to complete an annual impairment analysis of its goodwill. SFAS No. 142, "Goodwill and Other Intangible Assets", also requires that intangible assets with definite lives be amortized over their estimated useful lives and reviewed for impairment in accordance with SFAS No. 144, "Accounting for the Impairment of Long-Lived Assets to Be Disposed Of." The Company is currently amortizing its acquired intangible assets with finite lives over periods ranging from one to five years.

Stock-based Compensation—The Company accounts for the stock options, restricted stock awards and deferred stock units under plans that AMC sponsors following the recognition and measurement provisions of APB Opinion No. 25, *Accounting for Stock issued to Employees* ("APB No. 25") and related interpretations. Stock-based employee compensation expense related to restricted stock awards and deferred stock units of $0.4 million was reflected in net income for fiscal 2004. There was no stock-based employee compensation expense related to restricted stock awards and deferred stock units for either period of fiscal 2005. No stock-based employee compensation expense for stock options was reflected in net income for fiscal 2005 and 2004, as all stock options granted under those plans had an exercise price equal to the fair market value of the underlying common stock on the date of grant.

The following table illustrates the effect on net income as if the fair value method had been applied to all stock awards and outstanding and unvested options in 2004 (in millions):

	52 weeks ended April 1, 2004 (Predecessor)	April 2, 2004 through December 23, 2004 (Predecessor)	December 24, 2004 through March 31, 2005 (Successor)
Net income:			
As reported	$ 1.9	$ 4.3	$ (0.9)
Add stock based compensation expense included in reported net income—net of related tax effects	0.2	—	—
Deduct total stock-based compensation expense determined under fair value method for all awards	(0.2)	—	—
Pro forma	$ 1.9	$ 4.3	$ (0.9)

Income Taxes—The Company joins with AMC in filing a consolidated U.S. Corporation Income Tax return and, in certain states, consolidated state income tax returns. With respect to the consolidated federal and state income tax returns, the Company accrues income taxes to AMC as if the Company filed separate federal and

state income tax returns. Deferred income taxes are provided to reflect the impact of temporary differences between the amount of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws and regulations.

Capitalization of Internal Software Costs—In accordance with Statement of Position 98-1, *Accounting for the Costs of Computer Software Developed or Obtained for Internal Use*, the Company capitalizes internally developed software costs. The costs are amortized on a straight-line basis over two years. Amortization for internal software costs was $-, $0.1 million and $0.6 million for the Successor period ended March 31, 2005, and the Predecessor periods ended December 23, 2004, and April 1, 2004, respectively.

Advertising—The Company expenses advertising costs as incurred. Advertising expense was $0.2 million, $0.5 million and $1.1 million for the Successor period ended March 31, 2005, and the Predecessor periods ended December 23, 2004, and April 1, 2004, respectively, which is included in selling and marketing and in general and administrative expenses.

Use of Estimates—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in the financial statements include estimates related to allowance for doubtful accounts, deferred revenue, income taxes and the valuation of long-lived assets including goodwill.

3. RECEIVABLES

Receivables consisted of the following at March 31, 2005 (in millions):

	March 31, 2005
Trade accounts	$ 20.4
Less allowance for doubtful accounts	(0.3)
Total	$ 20.1

4. INTANGIBLE ASSETS AND GOODWILL

The Company is currently amortizing its acquired intangible assets with finite lives over periods ranging from one to five years. The following table summarizes the components of gross and net intangible asset balances (in millions):

	March 31, 2005		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Advertising relationships	$ 7.2	$ (0.6)	$ 6.6
Advertising backlog	2.9	(0.4)	2.5
Circuit share agreements	2.4	(0.1)	2.3
Unfavorable circuit share agreements	(2.3)	0.6	(1.7)
Total	$ 10.2	$ (0.5)	$ 9.7

NATIONAL CINEMA NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS—(Continued)
PERIODS ENDED MARCH 31, 2005, DECEMBER 23, 2004, AND APRIL 1, 2004

Expected annual amortization expense related to acquired intangible assets is as follows (in millions):

For fiscal years:	
2006	$2.7
2007	4.0
2008	2.2
2009	0.5
2010 and thereafter	0.3
Total expected amortization expense	$9.7

Amortization expense related to acquired intangible assets was $0.5 million for the period from December 24, 2004 (acquisition date) to March 31, 2005.

The following table summarizes the goodwill activity for the year ended March 31, 2005 (in millions):

	Total
Balance as of April 2, 2004	$ 0.0
Goodwill	30.0
Balance as of March 31, 2005	$ 30.0

There were no impairments of goodwill recognized for the year ended March 31, 2005.

5. RELATED PARTY TRANSACTIONS:

The Company's revenue is generated from approximately 5,000 theatre screens of which 63% are AMC screens. The total amount of slide and digital revenue earned from AMC screens for the Successor period ended March 31, 2005, was $5.2 million or 34% of the Company's revenue. The total amount of Pre-Show revenue earned from AMC screens during the Successor period was $4.9 million or 32% of the Company's revenue. The total amount of other in-theatre revenue earned from AMC screens for the Successor period was $2.3 million or 15% of the Company's revenue. The AMC portion of circuit costs incurred by the Company for the Successor period was $5.5 million.

The total amount of slide and digital revenue earned from AMC screens during the Predecessor period ended December 23, 2004, was $16.4 million or 29% of the Company's revenue. The total amount of Pre-Show revenue earned from AMC screens during the period was $20.4 million or 36% of the Company's revenue. The total amount of other in-theatre revenue earned from AMC screens for the period was $4.8 million or 9% of the Company's revenue. The AMC portion of circuit costs for the period was $18.6 million.

For the Predecessor period ended April 1, 2004, the total amount of slide and digital revenue earned from AMC screens was $18.0 million, or 26% of the Company's total revenue. The total amount of Pre-Show revenue earned from AMC screens in 2004 was $21.1 million or 30% of the Company's revenue. The total amount of other in-theatre revenue earned from AMC screens for 2004 was $5.8 million or 8% of the Company's revenue. The AMC portion of circuit costs for 2004 was $18.7 million.

NATIONAL CINEMA NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS—(Continued)
PERIODS ENDED MARCH 31, 2005, DECEMBER 23, 2004, AND APRIL 1, 2004

6. INCOME TAXES:

Income taxes reflected in the Statement of Operations are as follows (in millions):

	52 weeks ended April 1, 2004 (Predecessor)	April 2, 2004 through December 23, 2004 (Predecessor)	December 24, 2004 through March 31, 2005 (Successor)
Current:			
Federal	$ 2.0	$ 3.2	$ (0.2)
State	0.3	0.5	(0.1)
Total current	2.3	3.7	(0.3)
Deferred:			
Federal	(0.8)	(0.6)	(0.3)
State	(0.1)	(0.1)	—
Total deferred	(0.9)	(0.7)	(0.3)
Total expense (benefit)	$ 1.4	$ 3.0	$ (0.6)

The difference between the effective rate and the U.S. federal income tax statutory rate of 35% is accounted for as follows (in millions):

	52 weeks ended April 1, 2004 (Predecessor)	April 2, 2004 through December 23, 2004 (Predecessor)	December 24, 2004 through March 31, 2005 (Successor)
Tax on earnings (loss) before (benefit) provision for income tax at statutory rates	$ 1.2	$ 2.6	$ (0.5)
Add (subtract) tax effect of:			
State income taxes—net of federal tax benefit	0.2	0.4	(0.1)
Income tax (benefit) provision	$ 1.4	$ 3.0	$ (0.6)

7. COMMITMENTS:

The majority of the Company's sales and administrative operations were conducted in premises occupied under lease agreements with base terms ranging generally from one to four years, with certain leases containing options to extend the leases for an additional one to three years. The leases provide for fixed rentals. The Company also leases certain equipment under leases expiring at various dates. The majority of the leases provide that the Company will pay all, or substantially all, the taxes, maintenance, insurance, and certain other operating expenses. None of the Company's operating leases were assumed by NCM and remained the obligations of AMC after March 31, 2005.

Rent expense totaled $-, $0.6 million and $1.0 million for the Successor period ended March 31, 2005, and the Predecessor periods ended December 23, 2004, and April 1, 2004, respectively.

NATIONAL CINEMA NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS—(Continued)
PERIODS ENDED MARCH 31, 2005, DECEMBER 23, 2004, AND APRIL 1, 2004

Employee Benefit Plans—Employees of NCN are included in the benefit plans offered to AMC employees. All of the obligations related to NCN employees remained with AMC subsequent to the formation of NCM. Descriptions of these plans are as follows:

Defined Benefit Plan—AMC sponsors a noncontributory defined benefit pension plan covering, after a minimum of one year of employment, all employees age 21 or older, who have completed 1,000 hours of service in their first twelve months of employment or in a calendar year and who are not covered by a collective bargaining agreement. Expenses of the defined benefit pension plan allocated to NCN from AMC totaled $0.1 million, $0.2 million, and $0.2 million during the Successor period ended March 31, 2005, and Predecessor periods ended December 23, 2004, and April 1, 2004, respectively.

401(k) Plan—AMC sponsors a voluntary 401(k) savings plan covering eligible employees after one year of service and age 21. The Company matches 100% of each eligible employee's elective contributions up to 3% of the employee's compensation and 50% of each eligible employee's elective contributions on the next 2% of the employees pay. The Company's expense under the 401(k) savings plan was $0.1 million, $0.2 million, and $0.3 million for the Successor period ended March 31, 2005, and the Predecessor periods ended December 23, 2004, and April 1, 2004, respectively.

Other Retirement Benefits—AMC currently offers eligible retirees the opportunity to participate in a health plan (medical and dental) and a life insurance plan. Substantially all employees may become eligible for these benefits provided that the employee must be at least 55 years of age and have 15 years of credited service at retirement. The health plan is contributory, with retiree contributions adjusted annually; the life insurance plan is noncontributory.

Commitments—The Company operates its advertising program through agreements with theatre circuits. These exhibitor agreements stipulate the amount of exhibitor payments a theatre will receive for running on-screen slides, on-film programs and other related in-theatre products and services. An exhibitor agreement generally has a term of two to five years, with an annual cancellation provision included in select agreements. Certain circuits have agreements requiring an annual minimum exhibitor share payment. The Company's total exhibitor share commitment as of the Successor period ended March 31, 2005, totals $3.0 million. As a result of the Joint Venture, NCN's exhibitor share commitment is expected to be paid by March 2007. In certain circuit agreements, the Company has the right to subcontract theatres to other in-theatre advertising affiliates. Exhibitor share payments due to the exhibitor from subcontracted affiliate sales shall be credited against the annual minimum exhibit share payment in selected agreements.

* * * * * *

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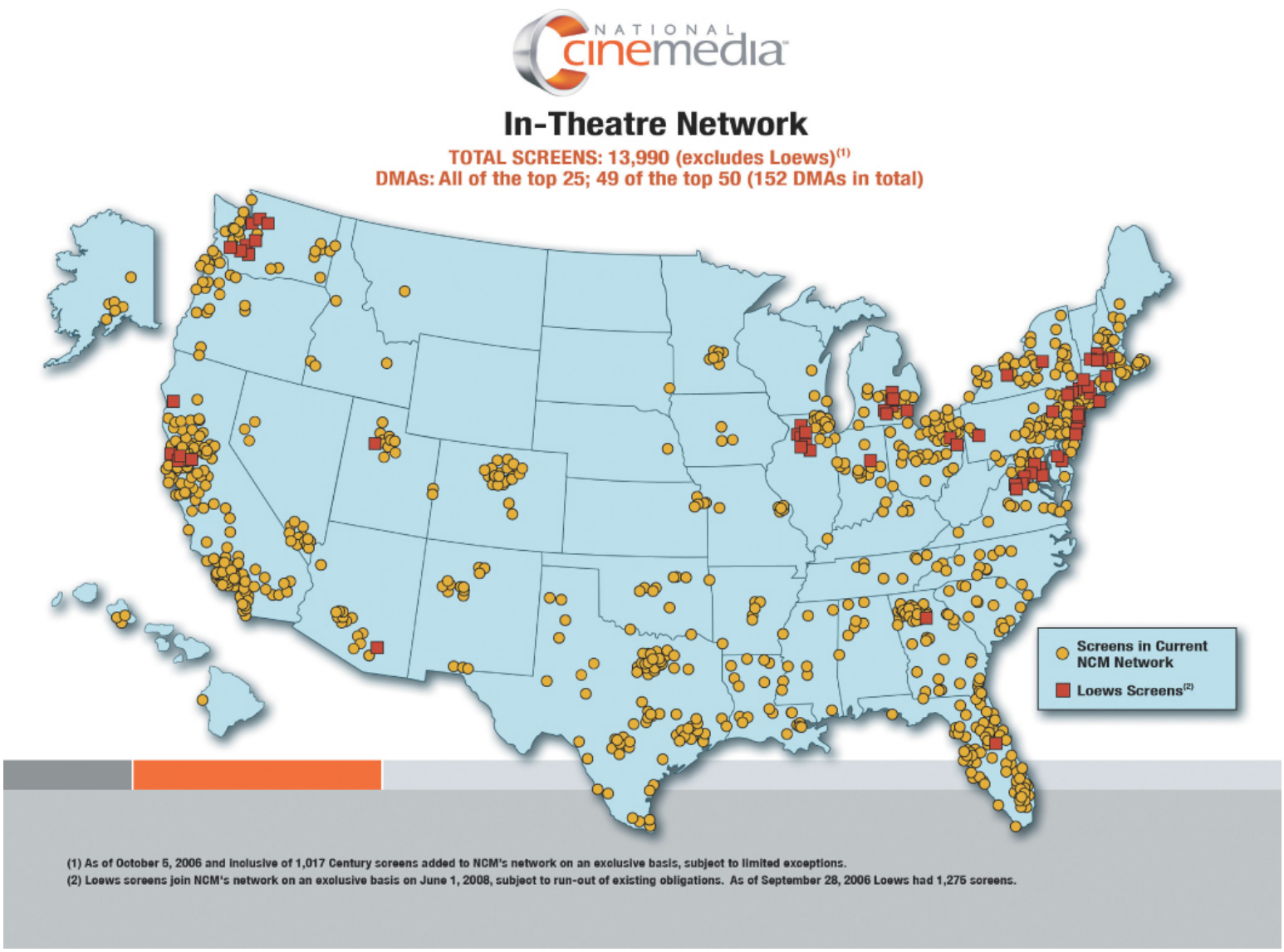

(1) As of October 5, 2006 and inclusive of 1,017 Century screens added to NCM's network on an exclusive basis, subject to limited exceptions.
(2) Loews screens join NCM's network on an exclusive basis on June 1, 2008, subject to run-out of existing obligations. As of September 28, 2006 Loews had 1,275 screens.

38,000,000 Shares

Common Stock

PROSPECTUS

, 2007

Credit Suisse	**JPMorgan**	**Lehman Brothers**	**Morgan Stanley**

AGM Securities
Allen & Company LLC
Banc of America Securities LLC
Bear, Stearns & Co. Inc.
Citigroup
Deutsche Bank Securities
Goldman, Sachs & Co.
Merrill Lynch & Co.
UBS Investment Bank

***Until , 2007, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.**

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the expenses expected to be incurred in connection with the issuance and distribution of common stock registered hereby, all of which expenses, except for the Securities and Exchange Commission registration fee, are estimated.

Securities and Exchange Commission registration fee	$ 93,518
Nasdaq Global Market listing fee	130,000
National Association of Securities Dealers, Inc. filing fee	75,500
Printing fees and expenses	1,000,000
Legal fees and expenses	2,500,000
Accounting fees and expenses	1,250,000
Blue Sky fees and expenses	30,000
Transfer agent and registrar fees and expenses	30,000
Miscellaneous expenses	390,982
Total	$ 5,500,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 102 of the Delaware General Corporation Law (the “DGCL”) grants us the power to limit the personal liability of our directors or our stockholders for monetary damages for breach of a fiduciary duty. Article Sixth of our Amended and Restated Certificate of Incorporation eliminates the personal liability of directors for monetary damages for actions taken as a director, except for liability for breach of duty of loyalty; for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law; under Section 174 of the Delaware General Corporation Law (unlawful dividends); or for transactions from which the director derived improper personal benefit.

Under Section 145 of the DGCL, a corporation has the power to indemnify directors and officers under certain prescribed circumstances against certain costs and expenses, actually and reasonably incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, to which any of them is a party by reason of his being a director or officer of the corporation if it is determined that he acted in accordance with the applicable standard of conduct set forth in such statutory provision. Article VI of our Amended and Restated Bylaws requires us to indemnify any current or former directors or officers to the fullest extent permitted by the DGCL, and to pay expenses incurred in defending any such proceeding in advance of its final disposition upon delivery to us of an undertaking, by or on behalf of an indemnified person, to repay all amounts so advanced if it should be determined ultimately that such person is not entitled to be indemnified under this section or otherwise. Article VI also permits us to indemnify any current or former employees or agents to the fullest extent permitted by the DGCL, and to pay expenses incurred in defending any such proceeding in advance of its final disposition upon such terms and conditions, if any, as we deem appropriate.

Section 145 of the DGCL authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against any liability asserted against and incurred by such person in any such capacity, or arising out of such person’s status as such. As permitted by Section 145 and Section 6.08 of our Amended and Restated Bylaws, we carry insurance policies insuring its directors and officers against certain liabilities that they may incur in their capacity as directors and officers.

We intend to enter into separate indemnification agreements with each of our directors and officers, which may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct. These indemnification agreements may also require us to advance any expenses incurred by the directors or officers as a result of any proceeding against them as to which they could be indemnified and to obtain directors' and officers' insurance, if available on reasonable terms.

We expect that the Underwriting Agreement will obligate the underwriters, under certain circumstances, to indemnify our directors and officers for certain liabilities, including liabilities arising under the Securities Act.

The indemnification rights set forth above shall not be exclusive of any other right which an indemnified person may have or hereafter acquire under any statute, provision of our Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

Since October 5, 2006, the date of our formation, we have not sold securities without registration under the Securities Act of 1933.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

The following exhibits are filed with this registration statement:

Exhibit No.	Description
1.1	Form of Underwriting Agreement.*
3.1	Certificate of Incorporation of NCM Inc.***
3.2	Form of Amended and Restated Certificate of Incorporation of NCM Inc. to be effective upon the closing of the offering being made pursuant to this Registration Statement.*
3.3	Bylaws of NCM Inc.***
3.4	Form of Amended and Restated Bylaws of NCM Inc. to be effective upon the closing of the offering being made pursuant to this Registration Statement.***
3.5	Certificate of Formation of NCM LLC.***
3.6	Form of Third Amended and Restated Limited Liability Company Operating Agreement of NCM LLC to be effective upon the closing of the offering being made pursuant to this registration statement.***
4.1	Specimen Common Stock Certificate of NCM Inc.*
5.1	Opinion of Holme Roberts & Owen LLP.*

Exhibit No.	Description
10.1	[Intentionally omitted]
10.2	Form of Common Unit Subscription Agreement between NCM Inc. and NCM LLC.*
10.3	Form of Tax Receivable Agreement between NCM Inc., NCM LLC and the Founding Members.***
10.4	Form of Registration Rights Agreement between NCM Inc. and the Founding Members.***
10.5	Form of Director Designation Agreement between NCM Inc. and the Founding Members.***
10.6	Form of Management Services Agreement between NCM Inc. and NCM LLC.***
10.7	[Intentionally omitted]
10.8	Form of Exhibitor Services Agreement between NCM LLC and the Founding Members.***(Portions omitted pursuant to request for confidential treatment)
10.9	Form of Second Amended and Restated Software License Agreement.*
10.10	Form of Amended and Restated Loews Screen Integration Agreement.*(Portions omitted pursuant to request for confidential treatment)
10.11	Form of Common Unit Adjustment Agreement between NCM LLC and the Founding Members.***(Portions omitted pursuant to request for confidential treatment)
10.12	Form of NCM Inc. 2007 Equity Incentive Plan.+*
10.13	Form of Option Substitution Award.+*
10.14	Form of Restricted Stock Substitution Award+*
10.15	Form of Employment Agreement by and among NCM Inc., NCM LLC and Kurt C. Hall.+*
10.16	Form of Employment Agreement by and among NCM Inc., NCM LLC and Clifford E. Marks.+*
10.17	Form of Employment Agreement by and among NCM Inc., NCM LLC and Gary W. Ferrera.+*
10.18	Form of Employment Agreement by and among NCM Inc., NCM LLC and Thomas C. Galley.+*
10.19	Form of Employment Agreement by and among NCM Inc., NCM LLC and Ralph E. Hardy.+*
10.20	Form of Indemnification Agreement.+*
10.21	Form of Unit Purchase Agreement by and among NCM Inc. and the Founding Members.*
10.22	Form of ESA Payment Letter.*
10.23	Joint Defense and Common Interest Agreement, dated August 16, 2004, as amended by the Joint Defense and Common Interest Agreement, dated July 13, 2005, and the Amendment to Joint Defense and Common Interest Agreement effective as of July 1, 2006.*
21.1	List of Subsidiaries.***
23.1	Consent of Deloitte & Touche LLP.*
23.2	Consent of Holme Roberts & Owen LLP (included in Exhibit 5.1).*
23.3	Consent of Lawrence A. Goodman to be named as a director nominee.***
23.4	Consent of David R. Haas to be named as a director nominee.***
23.5	Consent of James R. Holland, Jr. to be named as a director nominee.***
23.6	Consent of Stephen L. Lanning to be named as a director nominee.***
23.7	Consent of Edward H. Meyer to be named as a director nominee.***
23.8	Consent of Scott N. Schneider to be named as a director nominee.***
24.1	Power of attorney.***
99.1	Consent of King, Brown & Partners, Inc.***
99.2	Consent of OTX Screening.***
99.3	Consent of RH Bruskin Marketing, Inc.***
99.4	Consent of Roper Public Affairs and Media.***

* Filed herewith.
** To be filed by amendment.
*** Previously filed.
\+ Management contract.

(b) Financial Statement Schedules

See the Index to Financial Statements included on page F-1 for a list of the financial statements included in this registration statement.

All schedules not identified above have been omitted because they are not required, are not applicable or the information is included in the selected consolidated financial data or notes contained in this registration statement.

ITEM 17. UNDERTAKINGS

(a) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Centennial, County of Arapahoe, State of Colorado, on January 24, 2007.

National CineMedia, Inc.

By: *
Kurt C. Hall
President, Chief Executive Officer and Chairman

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
* **Kurt C. Hall**	President, Chief Executive Officer and Chairman *(Principal Executive Officer)*	January 24, 2007
/S/ GARY W. FERRERA **Gary W. Ferrera**	Chief Financial Officer *(Principal Financial and Accounting Officer)*	January 24, 2007
* **Peter C. Brown**	Director	January 24, 2007
* **Michael L. Campbell**	Director	January 24, 2007
* **Lee Roy Mitchell**	Director	January 24, 2007

* By: /S/ GARY W. FERRERA
Gary W. Ferrera
Attorney in fact

Exhibit 1.1

[Number of Shares]

NATIONAL CINEMEDIA, INC.

Common Stock

UNDERWRITING AGREEMENT

[ ], 2007

CREDIT SUISSE SECURITIES (USA) LLC
J.P. MORGAN SECURITIES INC.
LEHMAN BROTHERS INC.
MORGAN STANLEY & CO. INCORPORATED,
As Representatives of the Several Underwriters,

c/o Credit Suisse Securities (USA) LLC,
Eleven Madison Avenue,
New York, N.Y. 10010-3629

Dear Sirs:

1. *Introductory*. National CineMedia, Inc., a Delaware corporation (**"Company"**), proposes to issue and sell to the Underwriters (as defined below) [ ] shares (**"Firm Securities"**) of its common stock, $0.01 par value per share (**"Securities"**) and also proposes to issue and sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than [ ] additional shares (**"Optional Securities"**) of its Securities as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**." As part of the offering contemplated by this Agreement, Credit Suisse Securities (USA) LLC (the **"Designated Underwriter"**) has agreed to reserve out of the Firm Securities purchased by it under this Agreement, up to [ ] shares, for sale to the Company's directors, officers, employees and other parties associated with the Company (collectively, **"Participants"**), as set forth in the Prospectus (as defined herein) under the heading "Underwriting" (the **"Directed Share Program"**). The Firm Securities to be sold by the Designated Underwriter pursuant to the Directed Share Program (the **"Directed Shares"**) will be sold by the Designated Underwriter pursuant to this Agreement at the public offering price. Any Directed Shares not subscribed for by the end of the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Prospectus. The Company hereby agrees with the several Underwriters named in Schedule A hereto (**"Underwriters"**) as follows:

For the avoidance of doubt, it shall be understood and agreed by the parties hereto that any and all references in this Agreement to "subsidiaries" of the Company shall be deemed to include National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**").

Any reference in this Agreement, to the extent the context requires, to the "**Reorganization**" and "**Financing Transaction**" shall have the meanings ascribed thereto in the Prospectus (as defined below). Any reference to the business, assets, earnings, losses, properties, liabilities, contracts, agreements, obligations, instruments or subsidiaries of NCM LLC means the business, assets, earnings, losses, properties, liabilities, contracts, agreements, obligations, instruments or subsidiaries of the Company and NCM LLC that have been or will be retained by NCM LLC pursuant to the Reorganization. "**Transaction Documents**" shall mean the following agreements to be entered into in connection with the Reorganization: (i) the Exhibitor Services Agreement to be entered into by and between NCM LLC and Regal Cinemas, Inc. (ii) the Exhibitor Services Agreement to be entered into by and between NCM LLC and American Multi-Cinema, Inc., (iii) the Exhibitor Services Agreement to be entered into by and between NCM LLC and Cinemark USA, Inc., (iv) the Third Amended and Restated Limited Liability Company Operating Agreement to be entered into by and among NCM Inc., Regal CineMedia Holdings, LLC, American Multi-Cinema, Inc. and Cinemark Media, Inc., (v) the Loews Screen Integration Agreement to be entered into by and among NCM LLC and American Multi-Cinema, Inc., (vi) the Tax Receivable Agreement to be entered into by and among NCM Inc., NCM LLC, Regal CineMedia Holdings, LLC, Cinemark Media, Inc., Regal Cinemas, Inc., American Multi-Cinema, Inc. and Cinemark USA, Inc and (vii) the Common Unit Adjustment Agreement to be entered into by and among NCM Inc., NCM LLC, Regal CineMedia Holdings, LLC, American Multi-Cinema, Inc., Cinemark Media, Inc., Regal Cinemas, Inc., and Cinemark USA, Inc.

2. *Representations and Warranties of the Company*. Each of the Company and NCM LLC jointly and severally represents and warrants to, and agrees with, the several Underwriters that:

(a) A registration statement on Form S-1 (No. 333-137976) (**"initial registration statement"**) relating to the Offered Securities, including a form of prospectus, has been filed with the Securities and Exchange Commission (**"Commission"**) and an additional registration statement (**"additional registration statement"**) relating to the Offered Securities may have been or may be filed with the Commission pursuant to Rule 462(b) (**"Rule 462(b)"**) under the Securities Act of 1933 (**"Act"**). **"Initial Registration Statement"** as of any time means the initial registration statement, in the form then filed with the Commission, including all information contained in the additional registration statement (if any) and then deemed to be a part of the initial registration statement pursuant to the General Instructions of the Form on which it is filed and all information (if any) included in a prospectus then deemed to be a part of the initial registration statement pursuant to Rule 430C (**"Rule 430C"**) under the Act or retroactively deemed to be a part of the initial registration statement pursuant to Rule 430A(b) (**"Rule 430A(b)"**) under the Act and that in any case has not then been superseded or modified. **"Additional Registration Statement"** as of any time means the additional registration statement, in the form then filed with the Commission, including the contents of the Initial Registration Statement incorporated by reference therein and including all information (if any) included in a prospectus then deemed to be a part of the additional registration statement pursuant to Rule 430C or retroactively deemed to be a part of the additional registration statement pursuant to Rule 430A(b) and that in any case has not then been superseded or modified. The Initial Registration Statement and the Additional Registration Statement are herein referred to collectively as the **"Registration Statements"** and individually as a **"Registration Statement."** **"Registration Statement"** as of any time means the Initial Registration Statement and any

Additional Registration Statement as of such time. For purposes of the foregoing definitions, information contained in a form of prospectus that is deemed retroactively to be a part of a Registration Statement pursuant to Rule 430A shall be considered to be included in such Registration Statement as of the time specified in Rule 430A. As of the time of execution and delivery of this Agreement, the Initial Registration Statement has been declared effective under the Act and is not proposed to be amended (except as contemplated in compliance with Rule 430C and 430A(b)). Any Additional Registration Statement has or will become effective upon filing with the Commission pursuant to Rule 462(b) and is not proposed to be amended (except as contemplated in compliance with Rule 430C and 430A(b)). The Offered Securities all have been or will be duly registered under the Act pursuant to the Initial Registration Statement and, if applicable, the Additional Registration Statement. For purposes of this Agreement, **"Effective Time"** with respect to the Initial Registration Statement or, if filed prior to the execution and delivery of this Agreement, the Additional Registration Statement means the date and time as of which such Registration Statement was declared effective by the Commission or has become effective upon filing pursuant to Rule 462(c) (**"Rule 462(c)"**) under the Act. If an Additional Registration Statement has not been filed prior to the execution and delivery of this Agreement but the Company has advised the Representatives that it proposes to file one, **"Effective Time"** with respect to such Additional Registration Statement means the date and time as of which such Registration Statement is filed and becomes effective pursuant to Rule 462(b). **"Effective Date"** with respect to the Initial Registration Statement or the Additional Registration Statement (if any) means the date of the Effective Time thereof. A **"Registration Statement"** without reference to a time means such Registration Statement as of its Effective Time. **"Statutory Prospectus"** as of any time means the prospectus included in a Registration Statement immediately prior to that time, including any information in a prospectus deemed to be a part thereof pursuant to Rule 430A or 430C that has not been superseded or modified. For purposes of the preceding sentence, information contained in a form of prospectus that is deemed retroactively to be a part of a Registration Statement pursuant to Rule 430A shall be considered to be included in the Statutory Prospectus as of the actual time that form of prospectus is filed with the Commission pursuant to Rule 424(b) (**"Rule 424(b)"**) under the Act. **"Prospectus"** means the Statutory Prospectus that discloses the public offering price and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act. **"Issuer Free Writing Prospectus"** means any "issuer free writing prospectus," as defined in Rule 433 ("**Rule 433**") under the Act, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g). **"General Use Issuer Free Writing Prospectus"** means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being specified in a schedule to this Agreement. **"Limited Use Issuer Free Writing Prospectus"** means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus. **"Applicable Time"** means [ ]:00 [a/p]m (Eastern time) on the date of this Agreement.

(b)(i) On the Effective Date of the Initial Registration Statement, the Initial Registration Statement conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission (**"Rules and Regulations"**) and did not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) on the Effective Date of the Additional Registration Statement (if any), each Registration Statement conformed, or will

conform, in all material respects to the requirements of the Act and the Rules and Regulations and did not include, or will not include, any untrue statement of a material fact and did not omit, or will not omit, to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and (iii) on the date of this Agreement, the Initial Registration Statement and, if the Effective Time of the Additional Registration Statement is prior to the execution and delivery of this Agreement, the Additional Registration Statement each conforms, and at the time of filing of the Prospectus pursuant to Rule 424(b) or (if no such filing is required) at the Effective Date of the Additional Registration Statement in which the Prospectus is included, each Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the Rules and Regulations, and neither of such documents includes, or will include, any untrue statement of a material fact or omits, or will omit, to state any material fact required to be stated therein or necessary to make the statements therein not misleading. The preceding sentence does not apply to statements in or omissions from a Registration Statement or the Prospectus based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(c)(i) At the time of initial filing of the Initial Registration Statement and (ii) at the date of this Agreement, the Company was not and is not an "ineligible issuer," as defined in Rule 405 ("**Rule 405**") under the Act, including (x) the Company or any other subsidiary in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(d) As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, the preliminary prospectus, dated [ ], 2006 (which is the most recent Statutory Prospectus distributed to investors generally) and the information set forth in Schedule B hereto, all considered together (collectively, the **"General Disclosure Package"**), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any prospectus included in the Registration Statement or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(e) Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies Credit Suisse Securities (USA) LLC ("**Credit Suisse**") as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, (i) the Company has promptly notified or will promptly notify Credit Suisse and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The foregoing two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(f) The Company has been duly incorporated and is an existing corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be so qualified would not have a Material Adverse Effect (as defined in subsection (q) below).

(g) Each subsidiary of the Company has been duly incorporated or formed and is an existing corporation or limited liability company in good standing under the laws of the jurisdiction of its incorporation or formation, as applicable, with power and authority (corporate or other, as applicable) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation or company in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be so qualified would not have a Material Adverse Effect; all of the issued and outstanding capital stock or other equity interests, as applicable, of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock or other equity interests, as applicable, of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects.

(h) The Offered Securities and all other outstanding shares of capital stock of the Company have been duly authorized; all outstanding shares of capital stock of the Company are, and, when the Offered Securities have been delivered and paid for in accordance with this Agreement on each Closing Date (as defined below), such Offered Securities will have been, validly issued, fully paid and nonassessable and will conform in all material respects to the description thereof contained in the Prospectus; and the stockholders of the Company have no preemptive rights or other similar rights with respect to the Securities, and after the Reorganization the stockholders of the Company will have no preemptive rights or other similar rights with respect to the Securities.

(i) Except as disclosed in the General Disclosure Package and the registration rights in the Amended and Restated Limited Liability Company Operating Agreement dated as of July 15, 2005 by and among Cinemark media, Inc., National Cinema Network, Inc. and Regal CineMedia Holdings, LLC, as amended (which agreement, including the registration rights contained therein, will terminate on the First Closing Date), there are no contracts, agreements or understandings between the Company or NCM LLC and any person that would give rise to a valid claim against the Company or NCM LLC or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(j) Except for the registration rights disclosed in the Prospectus, there are no contracts, agreements or understandings between the Company or NCM LLC and any person granting such person the right to require the Company or NCM LLC to file a registration statement under the Act with respect to any securities of the Company or NCM LLC owned or to be owned by such person or to require the Company or NCM LLC to include such securities in the securities registered pursuant to a Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company or NCM LLC under the Act.

(k) The Offered Securities have been approved for listing on The Nasdaq Global Select Market subject to notice of issuance.

(l) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required for the consummation of the transactions contemplated by this Agreement in connection with the issuance and sale of the Offered Securities by the Company, except such as have been obtained and made under the Act and such as may be required under state securities laws.

(m) Each of the Transaction Documents to be entered into by NCM LLC and NCM Inc., as applicable, in connection with the Reorganization has been duly authorized and, when duly executed and delivered, will constitute the valid and legally binding obligation of NCM LLC and NCM Inc., as applicable, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(n) The execution, delivery and performance of this Agreement and the Transaction Documents, the issuance and sale of the Offered Securities, compliance with the terms and provisions of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, (i) any statute, any rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any subsidiary of the Company or any of their properties, or (ii) except for the Credit Agreement dated as of March 22, 2006, among National CineMedia, LLC, the Lenders party thereto, Citicorp North America, Inc., as Administrative Agent, Collateral Agent and Syndication Agent, Citibank, N.A., as Issuing Bank, Citigroup Global Markets Inc., as Lead Arranger and

Bookrunner, and Bank of America, N.A., Credit Suisse and Lehman Commercial Paper Inc., as Co-Documentation Agents, any agreement or instrument to which the Company or any such subsidiary is a party or by which the Company or any such subsidiary is bound (including, without limitation, those to be entered into in connection with the Reorganization and Financing Transaction) or to which any of the properties of the Company or any such subsidiary is subject, or (iii) the charter or by-laws of the Company or charter, by-laws, certificate of formation, limited liability company agreement or similar document or agreement, as applicable, of any such subsidiary, except with respect to (i) and (ii) above only for such breaches, violations or defaults which individually or in the aggregate are not reasonably likely to have a Material Adverse Effect, and the Company has full power and authority to authorize, issue and sell the Offered Securities as contemplated by this Agreement.

(o) This Agreement has been duly authorized, executed and delivered by the Company and NCM LLC.

(p) Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have good and marketable title to all real properties and all other material properties and material assets owned by them, in each case free from liens, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them; and except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no exceptions that would materially interfere with the use made or to be made thereof by them.

(q) The Company and its subsidiaries possess adequate certificates, authorities or permits issued by appropriate governmental agencies or bodies necessary to conduct the business now operated by them and have not received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as a whole (**"Material Adverse Effect"**).

(r) No labor dispute with the employees of the Company or any subsidiary exists or, to the knowledge of the Company or NCM LLC, is imminent that is reasonably likely to have a Material Adverse Effect.

(s) The Company and its subsidiaries own, possess, license or, to the Company's knowledge, can acquire on reasonable terms, adequate trademarks, trade names and other rights to inventions, know-how, patents, copyrights, confidential information and other intellectual property (collectively, **"intellectual property rights"**) necessary to conduct the business now operated by them, or presently employed by them, and, except as to matters which have been resolved, have not received any notice of infringement or other violation of any intellectual property rights of any third party that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(t) Except as disclosed in the General Disclosure Package, neither the Company nor any of its subsidiaries is in violation of any statute, any rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, in either case, with jurisdiction over the Company, its subsidiaries or its properties relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, **"environmental laws"**), owns or operates any real property contaminated with any substance that is subject to any environmental laws, is liable for any off-site disposal or contamination pursuant to any environmental laws, or is subject to any claim relating to any environmental laws, which violation, contamination, liability or claim would individually or in the aggregate have a Material Adverse Effect; and neither the Company nor NCM LLC is aware of any pending investigation which might lead to such a claim.

(u) Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings against or affecting the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company or NCM LLC to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings are threatened or, to the Company's or NCM LLC's knowledge, contemplated.

(v) The financial statements and the related notes thereto included in each Registration Statement and the General Disclosure Package present fairly the financial positions of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements and the related notes have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in each Registration Statement present fairly the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in each Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(w) Except as disclosed in the General Disclosure Package, since the date of the latest audited financial statements included in the General Disclosure Package of the Company and NCM LLC, respectively, there has been no material adverse change, nor any development or event which is reasonably likely to result in a material adverse change, in the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as a whole or NCM LLC, and, except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock or paid or made by NCM LLC with respect to its equity interests.

(x) Neither the Company nor any of its subsidiaries is, and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will be an "investment company" as defined in the Investment Company Act of 1940.

(y) All material Tax returns required to be filed by the Company or any of its subsidiaries have been filed in all jurisdictions where such returns are required to be filed, which returns are true, complete, and correct in all material respects and all Taxes shown on such returns have been paid. All material Taxes due or claimed to be due from the Company and each of its subsidiaries have been paid, other than those (A) currently payable without penalty or interest or (B) being contested in good faith and by appropriate proceedings and for which, in the case of both clauses (A) and (B), adequate reserves have been established on the books and records of the Company and its subsidiaries in accordance with U.S. GAAP. No material deficiency or adjustment for any Taxes has been threatened, proposed, asserted or assessed against the Company or any of its subsidiaries. For purposes of this Agreement, the term "**Tax**" and "**Taxes**" shall mean all Federal, state, local and foreign taxes, and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax, or penalties applicable thereto.

(z) Neither the Company nor any of its subsidiaries nor any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "**FCPA**"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the Company, its subsidiaries and their respective affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith and neither the Company nor any of its subsidiaries nor any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries or has otherwise made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(aa) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency, in each case, to the extent applicable to or binding on the Company and its subsidiaries (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(bb) There is and has been no failure on the part of the Company, NCM LLC, nor any of their respective directors or officers, in their capacities as such, to comply with the provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith (the "**Sarbanes-Oxley Act**") applicable to the Company and NCM LLC.

(cc) Each of the Company and its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The general accounting records of the Company and of each of its subsidiaries provide the basis for the preparation of the Company's consolidated financial statements under U.S. GAAP and have been maintained in compliance with applicable laws. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 under the Securities Exchange Act of 1934 (the "**Exchange Act**")) that are effective in ensuring that information required to be disclosed by the Company in the reports that it will file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Commission, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it will file or submit under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate to allow timely decisions regarding required disclosure.

(dd) The section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" in the Prospectus accurately and fully describes in all material respects (A) the accounting policies that the Company believes are the most important in the portrayal of the Company's financial condition and results of operations and that require management's most difficult, subjective or complex judgments ("**Critical Accounting Policies**"); (B) the material judgments and uncertainties affecting the application of Critical Accounting Policies; and (C) the estimated likelihood that materially different amounts would be reported under different conditions or using different assumptions and an explanation thereof.

(ee) Except as disclosed in the General Disclosure Package, no material indebtedness (actual or contingent) and no material contract or arrangement is outstanding between the Company or any of its subsidiaries and any director or executive officer of the Company or any of its subsidiaries or any person connected with such director or executive officer (including his/her spouse, children, and any company or undertaking in which he/she holds a controlling interest). There are no relationships or transactions between the Company or any of its subsidiaries, on the one hand, and its affiliates, officers and directors or their stockholders, customers or suppliers, on the other, which, although required to be disclosed, are not disclosed in the Prospectus.

(ff) There are no material contracts or documents that are required to be described in the Registration Statements or the Prospectus or to be filed as exhibits thereto that have not been so described and filed as required.

(gg) Deloitte and Touche LLP, who have audited certain financial statements of the Company and its subsidiaries, are an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder;

(hh) Neither the Company, NCM LLC nor any of their respective officers, directors or affiliates have taken or will take, directly or indirectly, any action that is designed to or which has constituted or which could be expected to cause or result in, stabilization or manipulation of the price of any security of the Company or NCM LLC to facilitate the sale or resale of the Offered Securities.

(ii) Furthermore, the Company and NCM LLC represent and warrant to the Underwriters that none of the Directed Shares have been offered outside the United States.

(jj) Neither the Company nor NCM LLC has offered, nor caused the Underwriters to offer, any Offered Securities to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company or NCM LLC to alter the customer's or supplier's level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company, NCM LLC or their respective products.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of $[ ] per share, the respective number of shares of Firm Securities set forth opposite the names of the Underwriters in Schedule A hereto.

The Company will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank acceptable to Credit Suisse drawn to the order of the Company at the office of Holme Roberts & Owen LLP, 1700 Lincoln Street, Suite 4100, Denver, Colorado 80203 at [ ]A.M., Denver time, on [ ], or at such other time not later than seven full business days thereafter as Credit Suisse and the Company determine, such time being herein referred to as the "First Closing Date." For purposes of Rule 15c6-1 under the Securities Exchange Act of 1934, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the offering. The Firm Securities so to be delivered or evidence of their issuance will be made available for checking at the above office of Holme Roberts & Owen LLP, 1700 Lincoln Street, Suite 4100, Denver, Colorado 80203 at least 24 hours prior to the First Closing Date.

In addition, upon written notice from Credit Suisse given to the Company from time to time not more than 30 days subsequent to the date of the Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the same purchase price per share to be paid for the Firm Securities. The Company agrees to sell to the Underwriters the number of shares of Optional Securities specified in such notice and the Underwriters agree, severally and not jointly, to purchase such Optional Securities. Such Optional Securities shall be purchased for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by Credit Suisse to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. The Company will have no obligation to sell or deliver, and the Underwriters will have no obligation to purchase, Optional Securities unless (i) the Firm Securities previously have been, or simultaneously are, sold and delivered and (ii) the common membership units of National CineMedia, LLC have been, or simultaneously are, sold and delivered pursuant to the terms of that certain Unit Purchase Agreement, dated [ ], 2007, between the Company and American Multi-Cinema, Inc., Cinemark Media, Inc. and Regal CineMedia Holdings, LLC. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by Credit Suisse to the Company.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an **"Optional Closing Date,"** which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a **"Closing Date"**), shall be determined by Credit Suisse but shall be not later than five full business days after written notice of election to purchase Optional Securities is given. The Company will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price therefor in Federal (same day) funds by wire transfer to an account at a bank acceptable to Credit Suisse drawn to the order of the Company, at the above office of Holme Roberts & Owen LLP. The Optional Securities being purchased on each Optional Closing Date or evidence of their issuance will be made available for checking at the above office of Holme Roberts & Owen LLP at a reasonable time in advance of such Optional Closing Date.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public upon the terms and conditions as set forth in the Prospectus.

5. *Certain Agreements of the Company and NCM LLC*. The Company and NCM LLC agree with the several Underwriters that:

(a) The Company will file the Prospectus with the Commission pursuant to and in accordance with subparagraph (1) (or, if applicable and if consented to by Credit Suisse, subparagraph (4)) of Rule 424(b) not later than the earlier of (A) the second business day following the execution and delivery of this Agreement or (B) the fifteenth business day after the Effective Date of the Initial Registration Statement. The Company will advise Credit Suisse promptly of any such filing pursuant to Rule 424(b). If an additional registration

statement is necessary to register a portion of the Offered Securities under the Act but the Effective Time thereof has not occurred as of the execution and delivery of this Agreement, the Company will file the additional registration statement or, if filed, will file a post-effective amendment thereto with the Commission pursuant to and in accordance with Rule 462(b) on or prior to 10:00 P.M., New York time, on the date of this Agreement or, if earlier, on or prior to the time the Prospectus is printed and distributed to any Underwriter, or will make such filing at such later date as shall have been consented to by Credit Suisse.

(b) The Company will advise Credit Suisse promptly of any proposal to amend or supplement at any time the Initial Registration Statement, any Additional Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without Credit Suisse's consent (not to be unreasonably withheld or delayed), unless in the judgment of the Company and its counsel, and after notification to Credit Suisse, such amendment or supplement is required by law; and the Company will also advise Credit Suisse promptly of the effectiveness of any Additional Registration Statement (if its Effective Time is subsequent to the execution and delivery of this Agreement) and of any amendment or supplementation of a Registration Statement or any Statutory Prospectus and of the institution by the Commission of any stop order proceedings in respect of a Registration Statement and will use its best efforts to prevent the issuance of any such stop order and to obtain as soon as possible its lifting, if issued.

(c) If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be required to be) delivered under the Act in connection with sales by any Underwriter or dealer, any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Prospectus to comply with the Act, the Company will promptly notify Credit Suisse of such event and will promptly prepare and file with the Commission, at its own expense, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither Credit Suisse's consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7.

(d) As soon as practicable, but not later than the Availability Date (as defined below), the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the Effective Date of the Initial Registration Statement (or, if later, the Effective Date of the Additional Registration Statement) which will satisfy the provisions of Section 11(a) of the Act and Rule 158 under the Act. For the purpose of the preceding sentence, "**Availability Date**" means the 45th day after the end of the fourth fiscal quarter following the fiscal quarter that includes such Effective Date, except that, if such fourth fiscal quarter is the last quarter of the Company's fiscal year, "**Availability Date**" means the 90th day after the end of such fourth fiscal quarter.

(e) The Company will furnish to the Representatives copies of each Registration Statement (five of which will be signed and will include all exhibits), each related preliminary prospectus, and, so long as a prospectus relating to the Offered Securities is required to be delivered under the Act in connection with sales by any Underwriter or dealer, the Prospectus and all amendments and supplements to such documents, in each case in such quantities as Credit Suisse requests The Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement. All other documents shall be so furnished as soon as available. The Company and NCM LLC will jointly and severally pay the expenses of printing and distributing to the Underwriters all such documents.

(f) The Company will endeavor, in cooperation with Credit Suisse, to qualify the Offered Securities for offering and sale under the applicable securities laws of such states and other jurisdictions as Credit Suisse may reasonably designate and to maintain such qualifications in effect so long as required for the distribution; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) The Company and NCM LLC will jointly and severally pay all expenses incident to the performance of its obligations under this Agreement, for any filing fees and other expenses (including fees and disbursements of counsel) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as Credit Suisse designates and the printing of memoranda relating thereto for the filing fee incident to the review by the National Association of Securities Dealers, Inc. of the Offered Securities, for any travel expenses of the Company's or NCM LLC's officers and employees, for expenses incurred in distributing preliminary prospectuses and the Prospectus (including any amendments and supplements thereto) to the Underwriters and for expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors; provided however, that the Company and NCM LLC jointly and severally on one hand and the Underwriters jointly and severally on the other hand, shall each pay one-half of all of the expenses of the Company or NCM LLC incurred in connection with attending or hosting meetings with prospective purchasers of the Offered Securities, including the cost of any aircraft chartered in connection with attending or hosting such meetings. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, fees and expenses of their counsel.

(h) Except in connection with the Reorganization and as contemplated by this Agreement with respect to the Offered Securities, for the period specified below (the **"Lock-Up Period"**), the Company and NCM LLC will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Commission a registration statement under the Act relating to, any additional shares of its Securities or securities convertible into or exchangeable, redeemable or exercisable for any shares of its Securities, except grants of employee stock options or restricted stock pursuant to the terms of the Company's 2007 Equity Incentive Plan, grants of any other employee stock options to be issued in substitution for the options previously granted pursuant to the National CineMedia 2006 Unit Option Plan, as amended, the issuance of options or restricted stock as "IPO awards" pursuant to the terms of the National CineMedia 2006 Unit Option Plan, as amended, and the issuances of Securities

pursuant to the exercise of any such options described in this paragraph or the filing of a registration statement on Form S-8 relating to the securities issuable upon the exercise of such options or the issuance of restricted stock. The initial Lock-Up Period will commence on the date hereof and will continue and include the date 180 days after the date hereof or such earlier date that Credit Suisse consents to in writing; provided, however, that if (1) during the last 17 days of the initial Lock-Up Period, the Company releases earnings results or material news or a material event relating to the Company occurs or (2) prior to the expiration of the initial Lock-Up Period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the initial Lock-Up Period, then in each case the Lock-Up Period will be extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the occurrence of the materials news or material event, as applicable, unless Credit Suisse waives, in writing, such extension. The Company will provide Credit Suisse with notice of any announcement described in clause (2) of the preceding sentence that gives rise to an extension of the Lock-Up Period.

(i) For the Lock-Up Period, the Company will (i) not allow grantees of equity awards to sell or otherwise transfer, without the prior written consent of Credit Suisse, any securities subject to the restrictions set forth in the respective stock option or other equity award agreements that the Company has entered into with such grantees in connection with the Company's 2007 Equity Incentive Plan (the "**Stock Option Shares**") and (ii) instruct the transfer agent to impose stop transfer instructions with respect to the Stock Option Shares.

(j) The Company will use the net proceeds received from the sale of the Offered Securities pursuant to this Agreement and received in connection with the Financing Transaction in the manner specified in the Prospectus under the caption "Use of Proceeds".

(k) In connection with the Directed Share Program, the Company will ensure that the Directed Shares will be restricted to the extent required by the National Association of Securities Dealers, Inc. (the "**NASD**") or the NASD rules from sale, transfer, assignment, pledge or hypothecation for a period of three months following the date of the effectiveness of the Registration Statement. The Designated Underwriter will notify the Company as to which Participants will need to be so restricted. The Company will direct the transfer agent to place stop transfer restrictions upon such securities for such period of time.

(l) The Company and NCM LLC will jointly and severally pay all reasonable fees and disbursements of outside counsel incurred by the Underwriters in connection with the Directed Shares Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the underwriters in connection with the Directed Share Program.

(m) Furthermore, the Company covenants with the Underwriters that none of the Directed Shares will be offered outside the United States.

6. *Free Writing Prospectuses*. The Company represents and agrees that, unless it obtains the prior consent of Credit Suisse, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and Credit Suisse, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in

Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and Credit Suisse is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433 and has complied and will comply with the requirements of Rule 164 under the Act and Rule 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping. The Company represents that it has satisfied and agrees that it will satisfy the conditions in Rule 433 to avoid a requirement to file with the Commission any electronic road show.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties on the part of the Company and NCM LLC herein, to the accuracy of the statements of Company and NCM LLC officers made pursuant to the provisions hereof, to the performance by the Company and NCM LLC of their respective obligations hereunder and to the following additional conditions precedent:

(a) The Representatives shall have received a letter, dated the date of delivery thereof (which shall be on or prior to the date of this Agreement), of Deloitte & Touche LLP confirming that they are an independent registered public accounting firm within the meaning of the Act and the applicable published Rules and Regulations thereunder and stating to the effect that:

(i) in their opinion the financial statements and schedules audited by them and included in the Registration Statements and the General Disclosure Package comply as to form in all material respects with the applicable accounting requirements of the Act and the related published Rules and Regulations;

(ii) they have performed the procedures specified by the American Institute of Certified Public Accountants for a review of interim financial information as described in Statement of Auditing Standards No. 100, Interim Financial Information, on the unaudited financial statements included in the Registration Statements and the General Disclosure Package;

(iii) on the basis of the review referred to in clause (ii) above, a reading of the latest available interim financial statements of the Company and NCM LLC, inquiries of officials of the Company and NCM LLC who have responsibility for financial and accounting matters and other specified procedures, nothing came to their attention that caused them to believe that:

(A) the unaudited financial statements included in the Registration Statements or the General Disclosure Package do not comply as to form in all material respects with the applicable accounting requirements of the Act and the related published Rules and Regulations or any material modifications should be made to such unaudited financial statements for them to be in conformity with generally accepted accounting principles;

(B) at the date of the latest available balance sheet read by such accountants, or at a subsequent specified date not more than three business days prior to the date of this Agreement, there was any change in the members' equity or capital stock or any increase in short-term indebtedness or long-term debt or, at the date of the latest available balance sheet read by such accountants, there was any decrease in consolidated net current assets, as compared with amounts shown on the latest balance sheet included in the General Disclosure Package; or

(C) for the period from the closing date of the latest income statement included in the General Disclosure Package to the closing date of the latest available income statement read by such accountants there were any decreases, as compared with the corresponding period of the previous year, in consolidated net sales or in the total amounts of consolidated net income, except in all cases set forth in clauses above for changes, increases or decreases which the General Disclosure Package discloses have occurred or may occur or which are described in such letter; and

(iv) they have compared specified dollar amounts (or percentages derived from such dollar amounts) and other financial information contained in the Registration Statements, each Issuer Free Writing Prospectus (other than any Issuer Free Writing Prospectus that is an "electronic road show," as defined in Rule 433(h)) and the General Disclosure Package (in each case to the extent that such dollar amounts, percentages and other financial information are derived from the general accounting records of the Company and its subsidiaries subject to the internal controls of the Company's accounting system or are derived directly from such records by analysis or computation) with the results obtained from inquiries, a reading of such general accounting records and other procedures specified in such letter and have found such dollar amounts, percentages and other financial information to be in agreement with such results, except as otherwise specified in such letter.

For purposes of this subsection, if the Effective Time of the Additional Registration Statement is subsequent to the execution and delivery of this Agreement, **"Registration Statements"** shall mean the Initial Registration Statement and the Additional Registration Statement as proposed to be filed shortly prior to its Effective Time, and **"Prospectus"** shall mean the prospectus included in the Registration Statements.

(b) If the Effective Time of the Additional Registration Statement (if any) is not prior to the execution and delivery of this Agreement, such Effective Time shall have occurred not later than 10:00 P.M., New York time, on the date of this Agreement or, if earlier, the time the Prospectus is printed and distributed to any Underwriter, or shall have occurred at such later date as shall have been consented to by Credit Suisse. The Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) of this Agreement. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company, NCM LLC or the Representatives, shall be contemplated by the Commission.

(c) Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as one enterprise which, in the judgment of a majority in interest of the Representatives, is material and adverse and makes it impractical or inadvisable to proceed with completion of the public offering or the sale of and payment for the Offered Securities; (ii) any downgrading in the rating of any debt securities of the Company by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities or preferred stock of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in the judgment of a majority in interest of the Representatives, be likely to prejudice materially the success of the proposed issue, sale or distribution of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any material suspension or material limitation of trading in securities generally on the New York Stock Exchange or any setting of minimum prices for trading on such exchange; (v) any banking moratorium declared by U.S. Federal or New York authorities; (vi) any major disruption of settlements of securities or clearance services in the United States or (vii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of a majority in interest of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency makes it impractical or inadvisable to proceed with completion of the public offering or the sale of and payment for the Offered Securities.

(d) The Representatives shall have received an opinion, dated such Closing Date, of Holme Roberts & Owen LLP, counsel for the Company substantially in the form attached hereto as Annex 1.

(e) The Representatives shall have received an opinion, dated such Closing Date, of Willkie Farr & Gallagher LLP, special counsel for the Company substantially in the form attached hereto as Annex 2.

(f) The Representatives shall have received from Skadden, Arps, Slate, Meagher & Flom LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to the incorporation of the Company, the validity of the Offered Securities delivered on such Closing Date, the Registration Statements, the Prospectus and other related matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) The Representatives shall have received a certificate, dated such Closing Date, of the President or any Vice President and a principal financial or accounting officer of the Company and NCM LLC in which such officers, to the best of their knowledge after reasonable investigation, shall state that the representations and warranties of the Company and NCM LLC in this Agreement are true and correct; the Company and NCM LLC has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; no stop order suspending the effectiveness of any Registration Statement has been issued and no proceedings for that purpose have been instituted or are contemplated by the Commission; the Additional Registration Statement (if any) satisfying the requirements of subparagraphs (1) and (3) of Rule 462(b) was filed pursuant to Rule 462(b), including payment of the applicable filing fee in accordance with Rule 111(a) or (b) under the Act, prior to the Applicable Time; and, subsequent to the respective dates of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event which to the knowledge of such officers, is reasonably likely to result in a material adverse change, in the condition (financial or other), business, properties or results of operations of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(h) The Representatives shall have received a letter, dated such Closing Date, of Deloitte & Touche LLP which meets the requirements of subsection (a) of this Section, except that the specified date referred to in such subsection will be a date not more than three days prior to such Closing Date for the purposes of this subsection.

(i) On or prior to the date of this Agreement, the Representatives shall have received lock-up letters from American Multi-Cinema, Inc., Cinemark Media, Inc., Regal CineMedia Holdings, LLC and each of the executive officers and directors of the Company.

(j) The Financing Transaction shall have been completed (or shall be completed simultaneously with the transactions contemplated by this Agreement) and the net proceeds contemplated thereby (in an amount not less than $[ ]) shall have been received (or shall be received simultaneously with the receipt of the net proceeds payable hereunder) by the Company or its applicable affiliate.

(k) The Reorganization shall have been completed (or shall be completed simultaneously with the transactions contemplated by this Agreement).

The Company and NCM LLC will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. Credit Suisse may in its sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution*. (a) The Company and NCM LLC will jointly and severally indemnify and hold harmless each Underwriter, its partners, members, directors, officers, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any

material fact contained in any part of any Registration Statement at any time, any Statutory Prospectus as of any time, the Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Company and NCM LLC will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company and NCM LLC by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

The Company and NCM LLC agree to jointly and severally indemnify and hold harmless the Designated Underwriter and its affiliates and each person, if any, who controls the Designated Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (the "Designated Entities"), from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) (i) caused by any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company or NCM LLC for distribution to Participants in connection with the Directed Share Program or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of the Designated Entities.

(b) Each Underwriter will severally and not jointly indemnify and hold harmless the Company and NCM LLC, their respective directors and officers and each person, if any who controls the Company or NCM LLC within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, against any losses, claims, damages or liabilities to which the Company or NCM LLC may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of any Registration Statement at any time, any Statutory Prospectus as of any time, the Prospectus, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company and NCM LLC by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by the Company and NCM LLC in connection with investigating or defending any such loss, claim, damage, liability or action as

such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the [ ] paragraph under the caption "Underwriting" and the information contained the [ ] paragraphs under the caption "Underwriting".

(c) Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive or material procedural rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding anything contained herein to the contrary, if indemnity may be sought pursuant to the last paragraph in Section 8 (a) hereof in respect of such action or proceeding, then in addition to such separate firm for the indemnified parties, the indemnifying party shall be liable for the reasonable fees and expenses of not more than one separate firm (in addition to any local counsel) for the Designated Underwriter for the defense of any losses, claims, damages and liabilities arising out of the Directed Share Program, and all persons, if any, who control the Designated Underwriter within the meaning of either Section 15 of the Act of Section 20 of the Exchange Act. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and NCM LLC on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above

but also the relative fault of the Company and NCM LLC on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company and NCM LLC on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company and NCM LLC bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and NCM LLC or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

(e) The obligations of the Company and NCM LLC under this Section shall be in addition to any liability which the Company or NCM LLC may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each director of the Company and NCM LLC, to each officer of the Company or NCM LLC who has signed a Registration Statement and to each person, if any, who controls the Company or NCM LLC within the meaning of the Act.

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate number of shares of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, Credit Suisse may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate number of shares of Offered Securities with respect to which such default or defaults occur exceeds 10% of the

total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to Credit Suisse and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 11 (provided that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. [*Reserved.*]

11. *Survival of Certain Representations and Obligations*. The respective indemnities, agreements, representations, warranties and other statements of the Company, NCM LLC or their respective officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company, NCM LLC or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If this Agreement is terminated pursuant to Section 9 or if for any reason the purchase of the Offered Securities by the Underwriters is not consummated, the Company and NCM LLC shall remain jointly and severally responsible for the expenses to be paid or reimbursed by it pursuant to Section 5 and the respective obligations of the Company, NCM LLC and the Underwriters pursuant to Section 8 shall remain in effect, and if any Offered Securities have been purchased hereunder the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 or the occurrence of any event specified in clause (iii), (iv), (v), (vi) or (vii) of Section 7(c), the Company and NCM LLC will jointly and severally reimburse the Underwriters for all out-of-pocket expenses (including the reasonable fees and disbursements of their outside counsel) reasonably incurred by them in connection with the offering of the Offered Securities.

12. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representatives, c/o Credit Suisse Securities (USA) LLC, at Eleven Madison Avenue, New York, N.Y. 10010-3629, Attention: LCD-IBD, or, if sent to the Company or NCM LLC, will be mailed, delivered or telegraphed and confirmed to it at 9110 East Nichols Avenue, Suite 200, Centennial, Colorado 80112-3405, Attention: R. Eugene Hardy; provided, however, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

13. *Successors*. This Agreement will inure solely to the benefit of and be binding upon the parties hereto and their respective successors and assigns and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder. No purchaser of Offered Securities from any Underwriter shall be deemed a successor by reason merely of such purchase.

14. *Representation of Underwriters*. The Representatives will act for the several Underwriters in connection with this financing, and any action under this Agreement taken by the Representatives will be binding upon all the Underwriters.

15. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

16. *Absence of Fiduciary Relationship*. The Company and NCM LLC acknowledge and agree that:

(a) the Representatives have been retained solely to act as underwriters in connection with the sale of Offered Securities and that no fiduciary, advisory or agency relationship between the Company and NCM LLC, on one hand, and the Representatives, on the other hand, has been created in respect of any of the transactions contemplated by this Agreement or the Prospectus, irrespective of whether the Representatives have advised or are advising the Company or NCM LLC on other matters;

(b) the price of the Offered Securities set forth in this Agreement was established by the Company following discussions and arms-length negotiations with the Representatives and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) the Company and NCM LLC have been advised that their Representatives and their respective affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and NCM LLC and that the Representatives have no obligation to disclose such interests and transactions to the Company and NCM LLC by virtue of any fiduciary, advisory or agency relationship; and

(d) the Company and NCM LLC waive, to the fullest extent permitted by law, any claims it may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Representatives shall have no liability (whether direct or indirect) to the Company or NCM LLC in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company or NCM LLC, including stockholders, employees or creditors of the Company and NCM LLC.

17. *Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

The Company and NCM LLC hereby submit to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company and NCM LLC one of the counterparts hereof, whereupon it will become a binding agreement between the Company and the several Underwriters in accordance with its terms.

Very truly yours,

NATIONAL CINEMEDIA, INC.

By _____
Name:
Title:

NATIONAL CINEMEDIA, LLC

By _____
Name:
Title:

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

CREDIT SUISSE SECURITIES (USA) LLC,
J.P. MORGAN SECURITIES INC.,
LEHMAN BROTHERS INC.,
MORGAN STANLEY & CO. INCORPORATED,

Acting on behalf of themselves and as the Representatives of the several Underwriters

By CREDIT SUISSE SECURITIES (USA) LLC

By _____
Name:
Title:

By J.P. MORGAN SECURITIES INC.

By _____
Name:
Title:

By LEHMAN BROTHERS INC.

By _____
Name:
Title:

By MORGAN STANLEY & CO. INCORPORATED

By _____
Name:
Title:

SCHEDULE A

Underwriter	[Number of] Firm Securities
Credit Suisse Securities (USA) LLC	
J.P. Morgan Securities Inc.	
Lehman Brothers Inc.	
Morgan Stanley & Co. Incorporated	
AGM Securities LLC	
Allen & Company LLC	
Banc of America Securities LLC	
Bear, Stearns & Co. Inc.	
Citigroup Global Markets Inc.	
Deutsche Bank Securities Inc.	
Goldman, Sachs & Co	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
UBS Securities LLC	
Total	

SCHEDULE B

1. There are [ ] shares of Firm Securities to be sold to the Underwriters.
2. The price per share of the Firm Securities to be sold to the public is $[ ].

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

NATIONAL CINEMEDIA, INC.

National CineMedia, Inc., a corporation organized and existing under and by virtue of the laws of the State of Delaware (the "Corporation"), hereby certifies that:

A. The name of the Corporation is National CineMedia, Inc. The Corporation was originally incorporated under the name National CineMedia, Inc. The Corporation's original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on October 5, 2006.

B. This Amended and Restated Certificate of Incorporation (this "Certificate"), which amends and restates the Corporation's original Certificate of Incorporation, has been duly adopted in accordance with the provisions of Sections 241 and 245 of the General Corporation Law of the State of Delaware (the "DGCL").

C. The text of the original Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

ARTICLE I
NAME

The name of the Corporation is National CineMedia, Inc.

ARTICLE II
REGISTERED ADDRESS, AGENT

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of the Corporation's registered agent at that address is Corporation Trust Company.

ARTICLE III
PURPOSES

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE IV
CAPITAL, VOTING, CONVERSION

Section 4.1 Authorized Shares. The total number of shares of capital stock that the Corporation shall have authority to issue is 130,000,000, which shall be divided into the following classes:

(a) 120,000,000 shares shall be of a class designated Common Stock, par value $0.01 per share ("Common Stock"); and

(b) 10,000,000 shares shall be of a class designated Preferred Stock, par value $0.01 per share ("Preferred Stock").

The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares then outstanding and the number then reserved for issuance upon the exercise, conversion or exchange of Rights (including, without limitation, Membership Units)) by an amendment to this Certificate approved by the affirmative vote of the holders of a majority of the outstanding Common Stock (and any other class or series of stock entitled to vote with the Common Stock).

Section 4.2 Voting Power of Common Stock. Each holder of Common Stock shall be entitled to one vote for each share of Common Stock held on all matters submitted to a vote of stockholders of the Corporation on which holders of Common Stock are entitled to vote. Except as may otherwise be required by the DGCL, by the provisions of this Certificate or any Preferred Stock Designation, the holders of outstanding shares of Common Stock, and the holders of outstanding shares of each series of Preferred Stock entitled to vote thereon, if any, shall vote as one class with respect to all matters to be voted on by the stockholders of the Corporation, and no separate vote or consent of the holders of shares of Common Stock or the holders of shares of any series of Preferred Stock, if any, shall be required for the approval of any such matter.

Notwithstanding the foregoing and provided that the subject matter being voted thereon does not adversely affect the rights, powers or preferences of the Common Stock, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate (including any amendment to any Preferred Stock Designation) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote exclusively thereon pursuant to this Certificate (including any Preferred Stock Designation).

Section 4.3 Exchange Rights.

(a) The LLC shall be entitled to exchange Membership Units, at any time and from time to time, on a one-for-one basis, into the same number of fully paid and non-assessable shares of Common Stock as may be required for the LLC to meet an obligation under the LLC Agreement to redeem Membership Units, subject to the Corporation's right to elect a Cash Settlement. The LLC's right to exchange Membership Units, and the Corporation's obligations under this Section 4.3, shall be subject to the delivery of written notice (the "Redemption Notice") by a Member to the LLC and the Corporation of such Member's intent to cause the LLC to redeem all or a portion of the Membership Units held by such Member. The date specified in the Redemption Notice as the date that the LLC shall redeem the Membership Units shall also be the date (the "Exchange Date") on which the exchange of Membership Units for shares of Common Stock shall occur. The number of Membership Units that the LLC shall issue and deliver to the Corporation for exchange on the Exchange Date pursuant to this Section 4.3 (the "Exchanged Units") shall be equal to the number of Membership Units specified in the Redemption Notice to be redeemed by the LLC.

(b) Upon receipt of the Redemption Notice, the Corporation, in its sole discretion, may elect to deliver shares of Common Stock equal to the number of Exchanged Units (the "Share Settlement"), or may, in lieu of exchanging Common Stock for Exchanged Units, make a cash payment to the LLC in an amount equal to the number of Exchanged Units multiplied by the applicable Exchange Price (the "Cash Settlement"). Within three (3) Business Days of receipt of the Redemption Notice, the Corporation shall deliver written notice to the LLC (with a copy to the holder of Membership Units exercising its right to cause the LLC to redeem all or a portion of its Membership Units) of its intended settlement method (the "Settlement Notice"). If a Settlement Notice is not delivered within such three (3) day period, the Corporation shall be deemed to have elected a Share Settlement. If the Corporation elects to satisfy its exchange obligation through a Cash Settlement, then the holder of Membership Units exercising its right to cause the LLC to redeem all or a portion of its Membership Units may retract its Redemption Notice by delivering written notice of retraction (the "Retraction Notice") to the LLC (with a copy to the Corporation) within two (2) Business Days of delivery of the Settlement Notice. If the Corporation elects to satisfy its exchange obligation through a Cash Settlement, the Corporation will sell to a third party a number of shares of Common Stock equal to the number of Exchanged Units and shall assure that the number of outstanding shares of Common Stock will equal on a one-for-one basis the number of Membership Units owned by the Corporation. Any Redemption Notice, Settlement Notice or Retraction Notice delivered by or to the Corporation may be delivered by hand or sent by facsimile, electronic mail or nationally recognized overnight delivery service and shall be deemed given when received if delivered on a Business Day during normal business hours of the recipient or, if not so delivered, on the next Business Day following receipt or delivery.

(c) Unless a timely Retraction Notice has been delivered to the Corporation, on the Exchange Date the following shall occur:

(1) the LLC shall (A) issue and deliver to the Corporation a certificate representing the number of Exchanged Units to be exchanged, and (B) deliver to the Corporation all transfer tax stamps or funds therefor, if required pursuant to Section 4.3(g);

(2) the Corporation shall deliver to the LLC (or such other party that the LLC may designate in accordance with Section 4.3(d)) one of the following:

(i) in a Share Settlement for the Exchanged Units, the Corporation shall issue to the LLC or in such other name or names the LLC may direct a number of shares of Common Stock equal to the number of Exchanged Units; or

(ii) in a Cash Settlement for the Exchanged Units, the Corporation shall pay to the LLC or such other Person as the LLC may direct, by wire transfer of immediately available funds, an amount equal to the number of Exchanged Units multiplied by the then applicable Exchange Price.

(d) Unless a timely Retraction Notice has been delivered to the Corporation, on the Exchange Date, provided the LLC has delivered one or more certificates representing Exchanged Units in the manner provided in Section 4.3(c) and paid in cash any amount required by Section 4.3(g), the Corporation will deliver or cause to be delivered at the office of the Corporation's transfer agent, a certificate or certificates representing the number of full shares of Common Stock issuable upon such exchange in a Share Settlement, issued in the name of the LLC or in such other name or names the LLC may direct. If the Corporation has elected a Cash Settlement in accordance with Section 4.3(b), the Corporation will deliver the Cash Settlement amount to the LLC. Such exchange shall be deemed to have been effected immediately prior to the close of business on the Exchange Date. The person or persons in whose name or names the certificate or certificates representing the shares of Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of Common Stock immediately prior to the close of business on the Exchange Date.

(e) In the event of a reclassification or other similar transaction as a result of which the shares of Common Stock are converted into another security, then the LLC shall be entitled to receive upon exchange of Membership Units the amount of such security that such holder would have received if such exchange had occurred immediately prior to the record date of such reclassification or other similar transaction. No adjustments in respect of dividends shall be made upon the exchange of any Membership Unit; *provided, however*, that if a Membership Unit shall be exchanged subsequent to the

record date for the payment of a dividend or other distribution on Membership Units but prior to such payment, then the registered holder of such Membership Unit at the close of business on such record date shall be entitled to receive the dividend or other distribution payable on such Membership Unit notwithstanding the exchange thereof or the default in settlement of the exchange or payment of the dividend or distribution due.

(f) The Corporation will at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon exchange of Membership Units by the LLC in accordance with this Section 4.3, such number of shares of Common Stock that shall be issuable upon the exchange of all outstanding Membership Units exchangeable hereunder; provided that nothing contained herein shall preclude the Corporation from satisfying its obligations in respect of the exchange of the outstanding Membership Units by delivery of shares of Common Stock that are held in the treasury of the Corporation. If any shares of Common Stock require registration with or approval of any governmental authority under any federal or state law before such shares of Common Stock may be issued upon exchange, the Corporation will cause such shares to be duly registered or approved, as the case may be. All shares of Common Stock that are issued upon exchange of the Membership Units will, upon issue, be validly issued, fully paid and non-assessable and be listed upon each national securities exchange, other securities exchange or automated or electronic quotation system upon which the outstanding Common Stock is listed at the time of delivery.

(g) The issuance of certificates representing shares of Common Stock upon exchange of Membership Units in a Share Settlement shall be made without charge to the LLC for any stamp or other similar tax in respect of such issuance; *provided*, *however*, that if any such certificate is to be issued in a name other than that of the LLC, then the person or persons requesting the issuance thereof shall pay to the LLC for remittance to the Corporation the amount of any tax that may be payable in respect of any transfer involved in such issuance or shall establish to the satisfaction of the Corporation that such tax has been paid or is not payable.

Section 4.4 Stock Splits, Ratios, Adjusting Outstanding Shares of Common Stock or Membership Units.

(a) The Corporation shall undertake all actions, including, without limitation, a reclassification, dividend, division or recapitalization, with respect to the shares of Common Stock or the Membership Units (in the case of the LLC, the Corporation authorizing such in its capacity as manager of the LLC), to maintain at all times a one-to-one ratio between the number of Membership Units owned by the Corporation and the number of outstanding shares of Common Stock, disregarding, for purposes of maintaining the one-to-one ratio, shares of Common Stock issued pursuant to the Equity Incentive Plan that have not vested thereunder, treasury stock, Preferred Stock or other securities of the Corporation that are not convertible into or exercisable or exchangeable for Common Stock.

(b) The Corporation shall not undertake or authorize (i) any subdivision (by any Membership Unit split, Membership Unit distribution, reclassification, recapitalization or similar event) or combination (by reverse Membership Unit split, reclassification, recapitalization or similar event) of the Membership Units that is not accompanied by an identical subdivision or combination of the Common Stock to maintain at all times a one-to-one ratio between the number of Membership Units owned by the Corporation and the number of outstanding shares of Common Stock; or (ii) any subdivision (by any stock split, stock dividend, reclassification, recapitalization or similar event) or combination (by reverse stock split, reclassification, recapitalization or similar event) of the Common Stock that is not accompanied by an identical subdivision or combination of the Membership Units to maintain at all times a one-to-one ratio between the number of Membership Units owned by the Corporation and the number of outstanding shares of Common Stock, unless, in either case, such action is necessary to maintain at all times a one-to-one ratio between the number of Membership Units owned by the Corporation and the number of outstanding shares of Common Stock.

(c) The Corporation shall not issue, transfer or deliver from treasury stock or repurchase shares of Common Stock unless in connection with any such issuance, transfer or repurchase the Corporation takes or authorizes all requisite action such that, after giving effect to all such issuances, transfers or repurchases, the number of outstanding shares of Common Stock will equal on a one-for-one basis the number of Membership Units owned by the Corporation. The Corporation shall not issue, transfer or deliver from treasury stock or repurchase shares of Preferred Stock unless in connection with any such issuance, transfer, delivery or repurchase the Corporation takes all requisite action such that, after giving effect to all such issuances, transfers or repurchases, the Corporation holds mirror equity interests of the LLC which (in the good faith determination by the Board) are in the aggregate substantially equivalent to the outstanding Preferred Stock.

Section 4.5 Dividends and Distributions. Subject to the preferences of Preferred Stock, if any, outstanding at any time, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions in property or shares of stock of the Corporation as may be declared thereon by the Board from time to time out of assets or funds of the Corporation legally available therefor.

Section 4.6 Mergers, Consolidation, Etc. The Corporation shall not consolidate, merge, combine or consummate any other transaction (in each case other than incident to an exchange or a conversion of Common Stock and/or other securities for Common Stock pursuant to the terms of this Certificate) in which shares of Common Stock are exchanged for or converted into other stock or securities, or the right to receive

cash and/or any other property, unless in connection with any such consolidation, merger, combination or other transaction the Membership Units or the shares of Common Stock shall be entitled to be exchanged (subject to proration upon equitable terms in the event of a merger or consolidation upon prorated terms) for or converted into the same kind and amount of stock or securities, cash and/or any other property, as the case may be, into which or for which each Membership Unit or share of Common Stock is exchanged or converted and in each case to maintain at all times a one-to-one ratio between the number of Membership Units or other stock, securities, or rights to receive cash and/or any other property owned by the Corporation and the number of outstanding shares of Common Stock or other stock, securities, or rights to receive cash and/or any other property issued by the Corporation.

Section 4.7 Preferred Stock. The Board is authorized, subject to any limitations prescribed by applicable law, to provide from time to time for the issuance of shares of Preferred Stock in one or more series, and by filing a certificate pursuant to the DGCL (a "Preferred Stock Designation"), to establish the rights, powers and preferences of each such series of Preferred Stock, including the following:

(a) the number of shares of that series, which may subsequently be increased or decreased (but not below the number of shares of that series then outstanding) by resolution of the Board, and the distinctive serial designation thereof;

(b) the voting powers, full or limited, if any, of the shares of that series and the number of votes per share;

(c) the rights in respect of dividends on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates and the relative rights or priority, if any, of payment of dividends on shares of that series and any limitations, restrictions or conditions on the payment of dividends;

(d) the relative amounts, and the relative rights or priority, if any, of payment in respect of shares of that series, which the holders of the shares of that series shall be entitled to receive upon any liquidation, dissolution or winding up of the Corporation;

(e) the terms and conditions (including the price or prices, which may vary under different conditions and at different redemption or purchase dates), if any, upon which all or any part of the shares of that series may be redeemed or purchased by the Corporation, and any limitations, restrictions or conditions on such redemption or purchase;

(f) the terms, if any, of any purchase, retirement or sinking fund to be provided for the shares of that series;

(g) the terms, if any, upon which the shares of that series shall be convertible into or exchangeable for shares of any other class, classes or series, or other securities, whether or not issued by the Corporation;

(h) the restrictions, limitations and conditions, if any, upon issuance of indebtedness of the Corporation so long as any shares of that series are outstanding; and

(i) any other preferences and relative, participating, optional or other rights and limitations not inconsistent with law, this Article IV or any resolution of the Board in accordance with this Article IV.

All shares of any one series of the Preferred Stock shall be alike in all respects. Except to the extent otherwise expressly provided in the Preferred Stock Designation for a series of Preferred Stock, the holders of shares of such series shall have no voting rights except as may be required by the laws of the DGCL. Further, unless otherwise expressly provided in the Preferred Stock Designation for a series of Preferred Stock, no consent or vote of the holders of shares of Preferred Stock or any series thereof shall be required for any amendment to this Certificate that would increase the number of authorized shares of Preferred Stock or the number of authorized shares of any series thereof or decrease the number of authorized shares of Preferred Stock or the number of authorized shares of any series thereof (but not below the number of authorized shares of Preferred Stock of such series, as the case may be, then outstanding). Except as may be provided by the Board in a Preferred Stock Designation or by applicable law, shares of any series of Preferred Stock that have been redeemed (whether through the operation of a sinking fund or otherwise) or purchased by the Corporation, or which, if convertible or exchangeable, have been converted into or exchanged for shares of stock of any other class or series shall have the status of authorized and unissued shares of Preferred Stock and may be reissued as a part of the series of which they were originally a part or may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board or as part of any other series of Preferred Stock.

Section 4.8 Liquidation, Dissolution or Winding Up. In the event of a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the debts and liabilities of the Corporation and subject to the prior payment in full of the preferential amounts to which any series of Preferred Stock is entitled, the holders of shares of Common Stock of all classes shall share equally, on a share for share basis, in the assets of the Corporation remaining for distribution to its holders of Common Stock. Neither the consolidation or merger of the Corporation with or into any other person or persons nor the sale, transfer or lease of all or substantially all of the assets of the Corporation shall itself be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 4.8.

Section 4.9 Notice. The Corporation shall give written notice thereof to all holders of Membership Units (based on the ledger of ownership of the LLC) at least 20 days prior to (i) the date on which the Corporation sets a record date for determining rights in connection with a (x) merger, tender offer, reorganization, recapitalization, reclassification or other change in the capital structure of the Corporation or (y) any dividend or distribution (including in liquidation) and (ii) if no such record date is set, the date of such foregoing event.

ARTICLE V
BOARD OF DIRECTORS

Section 5.1 Classification and Election of Directors.

(a) The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors (the "Board"). The number of directors, other than those who may be elected by the holders of one or more series of Preferred Stock voting separately by class or series, shall be fixed by the Bylaws, but shall not be more than ten. The directors of the Corporation will be elected by the plurality of the votes cast by the holders of shares of Common Stock.

(b) The directors of the Corporation shall be divided as evenly as possible into three classes, designated "Class I", "Class II" and "Class III." If the number of directors is not evenly divisible by three, the remaining positions shall be allocated first to Class III and then to Class II. The initial terms of the Class I directors shall expire at the annual meeting of stockholders in 2008; the initial terms of the Class II directors shall expire at the annual meeting of stockholders in 2009; and the initial terms of the Class III directors shall expire at the annual meeting of stockholders in 2010. At each annual meeting of stockholders of the Corporation, the successors of that class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders of the Corporation held in the third year following the year of their election.

Section 5.2 Approval Rights of Certain Matters. So long as any Founding Member owns five percent or more of the then issued and outstanding Membership Units, including Membership Units acquired from another Founding Member or an Affiliate of another Founding Member (which, for purposes of this Section 5.2, shall be calculated to include (a) all shares of Common Stock beneficially owned by such Founding Member as of the date of determination as a result of the redemption of any Membership Units in accordance with Article 9 of the LLC Agreement, (b) any shares of Common Stock issued in connection with any dividend or distribution on the Common Stock so received as a result of the redemption of any Membership Units, and (c) any shares of Common Stock acquired from another Founding Member provided that such other Founding Member acquired such shares of Common Stock in a transaction described in clause (a)

or (b) above, but excluding (x) any shares of Common Stock otherwise acquired by the Founding Members and (y) any Membership Units issued to the Corporation in connection with redemption of Membership Units by a Founding Member (unless the Founding Member has disposed of any of the shares of Common Stock received in connection with such redemption of Membership Units (other than to another Founding Member in a transaction described in clause (c) above), in which case a number of Membership Units issued to the Corporation in connection with such redemption equal to the number of shares of Common Stock disposed of by such Founding Member shall be included in determining such Founding Member's ownership interest)), approval of 90 percent of the directors then in office, provided that if the Board has fewer than ten directors then the approval of 80 percent of the directors then in office, will be required prior to (x) the Corporation's taking of any of the following actions, or (y) the Corporation, in its capacity as manager of the LLC, authorizing the LLC to take any of the following actions, as the case may be:

(a) the assignment, transfer, sale or pledge of all or a portion of the Membership Interests beneficially owned by the Corporation;

(b) the acquisition, disposition, leasing or licensing of assets by the Corporation or the LLC or entering into a contract to do the foregoing, in a single transaction or in two or more transactions (related or unrelated) in any consecutive twelve-month period with an aggregate value (as determined in good faith by the Board) exceeding 20 percent of the fair market value of the business of the LLC operating as a going concern (as determined in good faith by the Board);

(c) the merger, reorganization, recapitalization, reclassification, consolidation, dissolution, liquidation or similar transaction of the Corporation or the LLC;

(d) the incurrence by the Corporation or the LLC of any funded indebtedness (including the refinancing of any funded indebtedness) or the repayment before due of any funded indebtedness (other than a working capital revolving line of credit) with a fixed term, in either case, in a single transaction or in two or more transactions (related or unrelated) in an aggregate amount in excess of $15.0 million per year;

(e)(1) the issuance, grant or sale of shares of Common Stock or Rights with respect to Common Stock, except in connection with (x) the issuance of Rights to Common Stock in connection with the Equity Incentive Plan (or such other equity incentive compensation plan as may be approved by the Board in the future) or (y) any exchange of Membership Units in accordance with Section 4.3, or (2) the issuance, grant or sale of any Preferred Stock or Rights with respect to Preferred Stock;

(f) the authorization, issuance, grant or sale of additional Membership Interests or Rights with respect to Membership Interests (except as provided in the LLC Agreement, Unit Adjustment Agreement or pursuant to the Equity Incentive Plan or such other equity incentive compensation plan as may be approved by the Board in the future);

(g) any amendment, modification, restatement or repeal of any provision of this Certificate or the Bylaws or the LLC Agreement;

(h) the entering into, modification or termination of any contract of the type specified in Item 601(b)(10)(i) of Regulation S-K;

(i) except as specifically set forth in the LLC Agreement, the declaration, setting aside or payment of any redemption of or dividends on Membership Interests, payable in cash, property or otherwise;

(j) the material amendment (as such term is described in IM-4350-5 to Rule 4350 of the Marketplace Rules of the NASDAQ Stock Market, Inc.) to the Equity Incentive Plan or the entering into or consummation of any new equity incentive compensation plan;

(k) any change in the current business purpose of the Corporation to serve solely as the manager of the LLC or any change in the current business purpose of the LLC to provide the services as set forth in the ESAs; and

(l) the approval of any actions relating to the LLC that could reasonably be expected to have a material adverse tax effect on the Founding Members.

Notwithstanding anything in this Section 5.2 to the contrary, a Founding Member shall permanently cease to be a Founding Member for purposes of this Certificate (i) if at any time such Founding Member owns less than five percent of the then issued and outstanding Membership Units as determined pursuant to this Section 5.2, or (ii) upon the occurrence of a direct or indirect Change of Control of such Founding Member, or any direct or indirect holder of equity in such Founding Member (other than a Change of Control (A) of such Founding Member's ESA Party or its stockholders, or (B) in which, following the Change of Control, the Founding Member's ESA Party or its stockholders owns 50 percent or more of the general voting power of the transferee).

Section 5.3 Modification or Amendment of ESAs. Any (i) modification or amendment of an ESA which could reasonably be expected (in the good faith determination of the Board) to result in payments to or from the LLC in excess of $50,000 or (ii) entry into or amendment of any contract or transaction which could reasonably be expected (in the good faith determination of the Board) to result in payments to or from the LLC or the Corporation in excess of $50,000 between (a) the

LLC or the Corporation and (b) any Founding Member, will require the approval of a majority of the directors then in office and a majority of the Independent Directors then in office.

Section 5.4 Term of Office. A director shall hold office until his or her successor shall be qualified and elected, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal from office. No decrease in the number of directors constituting the Board shall shorten the term of any incumbent director, except as may be provided for in a Preferred Stock Designation with respect to any additional director elected by the holders of the applicable series of Preferred Stock.

Section 5.5 Removal. Subject to the rights of the holders of any series of Preferred Stock and the terms of the Director Designation Agreement, any or all of the directors of the Corporation may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the outstanding Common Stock.

Section 5.6 Notice of Nominations. Advance notice of nominations for the election of directors, other than nominations by the Board or a committee thereof, shall be given to the Corporation in the manner provided in the Bylaws.

Section 5.7 Newly Created Directorships and Vacancies. Subject to the rights of holders of any series of Preferred Stock, any newly created directorship resulting from an increase in the number of directors or any other vacancy with respect to the office of a director, however caused, shall be filled only by a majority of the directors then in office (even if less than a quorum) or by a sole remaining director, in each case in accordance with the Director Designation Agreement. Subject to the terms and conditions of the Director Designation Agreement, any director elected by one or more directors to fill a newly created directorship or other vacancy shall hold office for the remainder of the full term of the class of directors to which the new directorship was added or in which the vacancy occurred and until his or her successor shall have been elected and qualified, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

ARTICLE VI
NO LIABILITY

To the fullest extent permitted by the DGCL, as now existing or hereafter amended, a director of the Corporation shall not be liable to the Corporation or any of its stockholders for monetary damages for breach of his or her fiduciary duty as a director. Any amendment or repeal of this Article VI shall be prospective only and shall not adversely affect any limitation, right or protection of a director of the Corporation existing under this Article VI immediately before the amendment or repeal.

ARTICLE VII
INDEMNIFICATION

Section 7.1 Right to Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any Person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Person. The Corporation shall be required to indemnify or make advances to a Person in connection with a Proceeding (or part thereof) initiated by such Person only if the Proceeding (or part thereof) was authorized by the Board.

Section 7.2 Prepayment of Expenses. The Corporation shall, to the fullest extent not prohibited by law, pay the expenses (including attorneys' fees) incurred by a director or officer in defending any Proceeding in advance of its final disposition, *provided, however*, that the payment of expenses incurred by a director or officer in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article VII or otherwise.

Section 7.3 Claims. If a claim for indemnification or payment of expenses under this Article VII is not paid in full within 60 days after a written claim therefor has been received by the Corporation, the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action, the Corporation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 7.4 Non-Exclusivity of Rights. The rights conferred on any Person by this Article VII shall not be exclusive of any other rights that such Person may have or hereafter acquire under any statute, provision of this Certificate, the Bylaws, agreement, vote of stockholders or resolution of disinterested directors or otherwise.

Section 7.5 Other Indemnification. The Corporation's obligation, if any, to indemnify or advance expenses to any Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such Person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or nonprofit entity.

Section 7.6 Indemnification of Other Persons. This Article VII shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to Persons other than those Persons identified in Section 7.1 when and as authorized by a majority of the entire Board (without regard to vacancies) or by the action of a committee of the Board or designated officers of the Corporation established by or designated in resolutions approved by a majority of the entire Board (without regard to vacancies); *provided, however*, that the payment of expenses incurred by such a Person in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by such Person to repay all amounts advanced if it should be ultimately determined that such Person is not entitled to be indemnified under this Article VII or otherwise.

ARTICLE VIII
ACTION BY CONSENT

Except as provided in any Preferred Stock Designation with respect to one or more series of Preferred Stock, after the Corporation first has a class of securities registered under Section 12(g) of the Securities Exchange Act of 1934, as amended, or its equivalent, any action required or permitted to be taken by the stockholders of the Corporation must be taken at a duly called annual or special meeting of the stockholders and may not be taken by consent in writing or otherwise.

ARTICLE IX
STOCKHOLDER MEETINGS

Except as otherwise required by law or provided in the Bylaws, and subject to the rights of the holders of any class or series of shares issued by the Corporation having a preference over the Common Stock as to dividends or upon liquidation to elect directors in certain circumstances, special meetings of the stockholders of the Corporation may be called only by the Board pursuant to a resolution approved by the affirmative vote of a majority of the directors then in office.

ARTICLE X
ELECTIONS

Election of directors need not be by written ballot unless so provided in the Bylaws.

ARTICLE XI
BYLAWS

Subject to Section 5.2 hereof and to the provisions of the Bylaws, the Board shall have the power to adopt, alter, amend or repeal the Bylaws by vote of not less than a majority of the directors then in office. The holders of shares of Common Stock shall also have the power to adopt, alter, amend or repeal the Bylaws, but only if such action receives the affirmative vote of the holders of at least 66-2/3 percent of the outstanding Common Stock.

ARTICLE XII
AMENDMENT OF CERTIFICATE

Notwithstanding anything to the contrary in this Certificate and in addition to the vote required by the Board as set forth in Section 5.2 hereof, the affirmative vote of the holders of at least a majority of the outstanding Common Stock shall be required to amend this Certificate (in any such case including, without limitation, by merger, consolidation, binding share exchange or otherwise).

ARTICLE XIII
EXISTENCE

The term of the existence of the Corporation shall be perpetual.

ARTICLE XIV
CORPORATE OPPORTUNITIES

The Corporation renounces any interest or expectancy in, or in being offered the opportunity to participate in, business opportunities that are presented to the Corporation, the LLC or to one or more of the officers, directors or stockholders (both direct and indirect) of the Corporation and members of the LLC that relate to the provision of services to motion picture theaters, use of theaters for any purpose, sale of advertising and promotional services in and around theaters and any other business related to the motion picture theater business, except services as provided in any ESAs and except as may be offered to an officer of the Corporation in his capacity as an officer of the Corporation, even if the business opportunity is one that the Corporation might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no such person shall be liable to the Corporation or any stockholder of the Corporation (or any Affiliate thereof) for breach of any fiduciary or other duty by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation.

ARTICLE XV
NON-ASSESSABLE

The capital stock of the Corporation shall not be assessable. It shall be issued as fully paid, and the private property of the stockholders shall not be liable for the debts, obligations or liabilities of this Corporation. This Certificate shall not be subject to amendment in this respect.

ARTICLE XVI
SECTION 203

The Corporation hereby elects not to be governed by Section 203 of the DGCL, and the restrictions contained in Section 203 shall not apply to the Corporation.

ARTICLE XVII
DEFINITIONS

For purposes of this Certificate the following terms shall have the meaning set forth below.

"Affiliate" means with respect to any Person, any Person that directly or indirectly, through one or more intermediaries Controls, is Controlled by or is under common Control with such Person. Notwithstanding the foregoing, (i) no Founding Member shall be deemed an Affiliate of the Corporation, (ii) the Corporation shall not be deemed an Affiliate of any Founding Member, (iii) no stockholder of REG, or any of such stockholder's Affiliates (other than REG and its Subsidiaries) shall be deemed an Affiliate of any Founding Member or the Corporation, (iv) no stockholder of Marquee Holdings, or any of such stockholder's Affiliates (other than Marquee Holdings and its Subsidiaries) shall be deemed an Affiliate of any Founding Member or the Corporation, (v) no stockholder of Cinemark, or any of such stockholder's Affiliates (other than Cinemark and its Subsidiaries) shall be deemed an Affiliate of any Founding Member or the Corporation, (vi) no stockholder of the Corporation shall be deemed an Affiliate of the Corporation, and (vii) the Corporation shall not be deemed an Affiliate of any stockholder of the Corporation.

"AMC" means American Multi-Cinema, Inc., a Missouri corporation, including any Affiliate or Permitted Transferee thereof, so long as any Permitted Transferee continues to qualify as a Permitted Transferee.

"Board" has the meaning set forth in Section 5.1(a).

"Business Day" means a day other than a Saturday, Sunday, federal holiday or other day on which commercial banks in New York, New York are authorized or required by law to close.

"Bylaws" means the bylaws of the Corporation, as they may be amended, supplemented or otherwise modified from time to time.

"Cash Settlement" has the meaning set forth in Section 4.3(b).

"Certificate" has the meaning set forth in the introductory paragraph.

"Change of Control" with respect to any Person that is not an individual, means (i) any merger or consolidation with or into any other entity or any other similar transaction, whether in a single transaction or series of related transactions, where (A) the members or stockholders of such Person immediately prior to such transaction in the aggregate cease to own at least 50 percent of the general voting power of the entity surviving or resulting from such transaction (or its stockholders or the Ultimate Parent thereof) or (B) any Person or Group becomes the beneficial owner of more than 50 percent of the general voting power of the entity surviving or resulting from such transaction (or its stockholders or the Ultimate Parent thereof), (ii) any transaction or series of related transactions in which in excess of 50 percent of such Person's general voting power is Transferred to any other Person or Group or (iii) the sale or Transfer by such Person of all or substantially all of its assets.

"Cinemark" means Cinemark Holdings, Inc. or its successor or any Person that wholly-owns Cinemark Holdings, Inc., directly or indirectly, in the future.

"Cinemark Media" mean Cinemark Media, Inc., a Delaware corporation, including any Affiliate or Permitted Transferee thereof, so long as any Permitted Transferee continues to qualify as a Permitted Transferee.

"Cinemark USA" means Cinemark USA, Inc., a Texas corporation.

"Common Stock" has the meaning set forth in Section 4.1(a).

"Control" (including the terms "Controlled by" and "under common Control with"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"Corporation" has the meaning set forth in Article I.

"DGCL" has the meaning set forth in introductory paragraph B.

"Director Designation Agreement" means the Director Designation Agreement, dated as of _____ __, 2007, by and among the Founding Members and the Corporation, as it may be amended, supplemented or otherwise modified from time to time.

"Equity Incentive Plan" means the National CineMedia Inc. 2007 Equity Incentive Plan, as it may be amended, supplemented, or otherwise modified from time to time.

"ESA" means any of the Exhibitor Services Agreements entered into, effective as of _____ __, 2007, by and between the LLC and each ESA Party, as each may be amended, supplemented or otherwise modified from time to time.

"ESA Party" means (i) AMC in the case of AMC, (ii) Cinemark USA in the case of Cinemark Media, and (iii) Regal Cinemas in the case of Regal.

"Exchange Date" has the meaning set forth in Section 4.3(a).

"Exchange Price" means the arithmetic average of the volume weighted average prices for a share of the Common Stock on the principal United States securities exchange or automated or electronic quotation system on which the Common Stock trades, as reported by Bloomberg, L.P., or its successor, for each of the three consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Exchange Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Common Stock. If the Common Stock no longer trades on a securities exchange or automated or electronic quotation system, then a majority of the Independent Directors of the Corporation shall determine the Exchange Price in good faith.

"Exchanged Units" has the meaning set forth in Section 4.3(a).

"Founding Members" means AMC, Cinemark Media and Regal.

"Group" has the meaning set forth in Section 13(d)(3) and Rule 13d-5 of the Securities Exchange Act of 1934, as amended.

"Independent Director" means any director of the Corporation that if the Common Stock is traded on the NASDAQ Stock Market, satisfies the definition of an "independent director" set forth in the applicable rules in the Marketplace Rules of the NASDAQ Stock Market, Inc., as such rules may be amended from time to time, or, if the Common Stock is then traded on a different exchange, such term shall mean any director of the Corporation that satisfies the definition of independent director according to the rules of such exchange.

"LLC" means National CineMedia, LLC, a Delaware limited liability company, or its successor.

"LLC Agreement" means the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC dated as of _____, 2007, as it may be amended, supplemented, or otherwise modified from time to time.

"Marquee Holdings" means Marquee Holdings Inc. or its successor or any Person that wholly-owns Marquee Holdings Inc., directly or indirectly, in the future.

"Member" means each member of the LLC.

"Membership Interest" means a membership interest in LLC.

"Membership Unit" means an outstanding common membership unit of the LLC.

"Permitted Transferee" means in the case of any Founding Member and any Permitted Transferee of any Founding Member (i) an Affiliate of such Founding Member or Permitted Transferee, or (ii) a non-Affiliate of such Founding Member or Permitted Transferee that is owned more than 50 percent directly or indirectly through one or more entities that are the same entities that own 50 percent or more of the general voting power of the Ultimate Parent of such Founding Member.

"Person" means any individual, corporation, limited liability company, partnership, trust, joint stock company, business trust, unincorporated association, joint venture or other entity or organization of any nature whatsoever.

"Preferred Stock" has the meaning set forth in Section 4.1(b).

"Preferred Stock Designation" has the meaning set forth in Section 4.7.

"Proceeding" has the meaning set forth in Section 7.1.

"Redemption Notice" has the meaning set forth in Section 4.3(a).

"REG" means Regal Entertainment Group or its successor or any Person that wholly-owns Regal Entertainment Group, directly or indirectly, in the future.

"Regal" mean Regal CineMedia Holdings, LLC, a Delaware limited liability company, including any Affiliate or Permitted Transferee thereof, so long as any Permitted Transferee continues to qualify as a Permitted Transferee.

"Regal Cinemas" means Regal Cinemas, Inc., a Tennessee corporation.

"Retraction Notice" has the meaning set forth in Section 4.3(b).

"Rights" means, when used with respect to a specified Person, securities of such Person (which may include equity securities) that (contingently or otherwise) are

exercisable, convertible or exchangeable for or into equity securities of such Person (with or without consideration) or that carry any right to subscribe for or acquire equity securities or securities exercisable, convertible or exchangeable for or into equity securities of such Person.

"Settlement Notice" has the meaning set forth in Section 4.3(b).

"Share Settlement" has the meaning set forth in Section 4.3(b).

"Subsidiary" means, with respect to any Person, (i) a corporation a majority of whose capital stock with the general voting power under ordinary circumstances to vote in the election of directors of such corporation (irrespective of whether or not, at the time, any other class or classes of securities shall have, or might have, voting power by reason of the happening of any contingency) is at the time beneficially owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries thereof or (ii) any other Person (other than a corporation), including a joint venture, a general or limited partnership or a limited liability company, in which such Person, one or more Subsidiaries thereof or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, beneficially own at least a majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other Persons performing such functions) or act as the general partner or managing member of such other Person.

"Trading Day" means a day on which the principal United States securities exchange on which such security is listed or admitted to trading, or any automated or electronic quotation system if such security is only listed or admitted to trading on such automated or electronic quotation system, as applicable, is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"Transfer" (including the term "Transferred") means, with respect to any Person, directly or indirectly, to sell, transfer, give, exchange, bequest, assign, pledge, encumber, hypothecate or otherwise dispose of, either voluntarily or involuntarily (including (i) except as provided in clause (a) below, the direct or indirect Change of Control of any Founding Member or Permitted Transferee (or any direct or indirect holder of equity in a Founding Member or Permitted Transferee), and (ii) upon the foreclosure under any pledge or hypothecation permitted by clause (b) below that results in a change of title), any capital stock or other equity interest of such Person or other assets beneficially owned by such Person. Notwithstanding the foregoing: (a) the Change of Control of an ESA Party or its stockholders shall not be deemed to be a Transfer hereunder, and (b) a bona fide pledge of Membership Interests or Common Stock by the Corporation or any Founding Member or their Affiliates shall not be deemed to be a Transfer hereunder.

"Ultimate Parent" means (i) Marquee Holdings in the case of AMC, (ii) Cinemark in the case of Cinemark Media, and (iii) REG in the case of Regal.

"Unit Adjustment Agreement" means the Common Unit Adjustment Agreement dated as of _____, 2007, as it may be amended, supplemented, or otherwise modified from time to time, by and among the Founding Members, Regal Cinemas, Inc., Cinemark USA, Inc., the Company and the LLC.

IN WITNESS WHEREOF, National CineMedia, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed and attested as of the __ day of _____, 2007.

By: _____
Name: Ralph E. Hardy
Title: Vice President and Secretary

016570| 003590|127C|RESTRICTED|4|057-423

COMMON STOCK

PAR VALUE $.xx

COMMON STOCK

THIS CERTIFICATE IS TRANSFERABLE IN CANTON, MA AND JERSEY CITY, NJ AND NEW YORK, NY

Certificate Number

ZQ 000000

Shares

600620****
600620**
****600620****
*****600620***
******600620**

NATIONAL CINEMEDIA, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT

MR. SAMPLE & MRS. SAMPLE & MR. SAMPLE & MRS. SAMPLE

CUSIP XXXXXX XX X

SEE REVERSE FOR CERTAIN DEFINITIONS

is the owner of

*** SIX HUNDRED THOUSAND SIX HUNDRED AND TWENTY ***

FULLY-PAID AND NON-ASSESSABLE SHARES OF THE COMMON STOCK OF

National CineMedia, Inc. (hereinafter called the "Company"), transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

FACSIMILE SIGNATURE TO COME

President

FACSIMILE SIGNATURE TO COME

Secretary

SEAL

DATED <<Month Day, Year>>

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

By _____
AUTHORIZED SIGNATURE

1234567

Computershare
cinemedia

PO BOX 43064, Providence, RI 02940-3064

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

CUSIP XXXXXX XX X
Holder ID XXXXXXXXX
Insurance Value 1,000,000.00
Number of Shares 123456
DTC

Certificate Numbers	Num	No. Denom.	Total
12345678	1234567890123456	123456	
1234567890123456789	1	1	1
1234567890123456789	2	2	2
1234567890123456789	3	3	3
1234567890123456789	4	4	4
1234567890123456789	5	5	5
1234567890123456789	6	6	6
Total Transaction			7

NATIONAL CINEMEDIA, INC.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT- ..... (Cust) .....Custodian ..... (Minor)
TEN ENT	- as tenants by the entireties	under Uniform Gifts to Minors Act ..... (State)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT ..... (Cust) .....Custodian (until age. . .) ..... (Minor) under Uniform Transfers to Minors Act. ..... (State)

Additional abbreviations may also be used though not in the above list.

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH CERTIFICATE.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

For value received, _____hereby sell, assign and transfer unto

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

_____

_____

_____ Shares

of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

Dated: _____20_____

Signature: _____

Signature: _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK

123457

Exhibit 5.1

[LETTERHEAD OF HOLME ROBERTS & OWEN LLP]

January 23, 2007

National CineMedia, Inc.
9110 E. Nichols Ave., Suite 200
Centennial, CO 80112-3405

Re: National CineMedia, Inc.
Registration Statement on Form S-1
Registration No. 333-137976

Ladies and Gentlemen:

As counsel for National CineMedia, Inc., a Delaware corporation (the "Company"), we have examined the above-referenced Registration Statement on Form S-1 (the "Registration Statement"), under the Securities Act of 1933, as amended (the "Act"), that the Company has filed with the United States Securities and Exchange Commission (the "SEC") with respect to the registration of 42,000,000 shares of its common stock, par value $0.01 per share (the "Shares"). The Shares consist of 42,000,000 Shares to be sold pursuant to an Underwriting Agreement to be entered into among the Company, Credit Suisse Securities (USA) LLC, J.P. Morgan Securities Inc., Lehman Brothers Inc. and Morgan Stanley & Co. Incorporated, as Representatives (in the form filed as Exhibit 1.1 to the Registration Statement, the "Underwriting Agreement") including (i) 38,000,000 Shares to be sold by the Company and (ii) up to 4,000,000 Shares to be sold by the Company if the underwriters exercise their over-allotment option.

In connection with the Company's preparation and filing of the Registration Statement, we have examined originals or copies of all documents, corporate records or other writings that we consider relevant for the purposes of this opinion. In such examination, we have assumed the genuineness of all signatures on all original documents, the legal competency of each individual executing any such documents, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as photocopies of originals. As to matters of fact not directly within our actual knowledge, we have relied upon certificates, telegrams and other documents from public officials in certain jurisdictions.

Based on and subject to the foregoing and the limitations, qualifications, exceptions and assumptions set forth herein, it is our opinion that, upon the filing of the Amended and Restated Certificate of Incorporation of the Company in the form filed as Exhibit 3.2 to the Registration Statement (the "Certificate of Incorporation") with the Secretary of State of the State of Delaware and the execution and delivery of the Underwriting Agreement, the Shares will be duly authorized, and the Shares will be validly issued, fully paid and non-assessable when the Shares have been issued and sold by the Company and the Company has received the purchase price therefor, in accordance with the terms of the Underwriting Agreement.

The opinions expressed herein are limited to the General Corporation Law of the State of Delaware (including the statutory provisions and all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting these laws).

We hereby consent to the reference to us in the Registration Statement and all amendments to the Registration Statement under the caption "Legal Matters" and the use of this opinion as an exhibit to the Registration Statement; provided however, in giving this consent we do not admit that we are included in the category of people whose consent is required under Section 7 of the Act or the rules of the SEC promulgated thereunder. We express no opinion as to any matters not expressly set forth herein.

The opinions expressed herein are rendered as of the date hereof. We do not undertake to advise you of matters that may come to our attention subsequent to the date hereof and that may affect the opinions expressed herein, including without limitation, future changes in applicable law. This letter is our opinion as to certain legal conclusions as specifically set forth herein and is not and should not be deemed to be a representation or opinion as to any factual matters.

Very truly yours,

/s/ HOLME ROBERTS & OWEN LLP

Exhibit 10.2

COMMON UNIT SUBSCRIPTION AGREEMENT

THIS COMMON UNIT SUBSCRIPTION AGREEMENT dated as of [_____], 2007 (this "Agreement"), is between National CineMedia, Inc., a Delaware corporation ("NCM Inc."), and National CineMedia, LLC, a Delaware limited liability company ("NCM LLC"). Certain terms used in this Agreement are defined in Section 1.1.

RECITALS

A. NCM Inc. is contemplating an offer and sale of its Common Stock to the public in an underwritten initial public offering (the "IPO").

B. NCM Inc. desires to purchase with the proceeds of the IPO, and NCM LLC desires to issue and sell to NCM Inc., a number of LLC Common Units equal to the number of shares of Common Stock sold in the IPO at a price per LLC Common Unit equal to the Net Proceeds per share of the Common Stock sold in the IPO.

C. Immediately prior to or simultaneously with the consummation of the transactions contemplated by this Agreement, NCM Inc. and the Founding Members shall enter into the Amended and Restated Operating Agreement pursuant to which NCM Inc. will be admitted as a member, and appointed as the manager, of NCM LLC.

AGREEMENT

In consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NCM Inc. and NCM LLC agree as follows:

1. **Definitions**

1.1 **Certain Definitions.** For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"Amended and Restated Operating Agreement" means the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, to be entered into among NCM Inc. and each of the Founding Members substantially in the form attached hereto as Exhibit A.

"Common Stock" means the common stock, par value $0.01 per share, of NCM Inc.

"Encumbrance" means, with respect to any specified asset, any security interest, lien, mortgage, claim, charge, pledge, restriction, option, reservation, equitable interest, deed of trust, right of first refusal, easement, servitude or encumbrance of any nature.

"Equity Incentive Plan" means the National CineMedia Inc. 2006 Equity Incentive Plan.

"Founding Members" means each of (i) National Cinema Network, Inc., a Delaware corporation, (ii) Cinemark Media, Inc., a Delaware corporation, and (iii) Regal CineMedia Holdings, LLC, a Delaware limited liability company.

"LLC Common Units" means the Common Units of NCM LLC as described in the Amended and Restated Operating Agreement as they may be adjusted in connection with the IPO (but excluding any LLC Preferred Units).

"LLC Preferred Units" means the Preferred Units of NCM LLC as described in the Amended and Restated Operating Agreement.

"LLC Units" means the LLC Common Units and the LLC Preferred Units.

"Net Proceeds" means the price per share at which shares of Common Stock are sold to the public in the IPO, less underwriting discounts and commissions and offering expenses.

"Prospectus" means the final prospectus for the IPO contained in the registration statement filed on Form S-1 with the Securities and Exchange Commission.

"Tax Receivable Agreement" means the Tax Receivable Agreement substantially in the form attached hereto as Exhibit B, to be entered into by and among NCM Inc. and the Founding Members.

"Underwriting Agreement" means the underwriting agreement to be entered into among NCM Inc. and the managing underwriters for the IPO.

1.2 **Additional Terms.** In addition to defined terms identified in Section 1.1, the following terms have the meanings assigned in the Sections referred to in the table below:

Term	Section
Closing	2.3
Closing Date	2.3
IPO	Recitals
Manager	Preamble
Purchase Price	2.2
Purchased Units	2.1
NCM Inc.	Preamble

2. **Purchase of NCM LLC Units; Purchase Price; Closing.**

2.1 **Transfer**. NCM LLC hereby agrees to issue and sell to NCM Inc. on the Closing Date, and NCM Inc. hereby agrees to buy and accept on the Closing Date, free and clear of all Encumbrances, a number of LLC Common Units equal to the number of shares of Common Stock sold in the IPO (collectively, the "Purchased Units").

2.2 **Purchase Price.** The price for each of the Purchased Units shall be an amount equal to the Net Proceeds (the "Purchase Price"), which shall be delivered to NCM LLC at Closing by wire transfer of immediately available in accordance with Section 2.4(b)(ii).

2.3 **Closing.** The closing (the "Closing") of the transactions contemplated hereby shall be held at the offices of Holme Roberts & Owen LLP, 1700 Lincoln Street, Suite 4100, Denver, Colorado at the time and date on which all the conditions set forth in Section 5 have been satisfied or waived, or at such later time and date as NCM Inc. and NCM LLC shall agree in writing (such time and date, the "Closing Date").

2.4 **Closing Deliverables.**

(a) NCM LLC shall deliver, or cause to be delivered, the following documents to NCM Inc. at Closing:

(i) a certificate or certificates representing the Purchased Units being issued and sold to NCM Inc. identifying NCM Inc. as the registered holder thereof;

(ii) the Tax Receivable Agreement signed by each Founding Member; and

(iii) all other customary documents, instruments or certificates as shall be reasonably requested by NCM Inc. and as shall be consistent with the terms of this Agreement.

(b) NCM Inc. shall deliver, or cause to be delivered, the following documents to NCM LLC at Closing:

(i) the Tax Receivable Agreement signed by NCM Inc.; and

(ii) the Purchase Price by wire transfer of immediately available funds to an account designated by NCM LLC at least three business days prior to Closing.

2.5 **Closing Costs; Transfer Taxes and Fees.** NCM LLC shall be responsible for the documentary and transfer taxes and any sales or other taxes, if any, imposed by reason of the sale of the LLC Common Units under this Agreement and any deficiency, interest or penalty asserted with respect thereto.

3. **Representations and Warranties of NCM LLC.** As of the date of this Agreement and as of the Closing Date, NCM LLC represents and warrants to NCM Inc. as follows:

3.1 **Organization; Good Standing; Qualification.** NCM LLC is a limited liability company, duly organized and validly existing under the laws of the State of Delaware and is in good standing under such laws. NCM LLC has the requisite power and authority to own and operate its properties and assets, and to carry on its business as presently conducted and as proposed to be conducted. NCM LLC is in good standing and qualified to do business in every jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition or its ability to enter into this Agreement or to consummate the transactions contemplated hereby.

3.2 **Authorization.** The execution, delivery and performance of this Agreement and the issuance and sale of the LLC Common Units have been duly authorized by NCM LLC. This Agreement constitutes the legal, valid and binding obligation of NCM LLC enforceable against NCM LLC in accordance with its terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally and (ii) the effect of rules of law governing the availability of equitable remedies..

3.3 **Consents.** Except as has been obtained or will be obtained prior to Closing, no consent, approval or authorization of, or designation, declaration or filing with, any governmental authority or other third party on the part of NCM LLC is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

3.4 **Capitalization of NCM LLC.** Immediately prior to the execution and delivery of this Agreement, there are (i) [_____] LLC Common Units issued and outstanding, (ii) [_____] LLC Preferred Units issued and outstanding, and (iii) [_____] LLC Common Units reserved for issuance upon exercise of options granted under the NCM LLC 2006 Unit Option Plan. There are no outstanding options, warrants, rights (including conversion or preemptive rights), voting agreements, investor or other type of agreement with respect to the LLC Units or other agreements for the purchase or acquisition from NCM LLC of any LLC Units, except pursuant to the NCM LLC 2006 Unit Option Plans. The assets and liabilities of NCM LLC are as set forth in the financial statements included in the Prospectus as of the date indicated.

4. **Representations and Warranties of NCM Inc.** As of the date of this Agreement and as of the Closing Date, NCM Inc. hereby represents and warrants to NCM LLC as follows:

4.1 **Organization; Good Standing; Qualification.** NCM Inc. is a corporation duly organized and validly existing under the laws of the State of Delaware and is in good standing under such laws. NCM Inc. has the requisite power and authority to own and operate its properties and assets, and to carry on its business as presently conducted and as proposed to be conducted. NCM Inc. is in good standing and qualified to do business in every jurisdiction where the failure to so qualify would have a material adverse effect on its ability to enter into this Agreement or to consummate the transactions contemplated hereby.

4.2 **Authorization.** The execution, delivery and performance of this Agreement and the purchase of the Purchased Units have been duly authorized by NCM Inc. This Agreement constitutes the legal, valid and binding obligation of NCM Inc. enforceable against NCM Inc. in accordance with its terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally and (ii) the effect of rules of law governing the availability of equitable remedies.

4.3 **Consents.** Except as has been obtained or will be obtained prior to Closing, no consent, approval or authorization of, or designation, declaration or filing with, any governmental authority or other third party on the part of NCM Inc. is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

5. **Conditions to Closing.**

5.1 **Conditions to the Obligations of All Parties.** The obligations of the parties under this Agreement are subject to the fulfillment or waiver of the following conditions:

(a) There shall not have been issued and be in effect any order, decree or judgment of, or in, any court, tribunal of competent jurisdiction or governmental authority which makes the issue and sale of the Purchased Units or any of the other transactions contemplated by this Agreement illegal or invalid;

(b) NCM Inc. shall have entered into the Underwriting Agreement with respect to the IPO and all conditions to the consummation thereof shall have been, or will contemporaneously be, satisfied, except for conditions to be satisfied at the Closing under this Agreement; and

(c) NCM LLC shall have been recapitalized in the manner described in the Prospectus.

5.2 **Condition to Obligations of NCM Inc.** In addition to the conditions specified in Section 5.1, the obligations of NCM Inc. under this Agreement are subject to the fulfillment or waiver of the following conditions:

(a) all covenants, agreements and conditions contained in this Agreement to be performed by NCM LLC on or prior to the Closing shall have been performed or complied with in all material respects;

(b) each of the representations and warranties of NCM LLC set forth in this Agreement that is qualified as to a material adverse effect shall be true and correct, and each of the representations and warranties of NCM LLC set forth in this Agreement that is not so qualified shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent in either case that such representations and warranties speak as of another date); and

(c) NCM LLC shall have delivered, or caused to be delivered, to NCM Inc. instruments of transfer and other transaction documents, in form and substance reasonably satisfactory to NCM Inc., to effect the issue and sale of the Purchased Units to NCM Inc. and the other transactions contemplated by this Agreement, including those documents identified in Section 2.4(a).

5.3 **Conditions to the Obligations of NCM LLC.** In addition to the conditions specified in Section 5.1, the obligations of NCM LLC under this Agreement are subject to the fulfillment or waiver of the following conditions:

(a) all covenants, agreements and conditions contained in this Agreement to be performed by NCM Inc. on or prior to the Closing shall have been performed or complied with in all material respects;

(b) each of the representations and warranties of NCM Inc. set forth in this Agreement that is qualified as to a material adverse effect shall be true and correct, and each of the representations and warranties of NCM Inc. set forth in this Agreement that is not so qualified shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent in either case that such representations and warranties speak as of another date); and

(c) NCM Inc. shall have delivered to NCM LLC instruments of transfer and other transaction documents, in form and substance reasonably satisfactory to NCM LLC, to effect the issue and sale of the Purchased Units to NCM Inc. and the other transactions contemplated by this Agreement, including those documents identified in Section 2.4(b).

6. **Termination**. If the conditions set forth in Section 5 are not satisfied or waived on or before [_____, 2007] or if the registration statement with respect to the IPO is withdrawn for any reason prior to that date, this Agreement shall become null and void and be of no further force or effect whatsoever and neither NCM LLC nor NCM Inc. shall have any further obligations hereunder or with respect hereto.

7. **Covenants**.

7.1 **Further Assurances**. From time-to-time and after the date hereof, NCM LLC shall deliver or cause to be delivered to NCM Inc. such further documents and instruments and shall do and cause to be done such further acts as NCM Inc. shall reasonably request to carry out more effectively the provisions and purposes of this Agreement.

7.2 **No Transfer or Encumbrance**. Between the date hereof and the Closing Date and except as specifically disclosed in the Prospectus, NCM LLC shall not issue, grant or sell any additional LLC Units or any rights to any LLC Units (except pursuant to the Equity Incentive Plan).

7.3 **Conduct of the Business**. Between the date hereof and the Closing Date and except as specifically disclosed in the Prospectus, NCM LLC shall (i) conduct the business of NCM LLC in the ordinary course consistent with past practice, (ii) use all commercially reasonable efforts to (A) retain the services of its key employees, (B) preserve NCM LLC's relationships with material customers, suppliers, sponsors, licensors and creditors, and (C) maintain and keep NCM LLC's properties and assets in as good repair and condition as at present, ordinary wear and tear excepted, (iii) maintain its capital structure as it exists on the date of this Agreement, except as specifically contemplated hereunder, and (iv) refrain from making (A) any distributions to the Founding Members or their affiliates, or (B) any direct or indirect redemption, retirement, purchase or other acquisition of any LLC Units or membership interests of any nature.

8. **Miscellaneous**

8.1 **Governing Law**. This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Delaware without giving effect to principles of conflicts of law.

8.2 **Notices**. All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall be deemed to have been received when delivered personally, or when transmitted by overnight delivery service, addressed as follows:

If to NCM Inc.:

National CineMedia, Inc.
9110 East Nichols Avenue
Suite 200
Centennial CO 80112-3405
Attention: General Counsel

with a copy to:

Holme Roberts & Owen LLP
1700 Lincoln Street, Suite 4100
Denver, Colorado 80203-4541
Attention: W. Dean Salter
Fax: (303) 866-0200

If to NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue
Suite 200
Centennial CO 80112-3405
Attention: General Counsel

with a copy to:

Holme Roberts & Owen LLP
1700 Lincoln Street, Suite 4100
Denver, Colorado 80203-4541
Attention: W. Dean Salter
Fax: (303) 866-0200

Any party to this Agreement may change its address for notices, demands and other communications under this Agreement by giving notice of such change to the other party hereto in accordance with this Section 8.2.

8.3 **Survival.** The representations, warranties, covenants and agreements made herein shall survive any investigation made by any of the parties hereto and the closing of the transactions contemplated hereby.

8.4 **Benefit of Parties; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, legal representatives and permitted assigns. This Agreement may not be assigned by either NCM Inc. or NCM LLC except with the prior written consent NCM LLC, in the case of an assignment by NCM Inc., or NCM Inc., in the case of an assignment by NCM LLC. Nothing herein contained shall confer or is intended to confer on any third party or entity that is not a party to this Agreement any rights under this Agreement.

8.5 **Amendment.** This Agreement may not be amended, modified, altered or supplemented except by means of a written instrument executed on behalf of each of NCM Inc. and NCM LLC.

8.6 **Waiver.** No failure on the part of either party hereto to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of either party hereto in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver thereof; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

8.7 **Severability**. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8.8 **Entire Agreement**. This Agreement sets forth the entire understanding of parties hereto and supersedes all other agreements and understandings between the parties hereto relating to the subject matter hereof.

8.9 **Counterparts and Facsimiles**. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other. The parties hereto may execute the signature pages hereof and exchange such signature pages by facsimile transmission.

8.10 **Interpretation of Agreement**.

(a) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation.”

(b) Unless otherwise specified, references in this Agreement to “Sections” and “Exhibits” are intended to refer to Sections of, and Exhibits to, this Agreement.

(c) The Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

(d) Each party hereto and its counsel cooperated in drafting and preparation of this Agreement and the documents referred to in this Agreement. Any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the party that drafted it is of no application and is hereby expressly waived.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

NCM INC.:

NATIONAL CINEMEDIA, INC.

By: _____
Name: _____
Title: _____

NCM LLC:

NATIONAL CINEMEDIA, LLC

By: _____
Name: _____
Title: _____

[Signature page of Common Unit Subscription Agreement]

SECOND AMENDED AND RESTATED SOFTWARE LICENSE AGREEMENT

This Second Amended and Restated Software License Agreement (this "**Agreement**") is made and entered into as of _____, 2007 ("**Effective Date**") by and among American Multi-Cinema, Inc., a Missouri corporation ("**AMC**"), Regal CineMedia Corporation, a Virginia corporation ("**Regal**"), Cinemark USA, Inc., a Texas corporation ("**Cinemark**"), and National CineMedia, LLC (the "**Company**"), and amends and restates in its entirety the Amended and Restated Software License Agreement by and among AMC, Regal, Cinemark, and the Company dated as of July 15, 2005 (the "**First Amended and Restated Agreement**"), which in turn amended and restated in its entirety the Software License Agreement by and among AMC, Regal, and the Company dated as of March 29, 2005 (the "**Original Agreement**"). AMC, Regal and Cinemark are at times collectively referred to herein as the "**Exhibitors**," and together with the Company, are at times together referred to herein as the "**Parties**," or individually (and without distinction) as a "**Party**."

RECITALS

WHEREAS, Regal and National Cinema Network, Inc. ("**NCN**"), an Affiliate of AMC, entered into that certain Contribution and Unit Holders Agreement dated as of March 29, 2005 (the "**Contribution and Unit Holders Agreement**"), pursuant to which they or their Affiliates formed the Company and contributed to the Company certain assets;

WHEREAS, in connection with the contribution of such assets to the Company, and pursuant to the Original Agreement and the First Amended and Restated Agreement, Regal and AMC licensed to the Company certain computer software and related rights ancillary to the use of such computer software;

WHEREAS, Cinemark Media, Inc., a Delaware corporation ("**Cinemark Media**"), and the Company have entered into that certain Contribution Agreement, dated July 15, 2005 (the "**Contribution Agreement**"), pursuant to which Cinemark Media has agreed to contribute cash to the Company and the Company has agreed to issue certain Units to Cinemark Media; and

WHEREAS, Regal, NCN and the Company desire to amend the First Amended and Restated Agreement to accommodate and address certain amendments made to the Operating Agreement and Exhibitor Services Agreements.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein will have the meaning given those terms in the Contribution and Unit Holders Agreement. In addition, the following terms, as used in this Agreement, will have the following meanings:

1.1 "AMC Original Technology" means the AMC original technology identified in Exhibit 1.1 hereto, including all Object Code thereto and, with the exception of the DTDS Software, all Source Code thereto, and further including all patent rights, copyrights and trade secrets of AMC or any AMC Affiliate applicable to the foregoing.

1.2 "Company Technology" means all Original Technology and Developments licensed to the Company by the Exhibitors pursuant to the terms hereof and any Developments of the Company.

1.3 "Developments" means any derivative works, improvements and other modifications to the Original Technology, including all Object Code thereto and, with the exception of the DTDS Software, all Source Code thereto, and further including all patent rights, copyrights and trade secrets applicable to the foregoing. The term "Developments" shall also include derivative works, improvements and other modifications to Developments to the Original Technology.

1.4 "DTDS Software" means the AMC Digital Theatre Distribution System software for in-theatre content management.

1.5 "Exhibitor Services Agreement" means, with respect to any Exhibitor, that certain Exhibitor Services Agreement between the Company and such Exhibitor or such Exhibitor's Affiliate pursuant to which the Company provides services (including without limitation the Advertising Services and the Event Services, each as defined therein).

1.6 "In-Theatre DCS Software" means the in-theatre portion of the Regal proprietary Digital Content Software (DCS).

1.7 "Object Code" means computer programs in machine readable, object code format.

1.8 "Operating Agreement" means that certain Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC of even date herewith.

1.9 "Original Technology" shall mean the AMC Original Technology and the Regal Original Technology.

1.10 "Regal Original Technology" means the Regal original technology identified in Exhibit 1.6 hereto, including all Object Code and all Source Code thereto, and further including all patent rights, copyrights and trade secrets of Regal or any Regal Affiliate applicable to the foregoing.

1.11 "Source Code" shall mean the representation of software in a form amenable to human understanding in a higher level computer programming language, together with all developer comments and other programmer documentation.

1.12 "Technology" means copyrights, patents, patent applications and trade secrets.

1.13 "Territory" means the 50 states of the United States of America and the District of Columbia, and such other geographical areas as may be approved from time to time by the Board of Directors of the Company pursuant to Section 4.3 of the Operating Agreement.

2. License.

2.1 Original Technology. Except for the Source Code to the Original Technology, which is covered in Section 2.2 herein, Regal and AMC each hereby grants to the Company a

perpetual, royalty free license to use, make, have made, copy, perform, display, and create derivative works of such Exhibitor's Original Technology, but only in the Territory and only in connection with providing the services included within the Service, as that term is defined in the Exhibitor Services Agreement (the "Field of Use"). Except as may be provided in Section 2.4, below, the license shall be exclusive, even as to the Exhibitors, in the Field of Use. Regal and AMC each remains free to fully exploit its Original Technology and Developments outside of the Field of Use. The Object Code of the Original Technology may be sublicensed by the Company in the Territory solely as required to permit receipt by the Exhibitors or other movie exhibitors and their affiliates, as applicable, of services included within the Service, as defined. The Parties agree that ownership of the Original Technology, and, subject to Section 9, Regal and AMC's Developments thereto, is retained by Regal and AMC, respectively.

2.2 Source Code to Original Technology and Developments. Regal and AMC each hereby grants to the Company a perpetual, royalty free license in the Territory and solely in the Field of Use to use, make, have made, copy and create derivative works of the Source Code to its Original Technology and Developments that are licensed hereby, provided, however, that except as provided in Section 8, below, the Source Code of each of Regal's and AMC's Original Technology and its Developments thereto will be treated as Confidential Information and will not be disclosed to the other Exhibitors or to any third party. Except as provided in Sections 2.4 and 9, below, this license shall be exclusive, even as to Regal and AMC, in the Field of Use. Regal and AMC each remains free to fully exploit the Source Code to its Original Technology and Developments outside of the Field of Use. If appropriate, Source Code can be put into escrow for the benefit of an Exhibitor or other authorized licensee or sublicensee of the Company subject to the approval of the escrow agreement by the Party which owns the Source Code in question.

2.3 Patents. Patents and patent applications of Regal and AMC which are covered by the definition of Original Technology will be treated for purposes of this Agreement like the rest of the Original Technology.

2.4 Company Technology. Each Exhibitor has the right to use the Company Technology only within the Field of Use solely as provided by Section 7.01 of the respective Exhibitor's Exhibitor Services Agreement. Each Exhibitor agrees that in connection with its use of the Company Technology as permitted under its Exhibitor Services Agreement, it will not, nor will it permit, cause, or authorize any other person or entity to re-engineer, reverse engineer, decompile, or disassemble the Original Technology or Developments to the in-theatre portion of the software of any other Exhibitor or create or recreate the Source Code for the in-theatre portion of any other Exhibitor's Original Software or Developments.

3. Developments. Notwithstanding any provision in this Agreement to the contrary, the Company shall also be free to develop, modify and make improvements to the Company Technology for any purpose, including the delivery of digital cinema, provided that following the effective date of any future agreement signed between the parties covering digital cinema (a "**Digital Cinema Agreement**"), such rights will be subject the terms of that Digital Cinema Agreement. The ownership of all such developments modifications and improvements, and any other Developments under this Agreement, will be as set forth in Section 9 hereof.

3.1 License by the Company. While the Exhibitors have not granted the Company any right to create derivative works of the Original Technology outside the Field of Use, the Company will reasonably promptly notify the Exhibitors in writing of any Company Development existing as of the Effective Date if the Company in good faith believes the Development may have application outside the Field of Use. The Company hereby grants to each Exhibitor a perpetual worldwide, royalty free license to use, make, have made, copy, perform, and create derivative works of any such Developments of the Company only outside of the Field of Use for the Exhibitor's purposes. Notwithstanding the preceding sentence, (i) the Company has no obligation to provide AMC or Cinemark, and the license set forth in the preceding sentence expressly excludes, any Developments consisting of Source Code for improvements to the In-Theatre DCS Software, and (ii) without expanding the license set forth in the preceding sentence, the license set forth in the preceding sentence does not include the right to, and the Exhibitors will not, use any Developments of the Company in connection with the delivery of digital cinema, except as provided in any Digital Cinema Agreement contemplated by Section 3. Any Source Code licensed by the Company pursuant to this Section 3.1 will be treated by the Exhibitor as Confidential Information and may be disclosed only to persons who first agree to treat it as Confidential Information.

3.2 License by the Exhibitors. While each Exhibitor has granted Company the exclusive right to create derivative works of the Original Technology within the Field of Use (except as may be provided in Sections 2.4 and 9), each Exhibitor will reasonably promptly notify the Company in writing of any Exhibitor Development existing as of the Effective Date if the Exhibitor in good faith believes the Development may have application in the Field of Use. Except for Source Code, which is covered in Section 2.2 herein, each Exhibitor hereby grants to the Company a perpetual, royalty free license to use, make, have made, copy, perform, display, create derivative works of and sub-license any such Developments of such Exhibitor, but only in the Field of Use. Except as may be provided in Section 2.4, the license shall be exclusive, even as to the Exhibitors, in the Field of Use. AMC has no obligation to provide the Company with Developments consisting of Source Code for improvements to its DTDS Software.

4. License Fee. In addition to the mutual grants of rights exchanged under this Agreement, no additional consideration is due under this Agreement. The Parties agree that no sales or use taxes will be due in connection with this Agreement; provided, however, in the event such taxes are due, the Company will be responsible for paying them.

5. Representations And Warranties; Disclaimer. Each Party represents and warrants to the other that: (a) it has full power to enter into this Agreement, to carry out its obligations under this Agreement and to grant the rights and licenses granted under this Agreement; and (b) its compliance with the terms and conditions of this Agreement will not violate laws or regulations applicable to such Party or any third party agreements to which it is a party. EXCEPT FOR THE WARRANTIES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, EACH PARTY HEREBY DISCLAIMS UNDER THIS AGREEMENT ALL IMPLIED WARRANTIES, INCLUDING THE WARRANTIES OF TITLE, MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

6. Indemnity.

6.1 Assumption of Risk by Company. The Company hereby assumes all risk of any and all losses, obligations, risks, costs, liabilities, settlements, damages, judgments, awards, fines, penalties, and expenses of any nature (including, without limitation, reasonable attorneys' fees) suffered or incurred by the Company in connection with or as a result of any and all third party claims, suits, actions, or proceedings asserting that the Original Technology or Developments licensed by the Exhibitors to the Company hereunder infringe the patent, copyright, trade secret or other intellectual property rights of such third party. except to the extent caused by the gross negligence or willful misconduct of any Exhibitor or any indemnitee under Section 6.1.

6.2 Indemnification by Company. The Company shall indemnify and hold harmless the Exhibitors and their Subsidiaries, Affiliates, officers, directors, trustees, members, partners, employees, agents, and any of their heirs, executors, successors and assigns from and against any and all losses, obligations, risks, costs, liabilities, settlements, damages, judgments, awards, fines, penalties, and expenses of any nature (including, without limitation, reasonable attorneys' fees) suffered or incurred in connection with or as a result of any and all third party claims, suits, actions, or proceedings asserting that Developments of the Company infringe the patent, copyright, trade secret or other intellectual property rights of such third party, except to the extent the infringement is caused by or results from the Original Technology or Developments licensed by an Exhibitor to the Company hereunder.

6.3 Conditions on Indemnification. The Company shall have the right to control the defense and settlement of any and all claims, suits, proceedings, and actions for which the Company is obligated to indemnify and hold harmless hereunder, but the indemnitee shall have the right to participate in such claims, suits, proceedings, and actions at its own cost and expense. The Company shall have no liability under this Article unless the indemnitee gives notice of such claim to the Company promptly after the indemnitee learns of such claim so as to not prejudice the Company. Under no circumstance shall any Party hereto settle or compromise or consent to the entry of any judgment with respect to any claim, suit, proceeding, or action that is the subject of indemnification hereunder without the prior written consent of any other affected Party, which consent shall not be withheld or delayed unreasonably.

7. Confidentiality. Confidential Information of one Party that is disclosed to or observed by other Parties pursuant to this Agreement will be governed by the provisions of Section 10.3 of the Operating Agreement.

8. Rights upon Termination of an Exhibitor Services Agreement.

8.1 Termination of an Exhibitor Services Agreement for Material Breach. If (i) the Company has a right to terminate an Exhibitor's Exhibitor Services Agreement with respect to all of the Theatres of such Exhibitor as a result of a material breach of such Exhibitor pursuant to either of subsections 9.02 (a) or (b) of such Exhibitor Services Agreement, and (ii) such material breach is not cured within ninety (90) days after receipt of written notice thereof, and (iii) such termination is not effective until at least ninety (90) days after receipt of such written notice (notwithstanding the Company's right to terminate earlier pursuant to subsections 10.02 (a) or (b) of the Exhibitor Services Agreement), then, upon such termination, the Company's license of that Exhibitor's Original Technology and Developments pursuant to the terms of this Agreement shall automatically convert to a non-exclusive license without the

requirement of further action by any Party, and the Exhibitor shall not be permitted to use Developments of the Company or the other Exhibitor's Original Technology and Developments, provided however, that nothing herein shall restrict the Exhibitor's rights with respect to such Exhibitor's Original Technology and Developments, including Technology that it jointly owns.

8.2 In-Theatre DCS Software. Notwithstanding anything herein to the contrary, upon any termination as provided in this Article 8, the Company shall have no right or obligation to provide to AMC or Cinemark, and AMC and Cinemark shall not receive access or any rights to, any Source Code for the In-Theatre DCS Software, or any Developments consisting of Source Code for improvements to the In-Theatre DCS Software.

9. Ownership.

9.1 Original Technology. Except for the rights expressly granted to Company under this Agreement, each Exhibitor will retain all right, title and interest in and to the Original Technology of that Exhibitor, including all worldwide Technology and intellectual property and proprietary rights therein and related thereto.

9.2 Exhibitor Developments. Except for the rights expressly granted under this Agreement, each Exhibitor will retain all right, title and interest in and to any Developments authored, conceived of and reduced to practice, or otherwise developed solely by that Exhibitor, including all worldwide Technology and intellectual property and proprietary rights therein and related thereto, and such Developments shall be made available to the Company pursuant to the license set forth in Section 3.2 hereof.

9.3 Company Developments. Except for the rights expressly granted under this Agreement, Company will retain all right, title and interest in and to any Developments authored, conceived of and reduced to practice, or otherwise developed either solely by Company or by Company in connection or collaboration with any Exhibitors, including all worldwide Technology and intellectual property and proprietary rights therein and related thereto, and such Developments shall be made available to the Exhibitors pursuant to the license set forth in Section 3.1 hereof. Each Exhibitor hereby irrevocably assigns to Company all right, title and interest in and to all Developments authored, conceived of and reduced to practice, or otherwise developed in whole or in part in connection or collaboration with Company, including all worldwide intellectual property and proprietary rights therein and related thereto. If any Exhibitor has any rights that cannot be so assigned to Company, the Exhibitor hereby grants to Company an exclusive, irrevocable, perpetual, worldwide, fully paid license, with right to sublicense through multiple tiers of sub-licenses, to such rights, and if an Exhibitor has any rights that cannot be so assigned or licensed, the Exhibitor hereby irrevocably waives the enforcement of such rights against Company.

9.4 Other Joint Developments. The Parties do not contemplate the development of any new Technology not related to the Original Technology under this Agreement. To the extent not addressed in the Operating Agreement, an Exhibitor Services Agreement, a Digital Cinema Agreement, or any other agreement existing between the Parties, the Parties contemplate that the ownership of any such new Technology not related to the Original Technology developed under this Agreement will be determined in accordance with a separate written agreement relating to the development of that Technology, provided that if no such separate agreement is signed between the Parties, the ownership of any such Technology will be determined in accordance

with applicable intellectual property laws. In the event that Parties who jointly own Technology agree to file a patent application or copyright registration in connection therewith, each such Party will be responsible for an equal share of the costs associated with such filing. Such Parties will agree on which Party shall be responsible for filing and maintaining the resulting intellectual property rights. If all Parties who jointly own the Technology in question are not able to agree on whether to file the application or registration, the other applicable Parties may proceed, and the non-proceeding Party will cooperate as reasonably requested in connection therewith at the expense of the Party or Parties that are proceeding with the application or registration, and the Parties who are proceeding will own any resulting patent or copyright. If the Parties who jointly own Technology determine that a third party may be infringing upon any of that Technology, they shall notify the other Parties and shall discuss the possibility of acting together to halt such infringement. If the parties cannot agree within three months of such notice to take any action to halt such infringement, then the Party or Parties who are interested in acting may take independent action without the participation of the other Party. In such case, the non-acting Parties will provide all reasonable assistance requested by the acting Party in halting the infringement, including, for example, becoming a party to any litigation action if such is required for the action to proceed. The proceeding Parties shall share equally in any financial return from such action without an obligation to share with the non-participating Party.

10. General Terms.

10.1 Entire Agreement and Amendment. This Agreement supersedes all prior agreements, oral and written, between the parties with respect to its subject matter, and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by the party to be charged with the amendment.

10.2 Waiver; Remedies. The waiver or failure of a Party to exercise in any respect any right provided hereunder shall not be deemed a waiver of such right in the future or a waiver of any other rights established under this Agreement. All remedies available to any Party hereto for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

10.3 Assignment. No Party may assign or transfer, by operation of law or otherwise, any of its rights or obligations under this Agreement to any third party without all other Parties' prior written consent. Any Party may fulfill its obligations hereunder by using third-party vendors or subcontractors; provided, however, that such Party shall remain fully and primarily responsible to ensure that such obligations are satisfied. A Permitted Transfer (as defined in the Exhibitor Services Agreement) shall not be deemed an assignment or transfer for purposes of this Agreement, provided, however, any Permitted Transfer by assignment to an Affiliate of an Exhibitor shall be (i) conditioned upon (A) the transferee entering into an Assignment and Assumption, (B) the Exhibitor agreeing in writing to remain bound by the obligations under this Agreement, and (ii) effective only so long as the Affiliate remains an Affiliate of transferee. Any attempted assignment in violation of this Section shall be void. Each Exhibitor acknowledges and agrees that in the event of the sale of all or substantially all of its assets, the failure to include (by operation of law or otherwise) the assignment of its interest in this Agreement in respect of such assets as part of the sale shall constitute a material breach of this Agreement.

Notwithstanding the foregoing, this Agreement shall not be assignable by a Party unless the assignee expressly assumes in writing all of the obligations of the assignor hereunder. Any attempted assignment in violation of this section shall be void.

10.4 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

10.5 Section Headings, Construction. The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement.

10.6 Governing Law, Dispute Resolution. Any dispute arising under this Agreement shall be subject to the provisions of Section 10.10 of the Operating Agreement with respect to governing law and dispute resolution, which provisions are hereby fully incorporated herein and made a part hereof; provided, however, that the Parties further agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement and is hereby disclaimed by the Parties.

10.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

10.8 Independent Contractors. Each of Regal, AMC and Cinemark shall act solely as an independent contractor, and nothing herein shall at any time be construed to create the relationship of employer and employee, partnership, principal and agent, broker or finder, or joint venturers as among Regal, AMC, Cinemark and the Company. No party shall have any right or authority, and shall not attempt, to enter into any contract, commitment or agreement or incur any debt or liability of any nature, in the name of or on behalf of any other party.

10.9 Bankruptcy. The Parties acknowledge and agree that the license rights granted in this Agreement are intended to survive the insolvency or bankruptcy of the licensor, and that this Agreement shall be deemed to be, for purposes of the United States Bankruptcy Code, a license to "intellectual property" as such term is used in Sections 365(n) and 101(35A) thereof.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their respective officers or representatives thereunto duly authorized as of the date first above written.

NATIONAL CINEMEDIA, LLC

By: _____

Name: Kurt C. Hall
Title: Chief Executive Officer

REGAL CINEMEDIA CORPORATION

By: _____

Name:
Title:

AMERICAN MULTI-CINEMA, INC.

By: _____

Name:
Title:

CINEMARK USA, INC.

By: _____

Name:
Title:

Exhibit 10.10

NOTE: THIS DOCUMENT IS THE SUBJECT OF A CONFIDENTIAL TREATMENT REQUEST PURSUANT TO RULE 406 UNDER THE SECURITIES ACT OF 1933. PORTIONS OF THIS DOCUMENT FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED HAVE BEEN REDACTED AND ARE MARKED HEREIN BY "*". SUCH REDACTED INFORMATION HAS BEEN FILED SEPARATELY WITH THE COMMISSION PURSUANT TO THE CONFIDENTIAL TREATMENT REQUEST.**

FIRST AMENDED AND RESTATED
LOEWS SCREEN INTEGRATION AGREEMENT

THIS FIRST AMENDED AND RESTATED LOEWS SCREEN INTEGRATION AGREEMENT (this "Agreement") is made and entered into as of [_____ __], 2007, between NATIONAL CINEMEDIA, LLC, a Delaware limited liability company ("NCM LLC") and AMERICAN MULTI-CINEMA, INC., a Missouri corporation ("AMC;" collectively with NCM LLC, the "Parties").

RECITALS

A. The Parties desire to hereby amend and restate that certain Loews Screen Integration Agreement, dated as of January 23, 2007 but effective as of January 5, 2007, between the Parties.

B. AMC has acquired the Loews Theatres and will grant NCM LLC exclusive rights to access and use the Loews Theatres for the Services as defined in and pursuant to the terms of the AMC ESA after the expiration of an existing third party contract for similar uses.

C. Pursuant to Section 4.08 of the AMC ESA, AMC will make payments as set forth herein in recognition of the fact that AMC will not be capable of providing access to and use of the Loews Theatres for the Services until the expiration of the existing third party contract.

D. In consideration of the payments to be made by AMC and in consideration of the additional theatre screens and patrons that AMC will make available for the Services upon the expiration of the existing third party contract with respect to the Loews Theatres, the Class A membership units of NCM LLC (the "Units") were reallocated pursuant to Section 8.7 of NCM LLC's Second Amendment to the Amended and Restated Limited Liability Company Operating Agreement, dated as of January 23, 2007 but effective as of January 5, 2007.

AGREEMENT

In consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Definitions.**

The following terms shall have the indicated meaning:

"Advertising Services" has the meaning assigned to it in the AMC ESA.

"Affiliate" means with respect to a Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such Person.

"AMC ESA" means that certain Exhibitor Services Agreement of even date herewith between AMC and NCM LLC as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Beverage Agreement" has the meaning assigned to it in the AMC ESA.

"Beverage Agreement Advertising Rate" has the meaning assigned to it in the AMC ESA.

"Business Day" means a day other than a Saturday, Sunday, federal holiday or other day on which commercial banks in New York, New York are authorized or required by law to close.

"Change of Control" with respect to any Person that is not an individual, means (i) any merger or consolidation with or into any other entity or any other similar transaction, whether in a single transaction or series of related transactions, where (A) the members or stockholders of such Person immediately prior to such transaction in the aggregate cease to own more than 50% of the general voting power of the entity surviving or resulting from such transaction (or its stockholders) or (B) any Person or Group becomes the beneficial owner of more than 50% of the general voting power of the entity surviving or resulting from such transaction (or its stockholders), (ii) any transaction or series of related transactions in which in excess of 50% of such Person's general voting power is Transferred to any other Person or Group or (iii) the sale or Transfer by such Person of all or substantially all of its assets.

"Common Unit Adjustment Agreement" means the Common Unit Adjustment Agreement, dated as of _____ __, 2007, by and among AMC, Cinemark Media, Inc., a Delaware corporation, Cinemark USA, Inc., a Texas corporation, Regal

CineMedia Holdings, LLC, a Delaware limited liability company, Regal Cinemas, Inc., a Tennessee corporation, National CineMedia, Inc., a Delaware corporation, and NCM LLC, as the same may be amended, supplemented or otherwise modified from time to time.

"Control," (including the terms "Controlled by" and "under common Control with"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through ownership of voting Equity Interests, as trustee or executor, by contract or otherwise.

"Digitized Theatre" has the meaning assigned to it in the AMC ESA.

"Equity Interests" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, partnership interests (whether general or limited), limited liability company interests or equivalent ownership interests in or issued by, or interests, participations or other equivalents to share in the revenues or earnings of (except as provided in any service agreement that includes a revenue sharing component entered into in the ordinary course of business), such Person or securities convertible into, or exchangeable or exercisable for, such shares, interests, participations or other equivalents and options, warrants or other rights to acquire such shares, interests, participations or other equivalents; provided that discounts and rebates granted in the ordinary course of business shall not in any event constitute an Equity Interest.

"Exclusivity Run-Out Payment" has the meaning assigned to it in Attachment A.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Group" has the meaning used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934.

"Legacy Agreement" has the meaning assigned to it in the AMC ESA.

"LLC Agreement" means that certain Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of _____ __, 2007, by and among AMC, Cinemark Media, Inc., a Delaware corporation, Regal CineMedia Holdings, LLC, a Delaware limited liability company, and National CineMedia, Inc., a Delaware corporation, as the same may be amended, supplemented or otherwise modified from time to time.

"Loews Exhibitor Allocation" has the meaning assigned to it in Attachment A.

"Loews Theatres" mean the theatres acquired (and not divested under government order or subject to a divestiture order issued by a Governmental Authority after January 5, 2007) by AMC Entertainment Inc. in connection with its merger with Loews Cineplex Entertainment Corporation completed on January 26, 2006 and which were operating as of January 5, 2007.

"Marquee Holdings" means Marquee Holdings Inc. or its successor or any Person that wholly-owns Marquee Holdings, directly or indirectly, in the future.

"Permitted Transferee" means in the case of AMC and any Permitted Transferee of AMC (i) an Affiliate of AMC or such Permitted Transferee, or (ii) a non-Affiliate of AMC or such Permitted Transferee if more than 50% of the non-Affiliate's general voting power is owned directly or indirectly through one or more entities that are the same entities that own 50% or more of the general voting power of Marquee Holdings.

"Person" means any individual, corporation, limited liability company, partnership, trust, joint stock company, business trust, unincorporated association, joint venture, Governmental Authority or other entity or organization of any nature whatsoever or any Group of two or more of the foregoing.

"Services" has the meaning assigned to it in the AMC ESA.

"Securities Act" means the Securities Act of 1933, as it may be amended from time to time.

"Theatre" has the meaning assigned to it in the AMC ESA.

"Theatre Access Fee" has the meaning assigned to it in the AMC ESA.

"Transfer" (including the term "Transferred") means, directly or indirectly, to sell, transfer, give, exchange, bequest, assign, pledge, encumber, hypothecate or otherwise dispose of, either voluntarily or involuntarily (including (i) except as provided in clause (a) below, the direct or indirect Change of Control of AMC or any Permitted Transferee (or any direct or indirect holder of equity in AMC or a Permitted Transferee), and (ii) upon the foreclosure under any pledge or hypothecation permitted by clause (b) below that results in a change of title), any Equity Interests in NCM LLC or other assets beneficially owned by a Person or any interest in any Equity Interests in NCM LLC or other assets beneficially owned by a Person. Notwithstanding the foregoing: (a) the Change of Control of AMC or its stockholders shall not be deemed to be a Transfer hereunder, and (b) a bona fide pledge of Equity Interests in NCM LLC by AMC any of its Affiliates shall not be deemed to be a Transfer hereunder.

In addition to the foregoing, the following terms have the meanings assigned in the Sections referred to in the table below:

Term	Section	Term	Section
Agreement	Preamble	Non-Exclusivity Run-Out Payment	2.2(b)
AMC	Preamble	Parties	Preamble
Distributed Units	3.1	Run-Out End Date	5.6
NCM LLC	Preamble	Run-Out Exclusivity End Date	5.6
		Units	Recitals

2. **Loews.**

2.1 **Integration of Loews Theatres.** Loews Theatres are subject to certain valid, pre-existing contractual obligations with a third party cinema advertising provider that provides on-screen advertising services on an exclusive basis and certain other advertising services on a non-exclusive basis to the Loews Theatres (the "Run-Out Obligations"). AMC shall discuss the Run-Out Obligations and related contracts as reasonably requested by NCM LLC from time to time, provided such discussion will not breach confidentiality provisions related to the Run-Out Obligations. AMC and/or its Affiliates (as applicable) shall be permitted to abide by the terms of the Run-Out Obligations; however, AMC agrees it shall neither extend nor renew such Run-Out Obligations. AMC further agrees not to enter into any new agreement with any third party with respect to any Loews Theatre, or amend or modify any Run-Out Obligation, to the extent such agreement, amendment or modification would be inconsistent with the exclusive rights granted to NCM LLC pursuant to the AMC ESA or have the effect of any extension of the Run-Out Obligation. Prior to the expiration of the Run-Out Obligations and upon NCM LLC's provision of at least ten days' advance written notice to AMC, NCM LLC may provide some or all Services to any or all Loews Theatres as if such theatres were Theatres as defined in and subject to the AMC ESA, provided NCM LLC's provision of Services does not create a default under any Run-Out Obligation. In any event, except in accordance with Section 4.13 of the AMC ESA (Excluded Theatres; IMAX Screens) or as may be mutually agreed by the Parties in writing, each Loews Theatre shall automatically become a Theatre, as defined in and for all purposes of the AMC ESA, no later than Run-Out End Date.

2.2 **Loews Payments.**

(a) **Exclusive Run-Out Obligations.** With respect to each of the Services for which the third party to the Run-Out Obligations has exclusive rights, AMC shall, until such Run-Out Obligations have terminated, make a quarterly Exclusivity Run-Out Payment to NCM LLC. The method of calculating the Exclusivity Run-Out Payment is summarized in Attachment A. NCM LLC shall give AMC written notice of the amount of the Exclusivity Run-Out Payment within 30 days following the last day of the fiscal quarter in which one or more of the Theatres is used by the third party for any use that is included within the definition of the Services. AMC shall pay the Exclusivity

Run-Out Payment to NCM LLC with three (3) Business Days following the date on which AMC receives the written notice provided for in the immediately preceding sentence.

(b) **Non-Exclusive Run-Out Obligations.** With respect to each of the Services for which the third party to the Run-Out Obligations has non-exclusive rights, AMC shall, until such Run-Out Obligations have terminated, pay NCM LLC the full amount received from the third party for such Service (the "Non-Exclusivity Run-Out Payment"). Any such Non-Exclusivity Run-Out Payments shall be due on or before the last day of AMC's fiscal month following the fiscal quarter in which one or more of the Theatres is used by the third party for any use that is included within the definition of Services.

(c) **Beverage Agreement Advertising Rate.** The Loews Theatres shall be included in the calculation of the Beverage Agreement Advertising Rate paid by AMC to NCM LLC pursuant to the AMC ESA.

(d) **Theatre Access Fee.** For the avoidance of doubt, the calculation of the Theatre Access Fee paid by NCM LLC pursuant to the AMC ESA shall not include the Loews Theatres prior to the Run-Out Exclusivity End Date. On and after the Run-Out Exclusivity End Date, the Loews Theatres are eligible to be included in the Theatre Access Fee, subject to the terms of the AMC ESA.

(e) **Legacy Agreements.** For the avoidance of doubt, that certain Co-Marketing Agreement between Cingular Wireless and Loews Cineplex Theatres, Inc., dated as of December __, 2004, and any other agreement in effect as of the date hereof pursuant to which services which fall within the definition of Advertising Services are provided to Loews Theatres and which are expected to result in the generation of revenue payable to AMC or its Affiliates on or after the date hereof (but excluding the agreement with a third party cinema advertising provider that contains the Run-Out Obligations, the Beverage Agreement and agreements between AMC, its Affiliates and any third-party theatres regarding the exhibition of content, advertisements or promotions in such third-party theatres) is a Legacy Agreement as defined in the AMC ESA. Such Legacy Agreements shall be assigned to NCM LLC pursuant to Section 4.06(b) of the AMC ESA.

3. **Reallocation of Units.** AMC acknowledges that it has received 91.761988913253 Units, now represented by [_____] common units in NCM LLC, in connection with the addition of Loews Theatres ("Distributed Units") in consideration of the foregoing payments, and in consideration of AMC's agreement to make additional theatre screens and patrons available for the Services upon the expiration of the existing third party contract with respect to the Loews Theatres.

4. **Restrictions on Distributed Units.**

4.1 **Failure to Make Payments.** If the AMC fails to make an Exclusivity Run-Out Payment or a Non-Exclusivity Run-Out Payment on or before the date such payment is due, and fails to cure such non-payment within ten (10) days, then NCM LLC shall have the right to offset the amount of such non-payment against Theatre Access Fee payments, dividends, distributions or any other payments due from NCM LLC to AMC pursuant to the AMC ESA or the LLC Agreement until the Exclusivity Run-Out Payment or Non-Exclusivity Run-Out Payment has been paid in full.

4.2 **Covenant to Hold Distributed Units.** AMC shall not Transfer or convert any Distributed Units until after the Run-Out End Date has passed and all Exclusivity Run-Out Payments and Non-Exclusivity Run-Out Payments have been made.

4.3 **Legend.** If the Distributed Units are certificated, the certificates representing the Distributed Units shall bear the following legend:

THE SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF A CERTAIN LOEWS SCREEN INTEGRATION AGREEMENT BETWEEN THE UNIT HOLDER AND THE COMPANY. COPIES OF SUCH AGREEMENT ARE AVAILABLE UPON REQUEST TO THE SECRETARY OF THE COMPANY.

After the Run-Out End Date has passed and all Exclusivity Run-Out Payments and Non-Exclusivity Run-Out Payments have been made, NCM LLC shall, upon request of AMC, remove the foregoing legend from the certificates representing the Distributed Units.

5. **Representations and Warranties of AMC.**

5.1 **Organization and Corporate Power.** AMC is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify, except for such jurisdictions in which the failure to so qualify would not have a material adverse effect on its financial condition, operating results or business prospects. AMC has all requisite corporate power and authority and all material licenses, permits and authorizations necessary to own and operate its properties, to carry on its businesses as now conducted and to carry out the transactions contemplated by this Agreement.

5.2 **Authorization.** The execution, delivery and performance of this Agreement has been duly authorized by AMC. This Agreement is a valid and binding obligation of AMC, enforceable in accordance with its terms.

5.3 **Investment Representations.** AMC hereby represents that it is acquiring the Distributed Units for its own account with the present intention of holding such securities for investment purposes and that it has no intention of selling such securities in a public distribution in violation of the federal securities laws or any applicable state securities laws. AMC acknowledges that the Distributed Units have not been registered under the Securities Act or applicable state securities laws and that the Distributed Units will be issued to AMC in reliance on exemptions from the registration requirements of the Securities Act and applicable state statutes and in reliance on the AMC's representations and agreements contained herein.

5.4 **Other Representations and Warranties.** AMC hereby represents and warrants to the Company that: (i) AMC has had an opportunity to ask questions and receive answers concerning the terms and conditions of the Distributed Units and such other information concerning NCM LLC as AMC may have requested; (ii) AMC is an "accredited investor" as defined in Rule 501 under the Securities Act; and (iii) AMC has all requisite power and authority to carry out the transactions contemplated by this Agreement; and the execution, delivery and performance of this Agreement and all other agreements contemplated hereby to which AMC is a party and the acquisition of the Distributed Units have been duly authorized by the AMC.

5.5 **Digitized Theatres.** AMC covenants that at least 90 percent of Loews Theatres shall be Digitized Theatres, as such term is defined in the AMC ESA, as of the Run-Out Exclusivity End Date. Notwithstanding the foregoing, AMC acknowledges and agrees that the Loews Theatres shall be treated as Digitized Theatres for purposes of the Common Unit Adjustment Agreement.

5.6 **Duration of Run-Out Obligations.** The Run-Out Obligations pursuant to which a third party cinema advertising provider provides any service to the Loews Theatres on an exclusive basis shall terminate no later than May 31, 2008 (the "Run-Out Exclusivity End Date"). The third party cinema advertising provider may continue to provide (i) on-screen advertising services from June 1, 2008 through November 30, 2008, with respect to advertising services sold by the third party as of the Run-Out Exclusivity End Date, and (ii) up to 60 seconds of on-screen advertising per screen prior to a feature film from December 1, 2008 through February 28, 2009. The date on which all Run-Out Obligations for the Loews Theatres have expired (the "Run-Out End Date") shall be no later than March 1, 2009.

6. **Representations and Warranties of NCM LLC.**

6.1 **Organization and Corporate Power.** NCM LLC is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is qualified to do business in every jurisdiction in which its ownership of property or conduct of business requires it to qualify, except for such jurisdictions in which the failure to so qualify would not have a material adverse effect on its financial condition, operating results or business prospects. NCM LLC has all requisite corporate power and authority and all material licenses, permits and authorizations necessary to own and operate its properties, to carry on its businesses as now conducted and to carry out the transactions contemplated by this Agreement.

6.2 **Authorization.** The execution, delivery and performance of this Agreement has been duly authorized by NCM LLC. This Agreement is a valid and binding obligation of each of NCM LLC, enforceable in accordance with its terms.

7. **Further Actions.** From and after the Closing Date, AMC shall cooperate with NCM LLC, and shall execute and deliver such documents and take such other actions as NCM LLC may reasonably request, for the purpose of evidencing the transactions contemplated by this Agreement.

8. **Miscellaneous.**

8.1 **Governing Law.** This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Delaware without giving effect to principles of conflicts of law.

8.2 **Notices.** All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall be deemed to have been received when delivered personally, or when transmitted by overnight delivery service, addressed as follows:

If to NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue
Suite 200
Centennial CO 80112-3405
Attention: General Counsel
Fax: (303) 792-8649

with a copy to:

Holme Roberts & Owen LLP
1700 Lincoln Street, Suite 4100
Denver, Colorado 80203-4541
Attention: W. Dean Salter
Fax: (303) 866-0200

If to AMC:

American Multi-Cinema, Inc.
920 Main St.
Kansas City, MO 64105
Attention: Kevin M. Connor
Fax: (816) 480-4700

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attention: David S. Allinson
Fax: (212) 751-4864

Any Party hereto may change its address for notices, demands and other communications under this Agreement by giving notice of such change to the other Parties hereto in accordance with this Section 8.2.

8.3 **Benefit of Parties; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors, legal representatives and permitted assigns. This Agreement may not be assigned by any Party except with the prior written consent of all other Parties; provided, however, no prior consent shall be required for an assignment by NCM LLC of this Agreement to an Affiliate. Nothing herein contained shall confer or is intended to confer on any third party or entity that is not a Party to this Agreement any rights under this Agreement.

8.4 **Amendment.** This Agreement may not be amended, modified, altered or supplemented except by means of a written instrument executed on behalf of each of the Parties.

8.5 **Waiver; Remedies.**

(a) No failure on the part of any Party hereto to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Party hereto in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver thereof; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) It is understood and agreed that each Party's remedies at law for a breach of this Agreement will be inadequate and that each Party shall, in the event of any such breach or the threat of such breach, be entitled to equitable relief (including without limitation provisional and permanent injunctive relief and specific performance) from a court of competent jurisdiction. The Parties shall be entitled to the relief described in this Section 8.5(b) without the requirement of posting a bond. Nothing stated herein shall limit any other remedies provided under this Agreement or available to the Parties at law.

8.6 **Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8.7 **Entire Agreement.** This Agreement sets forth the entire understanding of Parties hereto and supersedes all other agreements and understandings between the Parties hereto relating to the subject matter hereof.

8.8 **Counterparts and Facsimiles.** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other. The Parties hereto may execute the signature pages hereof and exchange such signature pages by facsimile transmission.

8.9 **Interpretation of Agreement.**

(a) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation."

(b) Unless otherwise specified, references in this Agreement to "Sections" and "Attachments" are intended to refer to Sections of, and Attachments to, this Agreement.

(c) The Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and shall not in any way affect the meaning or interpretation of this Agreement.

(d) Each Party hereto and its counsel cooperated in drafting and preparation of this Agreement and the documents referred to in this Agreement. Any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the Party that drafted it is of no application and is hereby expressly waived.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first above written.

NCM LLC:

NATIONAL CINEMEDIA, LLC

By: _____
Name: _____
Title: _____

AMC:

AMERICAN MULTI-CINEMA, INC.

By: _____
Name: _____
Title: _____

[Signature page of Loews Screen Integration Agreement]

Attachment A

Calculation of Loews Exhibitor Allocation and Exclusivity Run-Out Payment

A. Definitions

Within the context of this Attachment A, the following terms shall have the following meanings:

"Advertising-Related EBITDA" means, for the applicable fiscal quarter, LLC EBITDA, less the sum of Meeting Services EBITDA, Digital Programming EBITDA and Non-Service EBITDA.

"Aggregate Advertising Revenue" has the meaning assigned to it in the AMC ESA.

"AMC Attendance" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter. For the avoidance of doubt, during the term of this Agreement, AMC Attendance does not include Loews Attendance.

"AMC Screen Count" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Attendance Factor" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Beverage Agreement Revenue" means the aggregate revenue received by NCM LLC related to the Beverage Agreement and Regal's and Cinemark's beverage agreements for the applicable measurement period.

"Cinemark" means Cinemark USA, Inc., a Texas corporation.

"Cinemark Attendance" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Cinemark Screen Count" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Cinemark Theatre" has the meaning assigned to it in the AMC ESA.

"Cinemark's Exhibitor Services Agreement" means that certain Exhibitor Services Agreement, of even date herewith, between Cinemark and NCM LLC, as the same may be amended, supplemented or otherwise modified from time to time.

"Digital Programming" has the meaning assigned to it in the AMC ESA.

"Digital Programming Services" has the meaning assigned to it in the AMC ESA.

"Digital Programming EBITDA" means, for the applicable measurement period, the portion of LLC EBITDA attributable to the Digital Programming business line, as set forth on NCM LLC's Digital Programming business line profit and loss statement.

"Digitized Theatre" has the meaning assigned to it in the AMC ESA.

"EBITDA" means, for the applicable fiscal quarter, earnings before interest, taxes, depreciation and amortization, all as defined by GAAP.

"Encumbered Service Revenue" means ***.

"Event Sponsorship" has the meaning assigned to it in the AMC ESA.

"Exclusivity EBITDA" means ***.

"Exclusivity Percentage" means ***.

"Exclusivity Run-Out Payment" means, for the applicable fiscal quarter, ***.

"Founding Members" means the AMC, Cinemark Media, Inc., a Delaware corporation, and Regal CineMedia Holdings, LLC, a Delaware limited liability company.

"Founding Member Attendance" means the total of the AMC Attendance, the Cinemark Attendance and the Regal Attendance for the applicable fiscal quarter.

"Founding Member Screen Count" means the total of the AMC Screen Count, the Cinemark Screen Count and the Regal Screen Count for the applicable fiscal quarter.

"GAAP" means generally accepted accounting principles in the United States in effect as of the relevant date on which GAAP is to be determined.

"Gross Advertising EBITDA" means, for the applicable fiscal quarter, Advertising-Related EBITDA less any Beverage Agreement Revenue.

"Inventory" has the meaning assigned to it in the AMC ESA.

"LLC EBITDA" means the aggregate EBITDA of NCM LLC for the applicable fiscal quarter, excluding any Exclusivity Run-Out Payments paid pursuant to the AMC ESA, Regal's Exhibitor Services Agreement or Regal's Exhibitor Services Agreement.

"Loews Attendance" means the total number of patrons in all Loews Theatre auditoriums during the applicable measurement period.

"Loews Attendance Ratio" means, for the applicable measurement period, the quotient of (i) Loews Attendance, divided by (ii) the sum of (A) the Loews Attendance and (B) the Founding Member Attendance.

"Loews Exhibitor Allocation" means***.

"Loews Screen Count" means the total number of screens in Loews Theatres, calculated as an average between the number of screens on the last day of the applicable fiscal quarter and the average number of screens on the last day of the preceding fiscal quarter.

"Loews Screen Ratio" means, for the applicable measurement period, the quotient of (i) Loews Screen Count divided by (ii) the sum of (A) the Loews Screen Count and (B) the Founding Member Screen Count.

"Meeting Services" has the meaning assigned to it in the AMC ESA.

"Meeting Services EBITDA" means, for the applicable measurement period, the portion of LLC EBITDA attributable to the Meeting Services business line, as set forth on NCM LLC's Meeting Services business line profit and loss statement.

"Non-Loews Exhibitor Allocation" means ***.

"Non-Service EBITDA" means, for the applicable fiscal quarter, the portion of LLC EBITDA attributable to a business line other than Advertising Services, Meeting Services or Digital Programming Services. For the avoidance of doubt, Non-Service EBITDA shall not include Exclusivity Run-Out Payments pursuant to this Agreement or any other Exhibitor Services Agreement.

"Regal" means Regal Cinemas, Inc., a Tennessee corporation.

"Regal Attendance" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Regal Screen Count" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

"Regal Theatre" has the meaning assigned to it in the AMC ESA.

"Regal's Exhibitor Services Agreement" means that certain Amended and Restated Exhibitor Services Agreement, of even date herewith, between Regal and NCM LLC, as the same may be amended, supplemented or otherwise modified from time to time.

"Screen Factor" means the percentage resulting from 1 minus the Attendance Factor.

"Screen Number" has the meaning assigned to it in the AMC ESA, calculated for the applicable fiscal quarter.

In addition to the foregoing, the following terms have the meanings assigned in the Sections of this Agreement referred to in the table below:

Term	Section	Term	Section
Advertising Services	1	Loews Theatres	1
AMC ESA	1	NCM LLC	Preamble
AMC	Preamble	Theatre	1
Beverage Agreement	1		

B. Exhibitor Allocation

Formula[1]

Loews Exhibitor Allocation = (Screen Factor * Loews Screen Ratio) + (Attendance Factor * Loews Attendance Ratio); where:

(1) Screen Factor = 1 - Attendance Factor

(2) Loews Screen Ratio = Loews Screen Count / (Loews Screen Count + Founding Member Screen Count)

(a) Loews Screen Count = Total number of screens in Loews Theatres on the applicable measurement date

(b) Founding Member Screen Count = AMC Screen Count (not including Loews Theatres) + Cinemark Screen Count + Regal Screen Count

(i) Screen Count (for each of AMC, Cinemark and Regal) = Screen Number for that exhibitor during the applicable measurement period

(ii) Screen Number = Number of screens available in the exhibitor's Theatres on each day of the applicable measurement period to exhibit Inventory / Total number of days in the applicable measurement period

(3) Attendance Factor = Percentage of advertising revenue attributable to contracts with pricing based on any factor other than number of screens (e.g., pricing based on attendance or flat fee), as calculated on the first day of each fiscal quarter

(4) Loews Attendance Ratio = Loews Attendance / (Loews Attendance + Founding Member Attendance)

(a) Founding Member Attendance = AMC Attendance (not including Loews Theatres) + Cinemark Attendance + Regal Attendance

(b) Attendance (for each of Loews, AMC, Cinemark and Regal) = Total number of patrons in all of the exhibitor's Theatre auditoriums during the applicable measurement period

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[1] The meaning of each term used in this Loews Exhibitor Allocation formula is qualified by the definitions in this Attachment A.

C. Exclusivity Run-Out Payment

Formula[1] for Quarterly Payments

Exclusivity Run-Out Payment = ***

[1] The meaning of each term used in this Exclusivity Run-Out Payment formula is qualified by the definitions in this Attachment A.

NATIONAL CINEMEDIA, INC.

2007 EQUITY INCENTIVE PLAN

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NATIONAL CINEMEDIA, INC.

2007 EQUITY INCENTIVE PLAN

1. ESTABLISHMENT AND PURPOSE

1.1 ***Establishment.*** National CineMedia, Inc., a Delaware corporation (the ***"Company"***), hereby establishes the National CineMedia, Inc. 2007 Equity Incentive Plan (the ***"Plan"***). The Plan permits the grant of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards, and other stock-based and cash awards in accordance with the terms hereof.

1.2 ***Purpose.*** The Plan is intended to enhance the Company's and its Affiliates' (as defined herein) ability to attract and retain highly qualified officers, directors, key employees, and other persons, and to motivate such persons to serve the Company and its Affiliates and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company.

2. DEFINITIONS

For purposes of interpreting the Plan and related documents (including Award Agreements), the following definitions shall apply:

2.1 ***"Affiliate"*** means with respect to the Company, (i) any company or other trade or business that controls, is controlled by or is under common control with the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including without limitation, any Subsidiary, (ii) any corporation or other entity controlling, controlled by, or under common control with the Company, including any member of an affiliated group of which the Company is a common parent corporation or subsidiary corporation (within the meaning of Section 424 of the Code), and (iii) National CineMedia, LLC.

2.2 ***"Award"*** means a grant under the Plan of an Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Award, or Other Stock-Based Award.

2.3 ***"Award Agreement"*** means the written or electronic agreement setting forth the terms and conditions applicable to each Award. The Award Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of the Plan and any Award Agreement, the provisions of the Plan shall govern, except to the extent the Plan would be considered to provide an additional benefit as determined under Sections 409A and 424 of the Code.

2.4 ***"Benefit Arrangement"*** means as defined in Section 13.

2.5 ***"Board"*** or ***"Board of Directors"*** means the board of directors of National CineMedia, Inc.

2.6 ***"Business Combination"*** means as defined in Section 2.8.

2.7 ***"Cause"*** means, as determined by the Committee and unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate, (i) any willful breach of any material written policy of the Company or an Affiliate that results in material and demonstrable liability or loss to the Company or the Affiliate; (ii) engaging in any conduct involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company or an Affiliate, including, but not limited to, misappropriation or conversion of assets of the Company or an Affiliate (other than immaterial assets); (iii) a conviction of or entry of a plea of nolo contendere to a felony; or (iv) a material breach by the Service Provider of any term of any employment, consulting or other services, confidentiality, intellectual property or non-competition agreements, if any, between the Service Provider and the Company or an Affiliate. No act or failure to act by the Service Provider shall be deemed "willful" if done, or omitted to be done, by him or her in good faith and with the reasonable belief that his or her action or omission was in the best interest of the Company or an Affiliate.

2.8 ***"Change of Control"*** means and shall be deemed to have occurred upon the occurrence of:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "**Person**") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (x) the then outstanding shares of common stock of the Company (the "**Outstanding Company Common Stock**") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "**Outstanding Company Voting Securities**"); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change of Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (A) or (B) of paragraph (iv) below, or (E) any acquisition by a Founding Member; or

(ii) The acquisition by any Person, other than a Founding Member, of the right to (A) elect, or (B) nominate for election or (C) designate for nomination pursuant to a Director Designation Agreement dated **[_____]**, 2007 among the Company and the Founding Members, a majority of the members of the Company's Board;

(iii) The acquisition by any Person, other than the Company or a Founding Member, of beneficial ownership of more than 50% of the units of NCM LLC; or

(iv) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or an acquisition of assets of another corporation (a "**Business Combination**"), in each case, unless, following such Business Combination, (A) (x) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; and (y) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were individuals who, as of the Effective Date, constitute the Board (the "**Incumbent Board**"); provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board or was designated pursuant to a Director Designation Agreement dated **[_____]**, 2007 among the Company and the Founding Members shall be considered as though such individual were a member of the Incumbent Board, at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination or (B) the Founding Members have acquired directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock or voting power of the then outstanding voting securities entitled to vote generally in the election of directors; or

(v) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company; or

(vi) Approval by the members of NCM LLC of a complete liquidation or dissolution of NCM LLC.

2.9 ***"Code"*** means the Internal Revenue Code of 1986, as amended, and the regulations, interpretations, and administrative guidance issued thereunder.

2.10 ***"Committee"*** means the Compensation Committee of the Board or any committee designated by the Board to administer the Plan, or if no committee is appointed, the Board. The Compensation Committee or the Board may designate one or more subcommittees to (i) consist solely of persons who satisfy the applicable requirements of any stock exchange or national market system on which the shares of Stock may be listed, (ii) consist solely of persons who qualify as an "outside director" within the meaning of Section 162(m) of the Code, and (iii) consist solely of persons who qualify as a "non-employee director" within the meaning of Rule 16b-3 promulgated under the Exchange Act.

2.11 ***"Company"*** means National CineMedia, Inc., a Delaware corporation.

2.12 ***"Corporate Event"*** means an event described in Section 14.1.

2.13 ***"Disabled"*** or ***"Disability"*** means, unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Participant and the Company or an Affiliate, the Participant is unable to perform each of the essential duties of such Participant's position by reason of a medically determinable physical or mental impairment which is potentially permanent in character or which can be expected to last for a continuous period of not less than 12 months; provided that, the following shall apply:

(a) With respect to rules regarding expiration of an Incentive Stock Option following termination of the Participant's Service, Disability has the meaning set forth in Section 22(e)(3) of the Code.

(b) With respect to any Award subject to Section 409A of the Code, the Participant is: (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; (ii) by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, is receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Participant's employer; or (iii) determined to be totally disabled by the Social Security Administration.

2.14 ***"Dividend Equivalents"*** means any right granted under Section 11.

2.15 ***"Effective Date"*** means the effective date of the Plan, **[_____]**, 2007, the date the Plan was approved by the Board.

2.16 ***"Employee"*** means any individual who is a common-law employee of the Company or an Affiliate determined in accordance with the Company's standard personnel policies and practices.

2.17 ***"Exchange Act"*** means the U.S. Securities Exchange Act of 1934, as it may be amended from time to time, or any successor act thereto.

2.18 ***"Exercise Price"*** means the price at which a share of Stock may be purchased pursuant to the exercise of an Option.

2.19 ***"Fair Market Value"*** means the value of a share of Stock as of a particular date, determined as follows: (a) the closing sale price reported for such share on the national securities exchange or national market system on which such stock is principally traded, or if no sale of shares is reported for such trading day, on the next preceding day on which a sale was reported, or (b) if the shares of Stock are not then listed on a national securities exchange or

national market system, or the value of such shares is not otherwise determinable, such value as determined by the Committee in good faith in its sole discretion consistent with the requirements under Section 409A of the Code; notwithstanding the foregoing, the Fair Market Value of a share of Stock for purposes of Awards (other than NCM LLC Substitute Awards and other Substitute Awards) with a Grant Date as of the Company's initial public offering shall be the price per share of Stock in such initial public offering, as determined by the Committee.

2.20 ***"Family Member"*** means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Participant, a trust in which any one or more of these persons have more than fifty percent (50%) of the beneficial interest, a foundation in which any one or more of these persons (or the Participant) control the management of assets, and any other entity in which one or more of these persons (or the Participant) own more than fifty percent (50%) of the voting interests; provided, however, that to the extent required by applicable law, the term Family Member shall be limited to a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Participant or a trust or foundation for the exclusive benefit of any one or more of these persons.

2.21 ***"Founding Member"*** means as such term is defined in the Limited Liability Company Operating Agreement.

2.22 ***"Good Reason"*** means, unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate, (i) reduction in the Service Provider's base salary, (ii) a diminution of the Service Provider's title, office, position or authority, excluding for this purpose an action not taken in bad faith and which is remedied within twenty (20) days after receipt of written notice thereof given by the Service Provider, (iii) the assignment to the Service Provider of any duties inconsistent with the Service Provider's position (including status or reporting requirements), authority, or material responsibilities, or the removal of the Participant's authority or material responsibilities, excluding for this purpose an action not taken in bad faith and which is remedied by the Company within twenty (20) days after receipt of notice thereof given by the Service Provider, (iv) a transfer of the Service Provider's primary workplace by more than fifty (50) miles from the current workplace, or (v) a material breach of any term of any employment, consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate by the Company which is not remedied within twenty (20) days after receipt of written notice thereof given by the Service Provider.

2.23 ***"Grant Date"*** means, as determined by the Committee, the latest to occur of (i) the date on which the Committee approves an Award, (ii) the date on which the recipient of an Award first becomes eligible to receive an Award under Section 5, or (iii) such other date as may be specified by the Committee in the Award Agreement.

2.24 ***"Grant Price"*** means the per share exercise price of a Stock Appreciation Right granted to a Participant under Section 7.

2.25 ***"Incentive Stock Option"*** means an Option to purchase shares of Stock designated as an Incentive Stock Option that is intended to meet the requirements of Section 422 of the Code.

2.26 ***"Incumbent Board"*** means as defined in Section 2.8.

2.27 ***"Limited Liability Company Operating Agreement"*** means the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of **[_____]**, 2007, by and among the members of National CineMedia LLC, as it may be amended, modified or replaced from time to time.

2.28 ***"Minimum Statutory Withholding"*** means as defined in Section 12.

2.29 ***"National CineMedia, LLC"*** means National CineMedia, LLC, a Delaware limited liability company.

2.30 ***"NCM LLC Substitute Awards"*** means Awards granted in substitution for outstanding unit options and restricted units granted to employees of National CineMedia, LLC, in connection with its reorganization and related transactions pursuant to the initial public offering of the Company. The terms and conditions of NCM LLC Substitute Awards shall comply with the requirements for substitutions of awards made in connection with a corporate transaction or certain other adjustments that are not treated as modifications under Regulation § 1.424-1 and Section 409A of the Code, as applicable.

2.31 ***"Non-Qualified Stock Option"*** means any Option other than an Incentive Stock Option.

2.32 ***"Option"*** means an option to purchase one or more shares of Stock at a stated or formula price for a specified period of time. An Option granted under the Plan shall be either an Incentive Stock Option or a Non-Qualified Stock Option.

2.33 ***"Other Agreement"*** means as defined in Section 13.

2.34 ***"Other Stock-Based Award"*** means an equity-based Award that is granted to a Participant under Section 10.

2.35 ***"Outstanding Company Common Stock"*** means as defined in Section 2.8.

2.36 ***"Outstanding Company Voting Securities"*** means as defined in Section 2.8.

2.37 ***"Parachute Payment"*** means as defined in Section 13.

2.38 ***"Participant"*** means any eligible individual as defined in Section 5 who is granted an Award under the Plan.

2.39 ***"Performance Award"*** means an Award made subject to the achievement of performance goals granted under Section 9, denominated in shares of Stock (***"Performance Shares"***) or units (***"Performance Units"***), the value of which at the time it is payable is determined based upon the extent to which the corresponding performance goals have been achieved.

2.40 ***"Performance Period"*** means the period of time during which the performance goals must be achieved in order to determine the degree of vesting or payout with respect to an Award, not to exceed ten (10) years. Performance Periods may be overlapping.

2.41 ***"Person"*** means as defined in Section 2.8.

2.42 ***"Plan"*** means this National CineMedia, Inc. 2007 Equity Incentive Plan, as amended from time to time.

2.43 ***"Purchase Price"*** means the purchase price for each share of Stock pursuant to a grant of Restricted Stock.

2.44 ***"Restricted Stock"*** means an Award of shares of Stock granted under Section 8.

2.45 ***"Restricted Stock Unit"*** or ***"RSU"*** means a bookkeeping entry representing the equivalent of shares of Stock granted under Section 8.

2.46 ***"Restriction Period"*** means the period during which Restricted Stock and Restricted Stock Units are subject to a substantial risk of forfeiture (based upon the passage of time, the achievement of performance goals or upon the occurrence of other events as determined by the Committee, in its discretion), as provided in Sections 8.3 and 8.4.

2.47 ***"Securities Act"*** means the U.S. Securities Act of 1933, as it may be amended from time to time, or any successor act thereto.

2.48 ***"Service"*** means service as a Service Provider to the Company or an Affiliate. Unless otherwise stated in the applicable Award Agreement, a Participant's change in position or duties shall not result in interrupted or terminated Service, so long as such Participant continues to be a Service Provider to the Company or an Affiliate. Subject to the preceding sentence, whether a termination of Service shall have occurred for purposes of the Plan shall be determined by the Committee, which determination shall be final, binding and conclusive.

2.49 ***"Service Provider"*** means an employee, officer or director of the Company or an Affiliate, or a consultant or adviser currently providing services to the Company or an Affiliate.

2.50 ***"Stock"*** or ***"Common Stock"*** means a share of National CineMedia, Inc., common stock, $0.01 par value per share.

2.51 ***"Stock Appreciation Right"*** or ***"SAR"*** means an Award granted under Section 7.

2.52 ***"Subsidiary"*** means any "subsidiary corporation" of the Company within the meaning of Section 424(f) of the Code.

2.53 ***"Substitute Awards"*** means Awards (excluding NCM LLC Substitute Awards) granted in substitution for, or in assumption of, outstanding awards previously granted by an

entity acquired by the Company or a Subsidiary or an Affiliate or with which the Company or Subsidiary or Affiliate combines. The terms and conditions of any Substituted Awards shall comply with the requirements for substitutions or assumptions of awards made in connection with a corporate transaction or certain other adjustments that are not treated as modifications under Regulation § 1.424-1 and Section 409A of the Code, as applicable.

3. PLAN ADMINISTRATION

3.1 ***General.*** The Board shall have such powers and authorities related to the administration of the Plan as are consistent with the Company's certificate of incorporation and bylaws and applicable law. The Board shall have the power and authority to delegate its responsibilities hereunder to the Committee, which shall have full power and authority to act in accordance with its charter, and with respect to the authority of the Board to act hereunder, all references to the Board shall be deemed to include a reference to the Committee, to the extent such power or responsibilities have been delegated. Except as otherwise may be required by applicable law, regulatory requirement or the certificate of incorporation or the bylaws of the Company, the Board shall have full power and authority to take all actions and to make all determinations required or provided for under the Plan, any Award or any Award Agreement, and shall have full power and authority to take all such other actions and make all such other determinations not inconsistent with the specific terms and provisions of the Plan that the Board deems to be necessary or appropriate to the administration of the Plan, any Award or any Award Agreement. The interpretation and construction by the Board of any provision of the Plan, any Award or any Award Agreement shall be final, binding and conclusive.

3.2 ***Authority of the Committee.*** The Board from time to time may delegate to one or more Committees such powers and authorities related to the administration and implementation of the Plan, as set forth in this Section 3 and in other applicable provisions, as the Board shall determine. Unless otherwise expressly determined by the Board, any such action or determination by the Committee shall be final, binding and conclusive. To the extent permitted by law, the Committee may delegate its authority under the Plan to a member of the Board or an executive officer of the Company. Subject to the other terms and conditions of the Plan, the Committee shall have full and final authority, including but not limited to:

(a) designate Participants;

(b) determine the type or types of Awards to be made to a Participant;

(c) determine the number of shares of Stock to be subject to an Award;

(d) establish the terms and conditions of each Award (including, but not limited to, the Exercise Price of any Option, the Grant Price of any Stock Appreciation Right, the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer, or forfeiture of an Award or the shares of Stock subject thereto, and any terms or conditions that may be necessary to qualify Options as Incentive Stock Options);

(e) prescribe the form of each Award Agreement; and

(f) amend, modify, or supplement the terms of any outstanding Award including the authority to modify Awards to foreign nationals or individuals who are employed outside the United States to recognize differences in local law, tax policy, or custom.

Notwithstanding the foregoing, no amendment or modification may be made to an outstanding Option or Stock Appreciation Right that (i) causes the Option or Stock Appreciation Right to become subject to Section 409A of the Code, (ii) reduces the Exercise Price or Grant Price, either by lowering the Exercise Price or Grant Price or by canceling the outstanding Option or Stock Appreciation Right and granting a replacement Option or Stock Appreciation Right with a lower Exercise Price or Grant Price, or (iii) would be treated as a repricing under the rules of the exchange upon which shares of Stock of the Company trade, without, with respect to item (i), the Participant's written prior approval, and with respect to items (ii) and (iii), without the approval of the stockholders of the Company, provided, that, appropriate adjustments may be made to outstanding Options and Stock Appreciation Rights pursuant to Section 14.

As a condition to any Award, the Committee shall have the right, at its discretion, to require Participants to return to the Company Awards previously granted under the Plan. The Committee shall have the right, in its discretion, to make Substitute Awards. Subject to the terms and conditions of the Plan, any such subsequent Award shall be upon such terms and conditions as are specified by the Committee at the time the new Award is granted. The Company may retain the right in an Award Agreement to cause a forfeiture of the gain realized by a Participant on account of actions taken by the Participant in violation or breach of or in conflict with any non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any Affiliate thereof or any confidentiality obligation with respect to the Company or any Affiliate thereof or otherwise in competition with the Company or any Affiliate thereof, to the extent specified in such Award Agreement applicable to the Participant. Furthermore, the Company may annul an Award if the Participant is an employee of the Company or an Affiliate thereof and is terminated for Cause as defined in the applicable Award Agreement or the Plan, as applicable.

3.3 ***Deferral Arrangement.*** The Committee may permit or require the deferral of any Award payment into a deferred compensation arrangement, subject to such rules and procedures as it may establish in accordance with Section 409A of the Code, which may include provisions for the payment or crediting of interest or Dividend Equivalents, including converting such credits into deferred Stock units.

3.4 ***No Liability.*** No member of the Board or of the Committee shall be liable for any action or determination made in good faith with respect to the Plan, any Award or any Award Agreement.

3.5 ***Book Entry.*** Notwithstanding any other provision of this Plan to the contrary, the Company may elect to satisfy any requirement under this Plan for the delivery of stock certificates through the use of book-entry.

4. STOCK SUBJECT TO THE PLAN

4.1 ***Number of Shares.*** Subject to adjustment as provided in Section 14, the maximum number of shares of Stock available for issuance under the Plan shall be **[**2,650,000**]** shares (including NCM LLC Substitute Awards). Subject to adjustment as provided in Section 14, **[**500,000**]** shares of Stock available for issuance under the Plan shall be available for issuance pursuant to Incentive Stock Options. Such maximum numbers may be increased from time to time by approval of the Board and by the stockholders of the Company if, in the opinion of counsel for the Company, stockholder approval is required. Stock issued or to be issued under the Plan shall be authorized but unissued shares; or, to the extent permitted by applicable law, issued shares that have been reacquired by the Company.

4.2 ***Individual Award Limits.*** Subject to adjustment as provided in Section 14, the maximum number of shares of Stock that may be covered by an Award granted under the Plan (other than NCM LLC Substitute Awards and other Substitute Awards) to a single Participant in any calendar year shall not exceed **[**500,000**]** shares. The maximum dollar amount that may be awarded (other than NCM LLC Substitute Awards and other Substitute Awards) to a single Participant in any calendar year shall not exceed $**[**5,000,000**]**.

4.3 ***Share Counting.*** The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of Substitute Awards or tandem Awards) and make adjustments in accordance with Section 14. If the Exercise Price of any Option granted under the Plan, or if pursuant to Section 12 the tax withholding obligation of any Participant with respect to an Option or other Award, is satisfied by tendering shares of Stock to the Company (either by actual deliver or by attestation) or by withholding shares of Stock, the number of shares of Stock issued net of the shares of Stock tendered or withheld shall be deemed delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan. To the extent that an Award under the Plan is canceled, expired, forfeited, settled in cash, settled by issuance of fewer shares than the number underlying the Award, or otherwise terminated without delivery of shares to the Participant, the shares of Stock retained or returned to the Company will be available under the Plan; and shares that are withheld from such an Award or separately surrendered by the Participant in payment of the Exercise Price or taxes relating to such an Award shall be deemed to constitute shares of Stock not delivered to the Participant and will be available under the Plan. The counting procedures described above in this Section 4.3 shall apply with respect to NCM LLC Substitute Awards. With respect to other Substitute Awards, shares of Stock withheld or delivered to pay tax withholding obligations and shares covered by a Substitute Award that is canceled, expired, forfeited, settled in cash, or otherwise settled by issuance of fewer shares shall not be added back to shares available for issuance under the Plan.

4.4 ***Substitute Awards.*** In the case of other Substitute Awards (excluding NCM LLC Substitute Awards), the shares of Stock subject to the Substitute Award shall not be counted against the number of shares reserved under the Plan.

5. ELIGIBILITY AND PARTICIPATION

Individuals eligible to participate in this Plan include all Service Providers of the Company, or any Affiliate; *provided, however,* to the extent required under Section 409A of the Code, an Affiliate of the Company shall include only an entity in which the Company possesses at least twenty percent (20%) of the total combined voting power of the entity's outstanding voting securities or such other threshold ownership percentage permitted under Section 409A of the Code. Subject to the provisions of this Plan, the Committee may, from time to time, select from all eligible individuals, those individuals to whom Awards shall be granted. An eligible person may receive more than one Award, subject to such restrictions as are provided herein.

6. STOCK OPTIONS

6.1 ***Grant of Options.*** Subject to the provisions of this Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, it its sole discretion; provided that Incentive Stock Options may be granted only to eligible Employees of the Company or of any parent corporation or subsidiary corporation (as permitted by Section 422 of the Code).

6.2 ***Award Agreement.*** Each Option granted under the Plan shall be evidenced by an Award Agreement that shall specify the Exercise Price, the number of shares of Stock covered by the Option, the maximum duration of the Option, the conditions upon which an Option shall become vested and exercisable and such other provisions as the Committee shall determine, consistent with the terms of the Plan. The Award Agreement shall specify whether the Option is intended to be an Incentive Stock Option or a Non-Qualified Stock Option.

(a) ***Exercise Price.*** The Exercise Price for each Option shall be as determined by the Committee and shall be specified in the Award Agreement. The Exercise Price shall be: (i) not less than one hundred percent (100%) of the Fair Market Value of a share of Stock on the Grant Date, (ii) set at a premium to the Fair Market Value of a share of Stock on the Grant Date, or (iii) indexed to the Fair Market Value of a share of Stock on the Grant Date, with the index determined by the Committee, in its discretion; *provided*, *however,* with respect to NCM LLC Substitute Awards and other Substitute Awards, the Exercise Price is not required to be at least equal to the Fair Market Value on the Grant Date. In no case shall the Exercise Price of any Option be less than the par value of a share of Stock.

(b) ***Number of Shares.*** Each Award Agreement shall state that it covers a specified number of shares of Stock, as determined by the Committee.

(c) ***Term.*** Each Option shall terminate as set forth in the Award Agreement and all rights to purchase shares of Stock shall expire at such time as the Committee shall determine at the time of grant; *provided*, *however,* no Option shall be exercisable later than the tenth (10th) anniversary of the Grant Date, except as may be required with respect to NCM LLC Substitute Awards or other Substitute Awards.

(d) ***Restrictions on Exercise.*** The Award Agreement shall set forth any installment or other restrictions on exercise of the Option during the term of the Option. Each Option shall become exercisable and shall vest over such period of time, or upon such events, as determined by the Committee.

6.3 ***Exercise of Option.***

(a) ***Manner of Exercise.*** An Option granted hereunder shall be exercised, in whole or in part, by providing written or electronic notice, on a form provided by the Company, to the Committee (or an officer designated by the Committee), specifying the number of shares of Stock to be purchased and accompanied by full payment of the Exercise Price for the shares and satisfaction of any tax withholding requirements.

(b) ***Payment.*** A condition to the issuance or other delivery of shares of Stock as to which an Option shall be exercised shall be the payment of the Exercise Price and satisfaction of any tax withholding requirements. The Exercise Price of an Option shall be payable to the Company in full, in any method permitted under the Award Agreement, including: (i) in cash or in cash equivalents acceptable to the Company; (ii) by tendering (either by actual delivery or by attestation) unrestricted shares of Stock already owned by the Participant (for at least six (6) months or such other period as may be required by the Committee) on the date of surrender to the extent the shares of Stock have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the shares as to which such Option shall be exercised, provided that, in the case of an Incentive Stock Option, the right to make payment in the form of already owned shares of Stock may be authorized only at the time of grant, (iii) any other method approved or accepted by the Committee in its sole discretion, including, but not limited to a cashless (broker-assisted) exercise, or (iv) any combination of the foregoing. Unless otherwise determined by the Committee, all payments under all of the methods indicated above shall be paid in United States dollars.

(c) ***Delivery of Shares.*** Promptly after the exercise of an Option by a Participant and the payment in full of the Exercise Price, such Participant shall be entitled to the issuance of certificates evidencing such Participant's ownership of the shares of Stock purchased upon exercise of the Option. Notwithstanding any other provision of this Plan to the contrary, the Company may elect to satisfy any requirement under this Plan for the delivery of certificates through the use of book-entry.

6.4 ***Termination of Service.*** Each Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the Option following termination of the Participant's Service. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of Service.

6.5 ***Limitations on Incentive Stock Options.***

(a) ***Initial Exercise.*** The aggregate Fair Market Value of the shares of Stock with respect to which Incentive Stock Options are exercisable for the first time by a Participant in any calendar year, under the Plan or otherwise, shall not exceed $100,000. For this purpose, the Fair Market Value of the shares of Stock shall be determined as of the Grant Date and each Incentive Stock Option shall be taken into account in the order granted.

(b) ***Ten Percent Stockholders.*** An Incentive Stock Option granted to a Participant who is the holder of record of more than ten percent (10%) of the combined voting power of all classes of stock of the Company shall have an Exercise Price at least equal to one hundred and ten percent (110%) of the Fair Market Value of a share of Stock on the Grant Date of the Option and the term of the Option shall not exceed five (5) years.

(c) ***Notification of Disqualifying Disposition.*** If any Participant shall make any disposition of shares of Stock acquired pursuant to the exercise of an Incentive Stock Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), the Participant shall notify the Company of such disposition within ten (10) days thereof.

6.6 ***Transferability.*** Except as provided in Section 6.7, during the lifetime of a Participant, only the Participant (or, in the event of legal incapacity or incompetency, the Participant's guardian or legal representative) may exercise an Option. Except as provided in Section 6.7, no Option shall be assignable or transferable by the Participant to whom it is granted, other than by will or the laws of descent and distribution.

6.7 ***Family Transfers.*** If authorized in the applicable Award Agreement, a Participant may transfer, not for value, all or part of an Option to any Family Member. For the purpose of this Section 6.7, a "not for value" transfer is a transfer which is (i) a gift, (ii) a transfer under a domestic relations order in settlement of marital property rights; or (iii) unless applicable law does not permit such transfers, a transfer to an entity in which more than fifty percent (50%) of the voting interests are owned by Family Members (or the Participant) in exchange for an interest in that entity. Following a transfer under this Section 6.7, any such Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer. Subsequent transfers of transferred Options are prohibited except to Family Members of the original Participant in accordance with this Section 6.7 or by will or the laws of descent and distribution. The events of termination of Service under an Option shall continue to be applied with respect to the original Participant, following which the Option shall be exercisable by the transferee only to the extent, and for the periods specified in the applicable Award Agreement.

6.8 ***Rights of Holders of Options.*** Unless otherwise stated in the applicable Award Agreement, an individual holding or exercising an Option shall have none of the rights of a stockholder of the Company (for example, the right to receive cash or dividend payments or distributions attributable to the subject shares of Stock or to direct the voting of the shares of Stock) until the shares of Stock covered thereby are fully paid and issued to such individual. Except as provided in Section 14 hereof, no adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date of such issuance.

7. STOCK APPRECIATION RIGHTS

7.1 ***Grant of Stock Appreciation Rights.*** Subject to the provisions of this Plan, Stock Appreciation Rights may be granted to Participants at any time and from time to time as shall be determined by the Committee. The Committee may grant freestanding Stock Appreciation Rights, Stock Appreciation Rights that are granted in tandem with an Option, or any combination thereof.

7.2 ***Award Agreement.*** Each Stock Appreciation Right shall be evidenced by an Award Agreement that shall specify the Grant Price, the number of shares of Stock covered by the Stock Appreciation Right, the maximum duration of the Stock Appreciation Right, the conditions upon which the Stock Appreciation Right shall become vested and exercisable and such other provisions as the Committee shall determine, consistent with the terms of the Plan.

(a) ***Grant Price.*** The Grant Price for each Stock Appreciation Right shall be determined by the Committee and shall be specified in the Award Agreement. Other than with respect to Substitute Awards, the Grant Price shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Stock on the Grant Date of the Stock Appreciation Right.

(b) ***Number of Shares.*** Each Award Agreement shall state that it covers a specified number of shares of Stock, as determined by the Committee.

(c) ***Term.*** Each Stock Appreciation Right shall terminate and all rights with respect to the Stock Appreciation Right shall expire at such time as the Committee shall determine at the time of grant; *provided*, *however,* no Stock Appreciation Rights shall be exercisable later than the tenth (10^{th}) anniversary of the Grant Date.

(d) ***Restrictions on Exercise.*** The Award Agreement shall set forth any installment or other restrictions on exercise of the Stock Appreciation Right during its term. Each Stock Appreciation Right shall become exercisable and shall vest over such period of time, or upon such events, as determined by the Committee (including based on achievement of performance goals or future service requirements).

7.3 ***Exercise of Stock Appreciation Right.*** A Participant desiring to exercise a Stock Appreciation Right shall give written or electronic notice, on a form provided by the Company, of such exercise to the Company with the information the Company deems reasonably necessary to exercise the Stock Appreciation Right. If a Stock Appreciation Right is issued in tandem with an Option, except as may otherwise be provided by the Committee, the Stock Appreciation Right shall be exercisable during the period that its related Option is exercisable. Upon the exercise of a Stock Appreciation Right, a Participant shall be entitled to receive payment from the Company in an amount determined by multiplying:

(a) The excess of the Fair Market Value of a share of Stock on the date of exercise over the Grant Price; by

(b) The number of shares of Stock with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Committee, the payment upon exercise may be in cash, shares of Stock or any combination thereof, or in any other manner approved by the Committee in its sole discretion. The Committee's determination as to the form of settlement shall be set forth in the Award Agreement.

7.4 ***Effect of Exercise.*** If a Stock Appreciation Right is issued in tandem with an Option, the exercise of the Stock Appreciation Right or the related Option will result in an equal reduction in the number of corresponding shares of Stock subject to the Option or Stock Appreciation Right that were granted in tandem with such Stock Appreciation Right and Option.

7.5 ***Termination of Service.*** Upon the termination of Service of a Participant, any Stock Appreciation Rights then held by such Participant shall be exercisable within the time periods, and upon the same conditions with respect to the reasons for termination of Service, as are specified in Section 6.4 with respect to Options.

7.6 ***Transferability.*** A Stock Appreciation Right shall only be transferable upon the same terms and conditions with respect to transferability, as are specified in Sections 6.6 and 6.7 with respect to Options.

8. RESTRICTED STOCK AND RESTRICTED STOCK UNITS

8.1 ***Grant of Restricted Stock or Restricted Stock Units.*** Subject to the provisions of this Plan, the Committee at any time and from time to time, may grant shares of Restricted Stock or Restricted Stock Units to Participants in such amounts as the Committee shall determine.

8.2 ***Award Agreement.*** Each grant of Restricted Stock or Restricted Stock Units shall be evidenced by an Award Agreement that shall specify the Restriction Period, the number of shares of Restricted Stock or the number of Restricted Stock Units granted and such other provisions as the Committee shall determine.

8.3 ***Restrictions on Transfer.*** Except as provided in this Plan or an Award Agreement, the shares of Restricted Stock and Restricted Stock Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the end of the Restriction Period established by the Committee and specified in the Award Agreement (and in the case of Restricted Stock Units until the date of delivery or other payment), or upon earlier satisfaction or any other conditions, as specified by the Committee, in its sole discretion. All rights with respect to the Restricted Stock or Restricted Stock Units granted to a Participant shall be available during his or her lifetime only to such Participant, except as otherwise provided in an Award Agreement or at any time by the Committee.

8.4 ***Forfeiture; Other Restrictions.*** The Committee shall impose such other conditions and restrictions on any shares of Restricted Stock or Restricted Stock Units as it may deem advisable including a requirement that the Participant pay a specified amount to purchase each share of Restricted Stock, restrictions based upon the achievement of specific performance goals, time-based restrictions on vesting following the attainment of the performance goals, time-based restrictions or restrictions under applicable laws or under the requirements of any stock exchange or market upon which shares of Stock are then listed or traded, or holding requirements or sale restrictions placed on the shares of Stock by the Company upon vesting of such Restricted Stock or Restricted Stock Units.

8.5 ***Restricted Stock Units.*** A holder of Restricted Stock Units shall have no rights other than those of a general creditor of the Company. Restricted Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement. Restricted Stock Units may be settled in cash or Stock, as determined by the Committee and set forth in the Award Agreement.

8.6 ***Termination of Service.*** Unless otherwise provided by the Committee in the applicable Award Agreement, upon the termination of a Participant's Service with the Company or an Affiliate, any shares of Restricted Stock or Restricted Stock Units held by such Participant that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be deemed forfeited, and the Participant shall have no further rights with respect to such Awards, including but not limited to any right to vote Restricted Stock or any right to receive dividends with respect to Restricted Stock or Restricted Stock Units.

8.7 ***Stockholder Privileges.*** Unless otherwise determined by the Committee and set forth in the Award Agreement:

(a) A Participant holding shares of Restricted Stock shall have voting rights with respect to the shares during the Restriction Period. The Committee may provide in an Award Agreement that the Participant shall be entitled to receive Dividend Equivalents during the Restriction Period in accordance with Section 11.

(b) A Participant holding Restricted Stock Units shall have no rights of a stockholder of the Company with respect to the Restricted Stock Units. The Committee may provide in an Award Agreement that the holder of such Restricted Stock Units shall be entitled to receive Dividend Equivalents in accordance with Section 11.

8.8 ***Purchase of Restricted Stock.*** The Participant shall be required, to the extent required by applicable law, to purchase the shares of Restricted Stock from the Company at a Purchase Price equal to the greater of (i) the aggregate par value of the shares of Stock represented by such Restricted Stock or (ii) the Purchase Price, if any, specified in the Award Agreement. The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. In addition, to the extent the Award Agreement so provides, payment of the Purchase Price may be made in any other form that is consistent with applicable laws, regulations and rules, or, in the discretion of the Committee, in consideration for past Services rendered to the Company or an Affiliate. Upon the expiration or termination of the Restriction Period and the satisfaction of any other conditions prescribed by the Committee, having properly paid the Purchase Price, the restrictions applicable to Restricted Stock shall lapse, and, unless otherwise provided in the Award Agreement, a certificate for such shares of Stock shall be delivered, free of all such restrictions, to the Participant or the Participant's beneficiary or estate, as the case may be.

9. PERFORMANCE AWARDS

9.1 ***Grant of Performance Awards.*** Subject to the provisions of this Plan, the Committee, at any time and from time to time, may grant Performance Shares or Performance Units to Participants in such amounts and upon such terms as the Committee shall determine.

9.2 ***Value of Performance Shares or Units.*** Each Performance Share shall have an initial value equal to the Fair Market Value of a Share on the Grant Date. Each Performance Unit shall have an initial value that is established by the Committee at the time of grant. The Committee shall set performance goals in its discretion which, depending upon the extent to which the performance goals are achieved, will determine the number or value of Performance Shares or Performance Units that will be paid to the Participant.

9.3 ***Achievement of Performance Goals.*** Subject to the provisions of this Plan, after the applicable Performance Period has been completed, the Committee shall determine the number of Performance Shares or value of Performance Units the Participant has earned over the Performance Period based upon the extent to which the performance goals have been achieved.

9.4 ***Payment of Performance Awards.*** The time and form of payment of Performance Awards earned by the Participant shall be as determined by the Committee and as set forth in the Award Agreement. Any payment of shares of Stock may be granted subject to any restrictions deemed appropriate by the Committee. The Committee may provide in an Award Agreement for the payment of Dividend Equivalents in accordance with Section 11.

9.5 ***Termination of Service.*** Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Shares or Performance Units following termination of Service. Such provisions shall be determined in the sole discretion of the Committee and need not be uniform among all Awards of Performance Shares or Performance Units and may reflect distinctions based upon the reason for termination.

9.6 ***Transferability.*** Except as otherwise provided in an Award Agreement, Performance Awards may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by the laws of descent and distribution.

10. OTHER STOCK-BASED AWARDS

From time to time during the duration of this Plan, the Committee may, in its sole discretion, adopt one or more incentive compensation arrangements for Participants pursuant to which the Participants may acquire shares of Stock under the Plan, whether by purchase, outright grant, or otherwise. Any such arrangements shall be subject to the general provisions of this Plan and all shares of Stock issued pursuant to such arrangements shall be issued under this Plan.

11. DIVIDEND EQUIVALENTS

Subject to the terms of the Plan and any applicable Award Agreement, a Participant shall, if so determined by the Committee, be entitled to receive, currently, or on a deferred basis, dividends or Dividend Equivalents, with respect to the shares of Stock covered by the Award. The Committee may provide that any dividends paid on shares of Stock subject to an Award must be reinvested in additional shares of Stock, which may or may not be subject to the same vesting conditions and restrictions applicable to the Award. Notwithstanding the award of Dividend Equivalents or dividends, a Participant shall not be entitled to receive a special or extraordinary dividend or distribution unless the Committee shall have expressly authorized such receipt. All distributions, if any, received by a Participant with respect to an Award as a result of any split, Stock dividend, combination of shares of Stock, or other similar transaction shall be subject to the restrictions applicable to the original Award. Notwithstanding the foregoing, with respect to Restricted Stock granted as NCM LLC Substitute Awards and Restricted Stock granted to directors immediately upon completion of the Company's initial public offering during the Restriction Period, such Participants shall be entitled to receive regular cash dividends declared and paid with respect to the shares of Restricted Stock.

12. TAX WITHHOLDING

The Company or any Affiliate, as the case may be, shall have the right to deduct from payments of any kind otherwise due to a Participant any federal, state, or local taxes, domestic or foreign, of any kind required by law with respect to the vesting of or other lapse of restrictions applicable to Awards or upon the issuance of any shares of Stock or payment of any kind upon the exercise of any Options or Stock Appreciation Rights. At the time of such vesting, lapse, payment, or exercise, the Participant shall pay to the Company or Affiliate, as the case may be, any amount that the Company or Affiliate may reasonably determine to be necessary to satisfy such withholding obligation.

Subject to the prior approval of the Company or the Affiliate, which may be withheld by the Company or the Affiliate, as the case may be, in its sole discretion, the Participant may elect to have shares of Stock withheld or to deliver shares to satisfy the minimum statutory withholding rates for federal, state and local income taxes and employment taxes that are applicable to supplemental taxable income (***"Minimum Statutory Withholding"***) obligations. The Participant may elect to satisfy Minimum Statutory Withholding obligations, in whole or in part, (i) by causing the Company or the Affiliate to withhold shares of Stock otherwise issuable to the Participant or (ii) by delivering to the Company or the Affiliate shares of Stock already owned by the Participant (for any minimum period required by the Committee). The shares of Stock so delivered or withheld shall have an aggregate Fair Market Value not in excess of such withholding obligations. The Fair Market Value of the shares of Stock used to satisfy such withholding obligation shall be determined by the Committee as of the date that the amount of tax to be withheld is to be determined. A Participant who has made an election pursuant to this Section 12 may satisfy his or her withholding obligation only with shares of Stock that are not subject to any repurchase, forfeiture, unfulfilled vesting, or other similar requirements.

13. PARACHUTE LIMITATIONS

Notwithstanding any other provision of this Plan or of any other agreement, contract, or understanding heretofore or hereafter entered into by a Participant with the Company or any Affiliate, except an agreement, contract, or understanding hereafter entered into that expressly modifies or excludes application of this Section 13 (an ***"Other Agreement"***), and notwithstanding any formal or informal plan or other arrangement for the direct or indirect provision of compensation to the Participant (including groups or classes of participants or beneficiaries of which the Participant is a member), whether or not such compensation is deferred, is in cash, or is in the form of a benefit to or for the Participant (a ***"Benefit Arrangement"***), if the Participant is a "disqualified individual," as defined in Section 280G(c) of the Code, any Awards held by that Participant and any right to receive any payment or other benefit under this Plan shall not become exercisable or vested (i) to the extent that such right to exercise, vesting, payment, or benefit, taking into account all other rights, payments, or benefits to or for the Participant under this Plan, all Other Agreements, and all Benefit Arrangements, would cause any payment or benefit to the Participant under this Plan to be considered a "parachute payment" within the meaning of Section 280G(b)(2) of the Code as then in effect (a ***"Parachute Payment"***) and (ii) if, as a result of receiving a Parachute Payment, the aggregate after-tax amounts received by the Participant from the Company under this Plan, all Other Agreements, and all Benefit Arrangements would be less than the maximum after-tax amount

that could be received by the Participant without causing any such payment or benefit to be considered a Parachute Payment. In the event that the receipt of any such right to exercise, vesting, payment, or benefit under this Plan, in conjunction with all other rights, payments, or benefits to or for the Participant under any Other Agreement or any Benefit Arrangement would cause the Participant to be considered to have received a Parachute Payment under this Plan that would have the effect of decreasing the after-tax amount received by the Participant as described in clause (ii) of the preceding sentence, then the Committee shall have the right, in its sole discretion, to designate those rights, payments, or benefits under this Plan, any Other Agreements, and any Benefit Arrangements to be reduced or eliminated so as to avoid having the payment or benefit to the Participant under this Plan be deemed to be a Parachute Payment.

14. EFFECT OF CHANGES IN CAPITALIZATION

14.1 ***Changes in Stock.*** The number of shares of Stock for which Awards may be made under the Plan shall be proportionately increased or decreased for any increase or decrease in the number of shares of Stock on account of any recapitalization, reclassification, split, reverse split, combination, exchange, dividend or other distribution payable in shares of Stock, or for any other increase or decrease in such shares of Stock effected without receipt of consideration by the Company occurring after the Effective Date (any such event hereafter referred to as a ***"Corporate Event"***). In addition, subject to the exception set forth in the second sentence of Section 14.4, the number and kind of shares for which Awards are outstanding shall be proportionately increased or decreased for any increase or decrease in the number of shares of Stock on account of any Corporate Event. Any such adjustment in outstanding Options or Stock Appreciation Rights shall not increase the aggregate Exercise Price or Grant Price payable with respect to shares that are subject to the unexercised portion of an outstanding Option or Stock Appreciation Right, as applicable, and the adjustment shall comply with the requirements under Section 409A of the Code. The conversion of any convertible securities of the Company shall not be treated as an increase in shares effected without receipt of consideration. Notwithstanding the foregoing, in the event of any distribution to the Company's stockholders of securities of any other entity or other assets (including an extraordinary cash dividend but excluding a non-extraordinary dividend payable in cash or in stock of the Company) without receipt of consideration by the Company, the Company shall proportionately adjust (i) the number and kind of shares subject to outstanding Awards and/or (ii) the Exercise Price per share of outstanding Options and the Grant Price of outstanding Stock Appreciation Rights to reflect such distribution. Notwithstanding the foregoing, upon the occurrence of any event or transaction contemplated in this Section 14.1, any changes contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.2 ***Change of Control.*** Subject to the exception set forth in the second sentence of Section 14.4, if, within three months prior to or one year after the consummation of a Change of Control, a Participant's Service is terminated by either the Company, an Affiliate or a successor in interest to the Company or an Affiliate without Cause or by the Participant for Good Reason, then all of the Participant's Options and Stock Appreciation Rights outstanding hereunder shall become immediately exercisable and all outstanding other Awards shall be deemed to have vested, with all restrictions and conditions applicable to such Awards deemed lapsed.

Provision may be made in writing in connection with a Change of Control for the assumption or continuation of the Awards theretofore granted, or for the substitution for such Awards for new options, restricted stock or other equity awards relating to the stock or units of a successor entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number of shares or units (disregarding any consideration that is not common stock) and option prices, in which event the Awards theretofore granted shall continue in the manner and under the terms so provided.

14.3 ***Reorganization in Which the Company Is the Surviving Entity and in Which No Change of Control Occurs.*** Subject to the exception set forth in the second sentence of Section 14.4, if the Company shall be the surviving entity in any reorganization, merger, or consolidation of the Company with one or more other entities and in which no Change of Control occurs, any Award theretofore made pursuant to the Plan shall pertain to and apply solely to the securities to which a holder of the number of securities subject to such Award would have been entitled immediately following such reorganization, merger, or consolidation, and, in the case of Options and Stock Appreciation Rights, with a corresponding proportionate adjustment of the Exercise Price or Grant Price per share so that the aggregate Exercise Price or Grant Price thereafter shall be the same as the aggregate Exercise Price or Grant Price of the shares of Stock remaining subject to the Option or Stock Appreciation Right immediately prior to such reorganization, merger, or consolidation. Subject to any contrary language in an Award Agreement evidencing any other Award, any restrictions applicable to such Award shall apply as well to any replacement shares of Stock received by the Participant as a result of the reorganization, merger or consolidation. Notwithstanding the foregoing, upon the occurrence of any event or transaction contemplated in this Section 14.3, any changes contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.4 ***Adjustment.*** Adjustments under Section 14 related to shares of Stock or securities of the Company shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. The Committee may provide in the Award Agreements at the time of Award, or any time thereafter with the consent of the Participant, for different provisions to apply to an Award in place of those described in Sections 14.1, 14.2 and 14.3. Notwithstanding the foregoing, any different provisions or changes to provisions contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.5 ***No Limitations on the Company.*** The making of Awards pursuant to the Plan shall not affect or limit in any way the right or power of the Company to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure or to merge, consolidate, dissolve, or liquidate, or to sell or transfer all or any part of its business or assets.

15. REQUIREMENTS OF LAW

15.1 ***General.*** The Company shall not be required to issue or sell any shares of Stock under any Award if the issuance or sale of such shares would constitute a violation by the Participant, any other individual exercising an Option or Stock Appreciation Right, or the Company of any provisions of any law or regulation of any governmental authority, including

without limitation any federal or state securities laws or regulations. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of any shares subject to an Award upon any securities exchange or under any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the issuance or purchase of shares of Stock hereunder, no shares of Stock may be issued or sold to the Participant or any other individual exercising an Option or Stock Appreciation Right pursuant to such Award unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company, and any delay caused thereby shall in no way affect the date of termination of the Award. Specifically, in connection with the Securities Act, upon the exercise of any Option or the delivery of any shares of Stock underlying an Award, unless a registration statement under the Securities Act is in effect with respect to the shares of Stock covered by such Award, the Company shall not be required to issue or sell such shares of Stock unless the Committee has received evidence satisfactory to it that the Participant or any other individual exercising an Option may acquire such shares of Stock pursuant to an exemption from registration under the Securities Act. Any determination in this connection by the Committee shall be final, binding, and conclusive. The Company may, but shall in no event be obligated to, register any securities covered hereby pursuant to the Securities Act. The Company shall not be obligated to take any affirmative action in order to cause the exercise of an Option or the issuance or sale of shares of Stock pursuant to the Plan to comply with any law or regulation of any governmental authority. As to any jurisdiction that expressly imposes the requirement that an Option shall not be exercisable until the shares of Stock covered by such Option are registered or are exempt from registration, the exercise of such Option (under circumstances in which the laws of such jurisdiction apply) shall be deemed conditioned upon the effectiveness of such registration or the availability of such an exemption.

15.2 ***Rule 16b-3.*** During any time when the Company has a class of equity security registered under Section 12 of the Exchange Act, it is the intent of the Company that Awards pursuant to the Plan and the exercise of Options granted hereunder will qualify for the exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any provision of the Plan or action by the Committee does not comply with the requirements of Rule 16b-3, it shall be deemed inoperative to the extent permitted by law and deemed advisable by the Committee, and shall not affect the validity of the Plan. In the event that Rule 16b-3 is revised or replaced, the Committee may exercise its discretion to modify this Plan in any respect necessary to satisfy the requirements of, or to take advantage of any features of, the revised exemption or its replacement.

16. GENERAL PROVISIONS

16.1 ***Disclaimer of Rights.*** No provision in the Plan, in any Award or in any Award Agreement shall be construed to confer upon any individual the right to remain in the employ or service of the Company or any Affiliate, or to interfere in any way with any contractual or other right or authority of the Company either to increase or decrease the compensation or other payments to any individual at any time, or to terminate any employment or other relationship between any individual and the Company or any Affiliate. The obligation of the Company to pay any benefits pursuant to this Plan shall be interpreted as a contractual obligation to pay only those amounts described herein, in the manner and under the conditions prescribed herein. The Plan shall in no way be interpreted to require the Company to transfer any amounts to a third party trustee or otherwise hold any amounts in trust or escrow for payment to any participant or beneficiary under the terms of the Plan.

16.2 ***Nontransferability of Awards.*** Except as provided in Sections 6.6 and 7.6 or otherwise at the time of grant or thereafter, no right or interest of any Participant in an Award granted pursuant to the Plan, shall be assignable or transferable during the lifetime of the Participant, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. In the event of a Participant's death, a Participant's rights and interests in Awards shall only be transferable by will or the laws of descent and distribution to the extent provided under this Plan, and payment of any amounts due thereunder shall be made to, and exercise of any Option or Stock Appreciation Right may be made by, the Participant's legal representatives, heirs or legatees. If in the opinion of the Committee a person entitled to payments or to exercise rights with respect to the Plan is unable to care for his or her affairs because of mental condition, physical condition or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence satisfactory to the Committee of such status.

16.3 ***Changes in Accounting or Tax Rules.*** Except as provided otherwise at the time an Award is granted, notwithstanding any other provision of the Plan to the contrary, if, during the term of the Plan, any changes in the financial or tax accounting rules applicable to any Award shall occur which, in the sole judgment of the Committee, may have a material adverse effect on the reported earnings, assets or liabilities of the Company, the Committee shall have the right and power to modify as necessary, any then outstanding and unexercised Options, Stock Appreciation Rights and other outstanding Awards as to which the applicable services or other restrictions have not been satisfied.

16.4 ***Nonexclusivity of the Plan.*** The adoption of the Plan shall not be construed as creating any limitations upon the right and authority of the Committee to adopt such other incentive compensation arrangements (which arrangements may be applicable either generally to a class or classes of individuals or specifically to a particular individual or particular individuals) as the Committee in its discretion determines desirable.

16.5 ***Captions.*** The use of captions in this Plan or any Award Agreement is for the convenience of reference only and shall not affect the meaning of any provision of the Plan or such Award Agreement.

16.6 ***Other Award Agreement Provisions.*** Each Award Agreement may contain such other terms and conditions not inconsistent with the Plan as may be determined by the Committee, in its sole discretion.

16.7 ***Other Employee Benefits.*** The amount of any compensation deemed to be received by a Participant as a result of the exercise of an Option or Stock Appreciation Right, the sale of Shares received upon such exercise, the vesting of any Restricted Stock, receipt of Performance Shares, distributions with respect to Restricted Stock Units or Performance Units, or Other Stock-Based Awards shall not constitute "earnings" or "compensation" with respect to which any other employee benefits of such employee as determined, including without limitation, benefits under any pension, profit sharing, 401(k), life insurance or salary continuation plan.

16.8 ***Severability.*** If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction.

16.9 ***Governing Law.*** The validity and construction of this Plan and the Award Agreements shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Plan and the Award Agreements to the substantive laws of any other jurisdiction.

16.10 ***Section 409A.*** Notwithstanding anything in this Plan to the contrary, the Plan and Awards made under the Plan are intended to comply with the requirements imposed by Section 409A of the Code. If any Plan provision or Award under the Plan would result in the imposition of an additional tax under Section 409A of the Code, the Company and the Participant intend that the Plan provision or Award will be reformed to avoid imposition, to the extent possible, of the applicable tax and no action taken to comply with Section 409A of the Code shall be deemed to adversely affect the Participant's rights to an Award. The Participant further agrees that the Committee, in the exercise of its sole discretion and without the consent of the Participant, may amend or modify an Award in any manner and delay the payment of any amounts payable pursuant to an Award to the minimum extent necessary to meet the requirements of Section 409A of the Code as the Committee deems appropriate or desirable.

17. AMENDMENT, MODIFICATION AND TERMINATION

17.1 ***Amendment, Modification, and Termination.*** Subject to Sections 3.2, 16.11 and 17.2, the Board may at any time terminate, and from time to time may amend or modify the Plan provided, however, that no amendment or modification may become effective without approval of the stockholders of the Company if stockholder approval is required to enable the Plan to satisfy any applicable statutory or regulatory requirements, or if the Company, on the advice of counsel, determines that stockholder approval is otherwise necessary or desirable.

17.2 ***Awards Previously Granted.*** Except as otherwise may be required under Section 16.11, notwithstanding Section 17.1 to the contrary, no amendment, modification or termination of the Plan or Award Agreement shall adversely affect in any material way any previously granted Award, without the written consent of the Participant holding such Award.

18. STOCKHOLDER APPROVAL; EFFECTIVE DATE OF PLAN

The Plan shall be effective as of the Effective Date. Any Option that is designated as an Incentive Stock Option shall be a Nonqualified Stock Option if the Plan is not approved by the stockholders of the Company within twelve (12) months after the Effective Date of the Plan.

19. DURATION

Unless sooner terminated by the Board, this Plan shall terminate automatically 10 years from the Effective Date. After the Plan is terminated, no Awards may be granted. Awards outstanding at the time the Plan is terminated shall remain outstanding in accordance with the terms and conditions of the Plan and the Award Agreement.

20. EXECUTION

To record adoption of the Plan by the Board as of _____, 2007, the Company has caused its authorized officer to execute the Plan.

NATIONAL CINEMEDIA, INC.

By: _____

Kurt C. Hall
President and Chief Executive Officer

Date: _____

Exhibit 10.13

NATIONAL CINEMEDIA, INC.
2007 EQUITY INCENTIVE PLAN

OPTION SUBSTITUTION AWARD

On _____, 2007 (the **"Effective Date"**), National CineMedia, Inc., a Delaware corporation (the **"Company"**), completed an initial public offering of shares of common stock, $0.01 par value per share, of the Company (**"Stock"**) (the **"IPO"**). On the date of the IPO, the individual named below (**"Optionee"**) held one or more outstanding options to purchase class A units of National CineMedia, LLC, a Delaware limited liability company (the **"NCM LLC Option"**). Pursuant to Section 14.3 of the NCM LLC 2006 Unit Option Plan, as amended (the **"LLC Plan"**), upon the completion of the IPO the NCM LLC Option is being exchanged for and substituted with an option to purchase shares of Stock (the **"NCM Inc. Option"**). This Option Substitution Award (the **"Award"**) evidences the terms of the NCM Inc. Option granted under the National CineMedia, Inc. 2007 Equity Incentive Plan (the **"Plan"**) in substitution for an NCM LLC Option, as previously adjusted by the adjustments provided for in Section 14 of the LLC Plan, and the cancellation of the NCM LLC Option.

Name of Optionee: _____

Vesting Start Date: _____

Expiration Date: _____

Type of Option: Non-Qualified Stock Option

The table below summarizes the option immediately before and after the IPO:

NCM LLC Option			NCM Inc. Option	
Grant Date	No. of Units of NCM LLC	Exercise Price per Unit	No. of shares of NCM Inc. Stock	Exercise Price per share of Stock

A. ADJUSTMENTS AND SUBSTITUTION

1. **Split of Units.** Pursuant to Section 14.1 of the LLC Plan, the number of units covered by the unexercised portion of the NCM LLC Option and the option exercise price per unit have been proportionately adjusted in connection with a split of units effected without receipt of consideration by NCM LLC.

2. **Extraordinary Cash Distribution.** Pursuant to Section 14.1 of the LLC Plan, the number of units covered by the unexercised portion of the NCM LLC Option and the option exercise price per unit have been proportionately adjusted in connection with an extraordinary cash distribution made pursuant to the issuance and subsequent redemption of preferred units to the founding members of NCM LLC effected without receipt of consideration by NCM LLC.

3. **Tax Law Requirements.** The adjustments provided for in Section 14 of the LLC Plan result in an option exchange ratio of 1:1. The adjustments and substitution are intended to comply with federal tax law requirements to avoid being considered a modification of the original option for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the **"Code"**), as applicable:

(a) The total spread (the excess of the aggregate fair market value of the shares (or units) subject to the option over the aggregate option exercise price) of the NCM Inc. Option cannot exceed the total spread of the NCM LLC Option that existed immediately prior to the issuance of the NCM Inc. Option;

(b) On a share by share comparison, the ratio of the option exercise price to the fair market value of the shares subject to the NCM Inc. Option immediately after the substitution cannot be greater than the ratio of the option exercise price to the fair market value of the units subject to the NCM LLC Option that existed immediately prior to the substitution;

(c) The NCM Inc. Option must contain all terms of the NCM LLC Option, except to the extent such terms are rendered inoperative by the corporate transaction;

(d) The NCM Inc. Option must not provide the option holder additional benefits that the option holder did not have under the NCM LLC Option; and

(e) In connection with the substitution and the receipt of the NCM Inc. Option, all rights of the option holder under the NCM LLC Option must be cancelled.

4. **Other Adjustments.** The number of units subject to the NCM LLC Option on the Effective Date was determined by rounding the amount determined after the adjustments down to the next whole number of units. The exercise price per unit of the NCM LLC Option on the Effective Date was determined by rounding the amount determined after the adjustments up to the next whole cent.

5. **Substitution.** Pursuant to Section 14.3 of the LLC Plan, upon the occurrence of the IPO, each outstanding NCM LLC Option shall be exchanged for an NCM Inc. Option pursuant to a fixed exchange ratio of 1:1, and following the exchange, the NCM LLC Option shall be cancelled.

B. STOCK OPTION AWARD

1. **Grant of Option.** Subject to the terms and conditions of this Award and the Plan, the Company hereby grants to Optionee, an Option to purchase the number of shares of Stock, at the Exercise Price (each as set forth on the cover page of this Award), and subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict

between the terms and conditions of the Plan and this Award, the terms and conditions of the Plan shall govern, except to the extent the Plan would be considered to provide for an additional benefit as determined under Section 409A of the Code. All capitalized terms in this Award shall have the meaning assigned to them in this Award or in the Plan.

2. **Type of Option.** This Option is a Non-Qualified Stock Option.

3. **Vesting.** The Option is only exercisable, in whole or in part, before it expires and then only with respect to the vested portion of the Option. Subject to the preceding sentence, Optionee may exercise this Option, by following the procedures set forth in this Award.

Except as provided otherwise in this Award and the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), Optionee's right to purchase shares of Stock under this Option vests as to one-fifth (1/5) of the total number of shares covered by this Option, on the one-year anniversary of the Vesting Start Date (**"Anniversary Date"**), provided Optionee then continues in Service. Thereafter for each such Anniversary Date that Optionee remains in Service, the number of shares of Stock covered by the Option shall vest at the rate of one-fifth (1/5) of the shares following the Anniversary Date, as set forth below:

Service Vesting Date	Percentage of Shares that Vest	Number of Shares that Vest

No additional shares will vest after Optionee's termination of Service for any reason.

4. **Option Term; Expiration Date.** This Option shall have a maximum term of fifteen (15) years measured from the original Grant Date (as set forth in the table on the cover sheet of this Award) and shall accordingly expire at the close of business at Company headquarters on the fifteenth anniversary of the Grant Date, unless sooner terminated in accordance with Section 5 of this Award (the **"Expiration Date"**).

5. **Termination of Service; Expiration of Option.** If Optionee terminates Service with the Company and its Affiliates prior to the Expiration Date, the following shall apply:

(a) **By the Company Without Cause or By Optionee for Good Reason.** If Optionee's Service is terminated by the Company or its Affiliate without Cause or Optionee terminates Service for Good Reason, then the vested portion of the Option will expire at the close of business at Company headquarters on the 90th day after Optionee terminates Service, but

in no event after the Expiration Date. The unvested portion of the Option automatically expires on the date of termination of Service. Section 14.2 of the Plan provides for accelerated vesting upon certain conditions in connection with a Change of Control.

(b) **By Optionee Without Good Reason.** If Optionee terminates Service without Good Reason, then Optionee shall immediately forfeit all rights to the Option (whether or not vested) and the Option shall immediately expire on the date of termination of Service.

(c) **Termination for Cause.** If Optionee's Service is terminated by the Company or an Affiliate for Cause, then Optionee shall immediately forfeit all rights to the Option (whether or not vested) and the Option shall immediately expire on the date of termination of Service.

(d) **Disability.** If Optionee terminates Service because of Optionee's Disability, then the vested portion of the Option will expire at the close of business at Company headquarters on the date twelve (12) months after Optionee's termination of Service, but in no event after the Expiration Date. The unvested portion of the Option automatically expires on the date of termination of Service.

(e) **Death.** If Optionee terminates Service because of Optionee's death, then the vested portion of the Option will expire at the close of business at Company headquarters on the date twelve (12) months after the date of death, but in no event after the Expiration Date. During that twelve (12) month period, Optionee's estate or heirs may exercise the vested portion of the Option. The unvested portion of the Option automatically expires on the date of termination of Service. In addition, if Optionee dies during the 90-day period described in subsection 5(a), and a vested portion of the Option has not yet been exercised, then the vested portion of the Option will instead expire on the date twelve (12) months after Optionee's termination of Service, but in no event after the Expiration Date. In such a case, during the period following Optionee's death up to the date twelve (12) months after termination of Service, Optionee's estate or heirs may exercise the vested portion of the Option.

6. **Leave of Absence.** For purposes of the Option, Service does not terminate when Optionee goes on a *bona fide* employee leave of absence that was approved by the Company or an Affiliate in writing, if the terms of the leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, Service will be treated as terminating 90 days after Optionee went on the approved leave, unless Optionee's right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends unless Optionee immediately returns to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

7. **Option Exercise.**

(a) **Right to Exercise.** The Option shall be exercisable on or before the Expiration Date in accordance with the vesting schedule set forth in Section 3.

(b) **Notice of Exercise.** The Option shall be exercised by delivery of written notice to the Committee (or an officer of the Company designated by the Committee) on any

business day, at the Company's principal office, on the form specified by the Company. The notice shall specify the number of shares of Stock to be purchased, accompanied by full payment of the Exercise Price for the shares being purchased. The notice must also specify how the shares should be registered (in the name of Optionee or in both the names of Optionee and Optionee's spouse as joint tenants with right of survivorship). The notice of exercise will be effective when it is received by the Company. Anyone exercising the Option after the death of Optionee must provide appropriate documentation to the satisfaction of the Company that the individual is entitled to exercise the Option.

(c) **Payment of Exercise Price.** Payment of the Exercise Price for the number of shares of Stock being purchased in full shall be made in one (or a combination) of the following forms:

(i) Cash or cash equivalents acceptable to the Company.

(ii) Shares of Stock which have already been owned by Optionee (purchased on the open market or owned for at least six months or such other period designated by the Committee) which are surrendered to the Company. The Fair Market Value of the shares, determined as of the effective date of the Option exercise, will be applied to the Exercise Price.

(iii) To the extent a public market for the shares of Stock exists as determined by the Company, by delivery (on a form prescribed by the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price and any withholding taxes.

8. **Tax Withholding.** The Company or any Affiliate shall have the right to deduct from payments of any kind otherwise due to Optionee, any federal, state, local or foreign taxes of any kind required by law to be withheld upon the issuance of any shares of Stock or payment of any kind upon the exercise of this Option. Subject to the prior approval of the Committee, which may be withheld by the Committee, in its sole discretion, Optionee may elect to satisfy the minimum statutory withholding obligations, in whole or in part, (i) by having the Company withhold shares of Stock otherwise issuable to Optionee or (ii) by delivering to the Company shares of Stock already owned by Optionee. The shares delivered or withheld shall have an aggregate Fair Market Value not in excess of the minimum statutory total tax withholding obligations. The Fair Market Value of the shares used to satisfy the withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. Shares used to satisfy any tax withholding obligation must be vested and cannot be subject to any repurchase, forfeiture, or other similar requirements. Any election to withhold shares shall be irrevocable, made in writing, signed by Optionee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

9. **Transfer of Option.** During Optionee's lifetime, only Optionee (or, in the event of Optionee's legal incapacity or incompetency, Optionee's guardian or legal representative) may exercise the Option. Optionee cannot transfer or assign the Option. Upon any attempt to transfer or assign the Option, the Option will immediately become invalid. Regardless of any marital property settlement agreement, the Company is not obligated to honor a notice of exercise from Optionee's spouse, nor is the Company obligated to recognize Optionee's spouse's interest in the Option in any other way.

10. **Market Stand-Off Agreement**. In connection with the IPO, Optionee agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the purchase of, or otherwise dispose or transfer for value or agree to engage in any of the foregoing transactions with respect to any shares of Stock without prior written consent of the Company or its underwriters, for such period of time after the effective date of the IPO registration statement under the Securities Act as may be requested by the Company or the underwriters (not to exceed 180 days in length).

11. **Investment Representations.** The Committee may require Optionee (or Optionee's estate or heirs) to represent and warrant in writing that the individual is acquiring the shares of Stock for investment and without any present intention to sell or distribute such shares and to make such other representations as are deemed necessary or appropriate by the Company and its counsel.

12. **Continued Service.** Neither the grant of the Option nor this Award gives Optionee the right to continue Service with the Company or its Affiliates in any capacity. The Company and its Affiliates reserve the right to terminate Optionee's Service at any time and for any reason not prohibited by law.

13. **Stockholder Rights.** Optionee and Optionee's estate or heirs shall not have any rights as a stockholder of the Company until Optionee becomes the holder of record of such shares of Stock, and no adjustments shall be made for dividends or other distributions or other rights as to which there is a record date prior to the date Optionee becomes the holder of record of such shares, except as provided in Section 14 of the Plan**.**

14. **Adjustments.** The number of shares of Stock outstanding under this Option shall be proportionately increased or decreased for any increase or decrease in the number of shares of Stock on account of any Corporate Event. Any such adjustment in the Option shall not increase the aggregate Exercise Price payable with respect to shares that are subject to the unexercised portion of the outstanding Option and the adjustment shall comply with the requirements under Section 409A of the Code as set forth in part A, Section 3 of this Award. The conversion of any convertible securities of the Company shall not be treated as an increase in shares effected without receipt of consideration. In the event of any distribution to the Company's stockholders of an extraordinary cash dividend or securities of any other entity or other assets (other than ordinary dividends payable in cash or shares of Stock) without receipt of consideration by the Company, the Company shall proportionately adjust (a) the number and kind of shares subject to this Option and/or (b) the Exercise Price of this Option to reflect such distribution.

15. **Additional Requirements.** Optionee acknowledges that shares of Stock acquired upon exercise of the Option may bear such legends, as the Company deems appropriate to comply with applicable federal, state or foreign securities laws. In connection therewith and prior to the issuance of the shares, Optionee may be required to deliver to the Company such other documents as may be reasonably necessary to ensure compliance with applicable laws.

16. **Governing Law.** The validity and construction of this Award and the Plan shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Award to the substantive laws of any other jurisdiction.

17. **Binding Effect.** This Award shall be binding upon and inure to the benefit of the Company and Optionee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

18. **Tax Treatment; Section 409A.** Optionee may incur tax liability as a result of the exercise of the Option or the disposition of shares of Stock. Optionee should consult his or her own tax adviser before exercising the Option or disposing of the shares.

Optionee acknowledges that the Committee, in the exercise of its sole discretion and without Optionee's consent, may amend or modify the Option and this Award in any manner and delay the payment of any amounts payable pursuant to this Award to the minimum extent necessary to satisfy the requirements of Section 409A of the Code. The Company will provide Optionee with notice of any such amendment or modification.

19. **Amendment.** The terms and conditions set forth in this Award may only be amended by the written consent of the Company and Optionee, except to the extent set forth in Section 18 hereof regarding Section 409A of the Code and any other provision set forth in the Plan.

20. **2007 Equity Incentive Plan.** The Option and shares of Stock acquired upon exercise of the Option granted hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, a copy of which has been provided to Optionee.

NATIONAL CINEMEDIA, INC.

By: _____
Kurt C. Hall
President and Chief Executive Officer

Date: _____

Attachments:

2007 Equity Incentive Plan
Form S-8 Prospectus

Exhibit 10.14

NATIONAL CINEMEDIA, INC.
2007 EQUITY INCENTIVE PLAN

RESTRICTED STOCK SUBSTITUTION AWARD

On _____, 2007 (the **"Effective Date"**), National CineMedia, Inc., a Delaware corporation (the **"Company"**), completed an initial public offering of shares of common stock, $0.01 par value per share, of the Company (**"Stock"**) (the **"IPO"**). On the Effective Date, pursuant to Section 14.6 of the National CineMedia, LLC (**"NCM LLC"**) 2006 Unit Option Plan, as amended (the "**LLC Plan"**), the individual named below (**"Grantee"**) was granted restricted units of NCM LLC (the **"IPO Restricted Units"**). Pursuant to Section 14.3 of the LLC Plan, upon the completion of the IPO the IPO Restricted Units are being exchanged for and substituted with a grant of shares of Restricted Stock issued under the National CineMedia, Inc. 2007 Equity Incentive Plan (the **"Plan"**). This Restricted Stock Substitution Award (the **"Award"**) evidences the terms of the Company's grant of Restricted Stock to Grantee in substitution for the grant of IPO Restricted Units and the cancellation of the IPO Restricted Units.

A. NOTICE OF GRANT

Name of Grantee: _____

Number of Shares of Restricted Stock: _____

Grant Date: _____

Vesting Start Date: _____

Vesting Schedule: Except as provided otherwise in this Award or the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), subject to Grantee's continuous Service, the Restricted Stock shall vest and the restrictions set forth in Section 2 of this Award shall lapse as follows:

Service Vesting Date	Percentage of Shares that Vest	Number of Shares that Vest

B. IPO AWARD AND SUBSTITUTION

1. **IPO Award.** Pursuant to Section 14.6 of the LLC Plan, in connection with certain reorganization transactions of NCM LLC and the IPO, the Board of Directors of NCM LLC approved the grant of IPO Restricted Units to holders of outstanding options of NCM LLC immediately prior to the IPO to maintain the economic position of each such option holder immediately prior to the reorganization transactions.

2. **Substitution.** Pursuant to Section 14.3 of the LLC Plan, upon the occurrence of the IPO, outstanding IPO Restricted Units shall be exchanged for a grant of Restricted Stock, the number of shares of Restricted Stock shall be determined pursuant to a fixed exchange ratio 1:1, and following the exchange, the IPO Restricted Units issued under the LLC Plan shall be cancelled.

3. **Award.** In contemplation of the exchange of the IPO Restricted Units for shares of Restricted Stock immediately upon completion of the IPO, this Award sets forth the terms of the Restricted Stock granted in substitution of the IPO Restricted Units and confirms the cancellation of the IPO Restricted Units.

C. RESTRICTED STOCK AWARD

1. **Grant of Restricted Stock.** Subject to the terms and conditions of this Award and the Plan, the Company hereby grants to Grantee, the number of shares of Restricted Stock set forth in the Notice of Grant, effective on the Grant Date set forth in the Notice of Grant, and subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and this Award, the terms and conditions of the Plan shall govern. All capitalized terms in this Award shall have the meaning assigned to them in this Award or in the Plan.

2. **Forfeiture Restrictions.** Grantee shall not sell, transfer, assign, pledge or otherwise encumber or dispose of, by operation of law or otherwise, the Restricted Stock for the period commencing on the Grant Date and ending on the dates described in the Vesting Schedule set forth in the Notice of Grant (the **"Restriction Period"**). Upon vesting, the restrictions in this Section 2 shall lapse and Grantee may transfer the shares of Stock in accordance with applicable securities law requirements.

3. **Vesting; Lapse of Restrictions.** Except as provided otherwise in this Award and the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), if Grantee has been in continuous Service since the Grant Date, the Restricted Stock shall vest as set forth on the Vesting Schedule in the Notice of Grant. Grantee shall forfeit the unvested portion of the Restricted Stock upon termination of Service.

4. **Dividends.** During the Restriction Period, Grantee shall be entitled to receive regular cash dividends declared and paid with respect to shares of Restricted Stock. Grantee shall not be entitled to receive a special or extraordinary cash dividend or distribution during the Restriction Period. All shares distributed, if any, received by Grantee with respect to shares of Restricted Stock as a result of any split, stock dividend, combination of shares of stock, or other similar transaction shall be subject to the same restrictions during the Restriction Period as the related shares of Restricted Stock.

5. **Termination of Service.** Upon the termination of Grantee's Service, any shares of Restricted Stock held by Grantee that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be forfeited. Upon forfeiture of the shares of Restricted Stock, Grantee shall have no further rights with respect to such shares, including but not limited to any right to vote the shares or any right to receive dividends. Section 14.2 of the Plan provides for accelerated vesting with respect to certain terminations in connection with a Change of Control.

6. **Leave of Absence.** For purposes of the Restricted Stock, Service does not terminate when Grantee goes on a *bona fide* employee leave of absence that was approved by the Company or an Affiliate in writing, if the terms of the leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, Service will be treated as terminating 90 days after Grantee went on the approved leave, unless Grantee's right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends unless Grantee immediately returns to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

7. **Purchase and Delivery of Shares.** Grantee shall be required, to the extent required by applicable law, to purchase the shares of Restricted Stock from the Company at the aggregate par value of the shares of Stock represented by such Restricted Stock (the **"Purchase Price"**). The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. Upon the expiration or termination of the Restriction Period, the restrictions applicable to Restricted Stock shall lapse, and, a certificate for such shares of Stock shall be delivered, free of all such restrictions, to Grantee or Grantee's beneficiary or estate, as the case may be. Notwithstanding anything in this Award to the contrary, the Company may elect to satisfy any requirement for the delivery of stock certificates through the use of book-entry.

8. **Enforcement of Restrictions.** All certificates representing shares of Restricted Stock shall include applicable restrictive legends regarding restrictions on transfer and compliance with securities law requirements, as determined by the Committee.

9. **Tax Withholding.** The Company or any Affiliate shall have the right to deduct from payments of any kind otherwise due to Grantee, any federal, state, local or foreign taxes of any kind required by law to be withheld upon the issuance, vesting or payment of any shares of Stock or dividends. Subject to the prior approval of the Committee, which may be withheld by the Committee, in its sole discretion, Grantee may elect to satisfy the minimum statutory withholding obligations, in whole or in part, (i) by having the Company withhold shares of Stock otherwise issuable to Grantee or (ii) by delivering to the Company shares of Stock already owned by Grantee. The shares delivered or withheld shall have an aggregate Fair Market Value not in excess of the minimum statutory total tax withholding obligations. The Fair Market Value of the shares used to satisfy the withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. Shares used to satisfy any tax withholding obligation must be vested and cannot be subject to any repurchase, forfeiture, or

other similar requirements. Any election to withhold shares shall be irrevocable, made in writing, signed by Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

10. **Effect of Prohibited Transfer.** If any transfer of shares is made or attempted to be made contrary to the terms of this Award, the Company shall have the right to acquire for its own account, without the payment of any consideration, such shares from the owner thereof or his transferee, at any time before or after such prohibited transfer. In addition to any other legal or equitable remedies it may have, the Company may enforce its rights to specific performance to the extent permitted by law and may exercise such other equitable remedies then available. The Company may refuse for any purpose to recognize any transferee who receives shares contrary to the provisions of this Award as a stockholder of the Company and may retain and/or recover all dividends on such shares that were paid or payable subsequent to the date on which the prohibited transfer was made or attempted.

11. **Market Stand-Off Agreement.** In connection with the IPO, Grantee agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the purchase of, or otherwise dispose or transfer for value or agree to engage in any of the foregoing transactions with respect to any shares of Stock without prior written consent of the Company or its underwriters, for such period of time after the effective date of the IPO registration statement under the Securities Act as may be requested by the Company or the underwriters (not to exceed 180 days in length).

12. **Investment Representations.** The Committee may require Grantee (or Grantee's estate or heirs) to represent and warrant in writing that the individual is acquiring the shares of Stock for investment and without any present intention to sell or distribute such shares and to make such other representations as are deemed necessary or appropriate by the Company and its counsel.

13. **Continued Service.** Neither the grant of shares of Restricted Stock nor this Award gives Grantee the right to continue Service with the Company or its Affiliates in any capacity. The Company and its Affiliates reserve the right to terminate Grantee's Service at any time and for any reason not prohibited by law.

14. **Governing Law.** The validity and construction of this Award and the Plan shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Award to the substantive laws of any other jurisdiction.

15. **Binding Effect.** This Award shall be binding upon and inure to the benefit of the Company and Grantee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

16. **Tax Treatment; Section 83(b); Section 409A.** Grantee may incur tax liability as a result of the vesting of shares of Restricted Stock and payment of dividends or the disposition of shares of Stock. Grantee should consult his or her own tax adviser for tax advice.

Grantee hereby acknowledges that Grantee has been informed that he or she may file with the Internal Revenue Service, within 30 days of the Grant Date, an irrevocable election pursuant to Section 83(b) of the Code to be taxed as of the Grant Date on the amount by which the Fair Market Value of the Restricted Stock on that date exceeds the Purchase Price. If Grantee chooses to file an election under Section 83(b) of the Code, Grantee hereby agrees to promptly deliver a copy of any such election to the Chief Financial Officer of the Company (or his designee).

Grantee acknowledges that the Committee, in the exercise of its sole discretion and without Grantee's consent, may amend or modify this Award in any manner and delay the payment of any amounts payable pursuant to this Award to the minimum extent necessary to satisfy the requirements of Section 409A of the Code. The Company will provide Grantee with notice of any such amendment or modification.

17. **Amendment.** The terms and conditions set forth in this Award may only be amended by the written consent of the Company and Grantee, except to the extent set forth in Section 16 regarding Section 409A of the Code and any other provision set forth in the Plan.

18. **2007 Equity Incentive Plan.** The shares of Restricted Stock and payment of dividends granted hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, a copy of which has been provided to Grantee.

NATIONAL CINEMEDIA, INC.

By: _____
Kurt C. Hall
President and Chief Executive Officer

Date: _____

Attachments:

2007 Equity Incentive Plan
Form S-8 Prospectus

Exhibit 10.15

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (the "**Agreement**") is made effective as of [_____, 2007] (the "**Effective Date**") by and among National CineMedia, Inc., a Delaware corporation ("**NCM Inc.**", the "**Company**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), and Kurt C. Hall ("**Executive**").

RECITALS

A. Executive currently serves as the President, Chief Executive Officer and Chairman of the Board of Directors of NCM LLC and the terms of his employment are covered by an employment agreement by and between Executive and NCM LLC, effective May 25, 2005, for a term of three years (the "**Prior Agreement**").

B. NCM LLC and NCM Inc. have entered into an agreement for NCM Inc. to provide certain management services and employees to NCM LLC.

C. In connection with the formation of NCM Inc. and the management services to be provided by NCM Inc. to NCM LLC, Executive will become employed by NCM Inc. and will perform services for NCM Inc., including services for the benefit of NCM LLC.

AGREEMENT

Executive, the Company and NCM LLC agree that the Prior Agreement is hereby assigned by NCM LLC to the Company, the Prior Agreement is hereby restated in the form of this Agreement, and NCM LLC remains directly liable for any payment obligations set forth in this Agreement. In consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, the Company, NCM LLC and Executive agree as follows:

1. Employment.

1.1 Position. Subject to the terms and conditions of this Agreement, the Company agrees to employ Executive during the Term (as defined herein) as its President and Chief Executive Officer and as a member of its Board of Directors. Executive shall report to the Board of Directors of the Company (the "**Board**") and shall have the powers, responsibilities and authorities of chief executive officers of corporations of the size, type and nature of the Company, as it exists from time to time, as are assigned by the Board consistent with Executive's position. At the request of the Company, Executive will serve as an officer and/or director of any of the Company's subsidiaries for no additional compensation.

1.2 Duties. Subject to the terms and conditions of this Agreement, Executive hereby agrees to be employed as the President and Chief Executive Officer of the Company and to serve as a member of the Board, and agrees to devote such working time and efforts (except for permitted vacation periods and reasonable periods of illness and other incapacity), to the best of his ability, experience and talent, to the performance of services, duties and responsibilities in

connection therewith so that such performance shall be his primary business activity. Executive shall perform such duties and exercise such powers with respect to the activities of the Company, commensurate with his positions as the President and Chief Executive Officer of the Company and as a member of the Board, as the Board shall from time to time reasonably delegate to him. Executive will be responsible for the selection of the members of the Company's management team, subject to the good faith approval of the Board.

1.3 Other Service. Nothing in this Agreement shall preclude Executive from serving on boards of directors of other companies or trade organizations and participating in charitable, community or religious activities that do not substantially interfere with his duties and responsibilities hereunder or conflict with the interest of the Company.

1.4 Office. Executive's primary office will be located in the Company's office facility located in Centennial, Colorado, or any other location acceptable to Executive.

2. Term.

2.1 Term of Employment. Executive's term of employment under this Agreement shall commence as of the Effective Date and, subject to the terms hereof, shall terminate on the earlier of (i) May 24, 2009, or (ii) termination of Executive's employment pursuant to this Agreement (the "**Term**"); *provided, however,* that any termination of employment by Executive (other than for death or Permanent Disability) or by the Company may only be made upon 90 days prior written notice to the other party hereto. Executive shall resign from any and all positions, including board memberships, held by him with the Company or any subsidiary of the Company upon any termination of employment.

2.2 Extensions. On each May 24, commencing May 24, 2007, one year shall be added to the termination date specified in Section 2.1(i) hereof, so that as of each May 24, the remaining Term of Executive's employment as determined under Section 2.1(i) hereof shall be three (3) years.

3. Compensation.

3.1 Salary. The Company shall pay Executive a base salary ("**Base Salary**") at the rate of $_____ per annum. Base Salary shall be payable in accordance with the ordinary payroll practices of the Company. The Compensation Committee of the Board will review Executive's salary at least annually and may increase (but not reduce) Executive's Base Salary in its sole discretion. Once increased, such Base Salary shall not be reduced and, as so increased, shall constitute "Base Salary" hereunder.

3.2 Annual Bonus. In addition to his Base Salary, Executive shall be afforded a reasonable opportunity to earn an annual cash bonus (the "**Bonus**") during the Term. In determining Executive's bonus, Executive's target bonus shall be at least 100% of Base Salary (the "**Target Bonus**") and Executive's stretch bonus shall be at least 150% of Base Salary. The Compensation Committee of the Board, after consultation with management, will, in conjunction with the preparation and approval of the Company's annual budget, establish a reasonable performance target for the Company's bonus plan for the next year based on the actual and projected performance of the Company; provided, however, for any year for which a budget is

not adopted by the Board, the most recently approved performance target shall be applicable. Executive shall be eligible to receive any bonus awarded under the Company's bonus plan so long as Executive is employed by the Company as of the last day of the Company's fiscal year.

4. Employee Benefits.

4.1 Employee Benefit Programs, Plans and Practices. The Company shall during the Term provide Executive with coverage under all employee pension and welfare benefit programs, plans and practices (to the extent permitted under any employee benefit plan) in accordance with the terms thereof, which the Company generally makes available to its senior executives.

4.2 Vacation. While employed hereunder, Executive shall be entitled to no less than 20 business days paid vacation in each calendar year, which shall be taken at such times as are consistent with Executive's responsibilities hereunder.

5. Expenses. Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement. The Company will reimburse Executive for such expenses upon presentation by Executive from time to time of appropriately itemized and approved (consistent with the Company's policy) accounts of such expenditures.

6. Termination of Employment.

6.1 Termination Without Cause. Except as provided in Section 6.3, if Executive's employment is terminated by the Company (other than for Permanent Disability, death or Cause), Executive shall receive such payments, if any, under applicable plans or programs, including but not limited to those referred to in Section 4.1 hereof, to which he is entitled pursuant to the terms of such plans or programs, and any unpaid payments of Base Salary previously earned, any unpaid Bonus earned or awarded for prior periods, accrued vacation and expense incurred for which Executive is entitled to reimbursement hereunder. If Executive is terminated under this Section 6.1, Executive shall also be entitled to receive:

(a) an amount in lieu of any other cash compensation beyond that provided in the immediately preceding sentence, which amount shall be equal to the sum of:

(i) the actual bonus, if any, he would have received in respect of the fiscal year in which his termination occurs, prorated by a fraction, the numerator of which is the number of days in such fiscal year prior to the date of Executive's termination and the denominator of which is 365, payable at the same time as bonuses are paid to other executives;

(ii) two times Executive's annual Base Salary; payable in installments as normal payroll over the 24 months following such termination of employment; and

(b) continued coverage for a 24-month period under any employee medical, health and life insurance plans in accordance with the respective terms thereof

applicable to active employees (other than the requirement of continued employment); provided, however, that payments and benefits due hereunder shall be reduced by any amounts owed by Executive to the Company and, where applicable, shall be made pursuant to COBRA.

In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment.

6.2 Termination For Good Reason. Except as provided in Section 6.3, if Executive resigns for Good Reason (as defined below), Executive shall receive such payments, if any, under applicable plans or programs, including but not limited to those referred to in Section 4.1 hereof, to which he is entitled pursuant to the terms of such plans or programs, and any unpaid payments of Base Salary previously earned, any unpaid Bonus earned or awarded for prior periods, accrued vacation and expense incurred for which Executive is entitled to reimbursement hereunder. If Executive resigns under this Section 6.2, Executive shall also be entitled to receive:

(a) an amount (the "**Section 6.2 Termination Amount**") in lieu of any other cash compensation beyond that provided in the immediately preceding sentence, which amount shall be equal to the sum of:

(i) the actual bonus, if any, he would have received in respect of the fiscal year in which his termination occurs, prorated by a fraction, the numerator of which is the number of days in such fiscal year prior to the date of Executive's termination and the denominator of which is 365, payable at the same time as bonuses are paid to other executives;

(ii) two times Executive's annual Base Salary; plus one times Executive's Target Bonus; payable in a lump sum within 30 days following such termination of employment; and

(b) continued coverage for a 24-month period under any employee medical, health and life insurance plans in accordance with the respective terms thereof applicable to active employees (other than the requirement of continued employment); provided, however, that payments and benefits due hereunder shall be reduced by any amounts owed by the Executive to the Company and, where applicable, shall be made pursuant to COBRA.

Good Reason shall be defined as (i) a reduction in Executive's Base Salary or the establishment of or any amendment to the annual cash bonus plan which would materially impair the ability of Executive to receive the Target Bonus (other than the establishment of reasonable performance targets to be set annually in good faith by the Board), (ii) a diminution of Executive's titles, offices, positions or authority, excluding for this purpose a change in Executive's status as Chairman of the Board and an action not taken in bad faith and which is remedied within twenty (20) days after receipt of written notice thereof given by Executive; or the assignment to

Executive of any duties inconsistent with Executive's position (including status or reporting requirements), authority, or material responsibilities, or the removal of Executive's authority or material responsibilities, excluding for this purpose an action not taken in bad faith and which is remedied by the Company within twenty (20) days after receipt of notice thereof given by Executive, (iii) a transfer of Executive's primary workplace by more than fifty (50) miles from the current workplace, (iv) a material breach of this Agreement by the Company which is not remedied within twenty (20) days after receipt of written notice thereof given by Executive, (v) Executive is not the President and Chief Executive Officer of the Company, or (vi) Executive is not a member of the Board.

6.3 Termination During a Change of Control. Notwithstanding Section 6.1 or 6.2, if within three months prior to or one year after a Change of Control (as defined below), Executive's employment is terminated by the Company (other than for Permanent Disability, death or Cause) or the Executive resigns for Good Reason, Executive shall receive such payments, if any, under applicable plans or programs, including but not limited to those referred to in Section 4.1 hereof, to which he is entitled pursuant to the terms of such plans or programs, and any unpaid payments of Base Salary previously earned, any unpaid Bonus earned or awarded for prior periods, accrued vacation and expense incurred for which Executive is entitled to reimbursement hereunder. If Executive is terminated or resigns under this Section 6.3, Executive shall also be entitled to receive:

(a) an amount (the "**Section 6.3 Termination Amount**") in lieu of any other cash compensation beyond that provided in the immediately preceding sentence, which amount shall be equal to the sum of:

(i) the actual bonus, if any, he would have received in respect of the fiscal year in which his termination occurs, prorated by a fraction, the numerator of which is the number of days in such fiscal year prior to the date of Executive's termination and the denominator of which is 365, payable at the same time as bonuses are paid to other executives; and

(ii) two and one half times Executive's annual Base Salary; plus two times Executive's Target Bonus payable in a lump sum within 30 days following such termination of employment; and

(b) continued coverage for a 30-month period under any employee medical, health and life insurance plans in accordance with the respective terms thereof applicable to active employees (other than the requirement of continued employment); provided, however, that payments and benefits due hereunder shall be reduced by any amounts owed by the Executive to the Company and, where applicable, shall be made pursuant to COBRA.

A **Change of Control** shall be deemed to have occurred upon the occurrence of:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) (a "**Person**") of beneficial ownership

(within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (x) the then outstanding shares of common stock of the Company (the "**Outstanding Company Common Stock**") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "**Outstanding Company Voting Securities**"); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change of Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (A) or (B) of paragraph (iv) below, or (E) any acquisition by a Founding Member (as defined in the National CineMedia, LLC Third Amended and Restated Limited Liability Operating Agreement, dated as of _____, 2007); or

(ii) The acquisition by any Person, other than a Founding Member, of the right to (A) elect, or (B) nominate for election or (C) designate for nomination pursuant to a Director Designation Agreement dated _____, 2007 among the Company and the Founding Members, a majority of the members of the Company's Board;

(iii) The acquisition by any Person, other than the Company or a Founding Member, of beneficial ownership of more than 50% of the Units of NCM LLC; or

(iv) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or an acquisition of assets of another corporation (a "**Business Combination**"), in each case, unless, following such Business Combination, (A) (x) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; and (y) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were individuals who, as of the Effective Date, constitute the Board (the "**Incumbent Board**"); provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for

election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board or was designated pursuant to a Director Designation Agreement dated _____, 2007 among the Company and the Founding Members shall be considered as though such individual were a member of the Incumbent Board, at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination or (B) the Founding Members have acquired directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock or voting power of the then outstanding voting securities entitled to vote generally in the election of directors; or

(v) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company; or

(vi) Approval by the members of NCM LLC of a complete liquidation or dissolution of NCM LLC.

6.4 Permanent Disability. If Executive is unable to engage in the activities required by Executive's job by reason of any medically determined physical or mental impairment which has lasted or can be expected to last for a continuous period of not less than six (6) consecutive months ("**Permanent Disability**"), the Company or Executive may terminate Executive's employment on written notice thereof, and Executive shall receive or commence receiving, as soon as practicable:

(i) the actual bonus, if any, he would have received in respect of the fiscal year in which his termination occurs, prorated by a fraction, the numerator of which is the number of days of the fiscal year until termination and the denominator of which is 365, payable at the same time as bonuses are paid to other executives;

(ii) for a period of one year from the time of termination of employment, other benefits to which he is then entitled in accordance with applicable plans and programs of the Company; and

(iii) accrued but unpaid Base Salary and such payments under applicable plans or programs, including but not limited to those referred to in Sections 4.1, 4.2 and 5 hereof, to which he is entitled pursuant to the terms of such plans or programs.

6.5 Death. In the event of Executive's death during the Term, Executive's estate or designated beneficiaries shall receive or commence receiving, as soon as practicable:

(i) the actual bonus, if any, he would have received in respect of the fiscal year in which his death occurs, prorated by a fraction, the numerator of which is the number of days of the fiscal year until his death and the denominator of which is 365, payable at the same time as bonuses are paid to other executives;

(ii) continuation of the medical benefits pursuant to COBRA to which he, his surviving Spouse and "eligible dependents" (as defined below) were entitled at the time of his death, for a period of one year following his death at the expense of the Company; and

(iii) accrued but unpaid Base Salary and such payments under applicable plans or programs, including but not limited to those referred to in Sections 4.1, 4.2 and 5 hereof, to which Executive's estate or designated beneficiaries are entitled pursuant to the terms of such plans or programs.

"**Eligible dependents**" means dependents of Executive who are eligible to receive medical benefits under the Company's medical plan.

6.6 Termination for Cause; Resignation by Executive.

(a) The Company shall have the right to terminate the employment of Executive for Cause. In the event that Executive's employment is terminated by the Company for Cause or by Executive for any reason (other than by Executive for Good Reason or as a result of the Executive's Permanent Disability or death) during the Term, Executive shall not be entitled to the payment of any compensation otherwise included under this Agreement. After the termination of Executive's employment under this Section 6.6, the obligations of the Company under this Agreement to make any further payments, or provide any benefits specified herein, to Executive shall thereupon cease and terminate.

(b) As used herein, the term "**Cause**" shall be limited to (i) any willful breach of any material written policy of the Company that results in material and demonstrable liability or loss to the Company; (ii) the engaging by Executive in conduct involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company, including, but not limited to, misappropriation or conversion of assets of the Company (other than immaterial assets); (iii) conviction of or entry of a plea of nolo contendere to a felony; or (iv) a material breach of this Agreement by engaging in action in violation of the restrictive covenants in this Agreement. No act or failure to act by the Executive shall be deemed "willful" if done, or omitted to be done, by him in good faith and with the reasonable belief that his action or omission was in the best interest of the Company.

7. Indemnification. To the fullest extent permitted by the indemnification provisions of the charter, articles of incorporation and bylaws of the Company and the Limited Liability Operating Agreement of NCM LLC and any indemnification agreement between Executive and the Company or NCM LLC, in effect as of the date of this Agreement, and the indemnification provisions of the relevant statute of the jurisdiction of the Company's and NCM LLC's organization as in effect from time to time (collectively, the "**Indemnification Provisions**"), and in each case subject to the conditions hereof, the Company and NCM LLC jointly and severally agree to (i) indemnify Executive, as a director and officer of the Company or a subsidiary of the Company or a trustee or fiduciary of an employee benefit plan of the Company or a subsidiary of the Company, or, if Executive shall be serving in such capacity at the Company's written

request, as a director or officer of any other corporation (other than a subsidiary of the Company) or as a trustee or fiduciary of an employee benefit plan not sponsored by the Company or a subsidiary of the Company, against all liabilities and reasonable expenses that may be incurred by Executive in any threatened, pending, or completed action, suit or proceeding, whether civil, criminal or administrative, or investigative and whether formal or informal, because Executive is or was a director or officer of the Company, a director or officer of such other corporation or a trustee or fiduciary of such employee benefit plan, and against which Executive may be indemnified by the Company, and (ii) pay for or reimburse the reasonable expenses incurred by Executive in the defense of any proceeding to which Executive is a party because Executive is or was a director or officer of the Company or of NCM LLC, a director or officer of such other corporation or a trustee or fiduciary of such employee benefit plan. The rights of Executive under the Indemnification Provisions shall survive the termination of the employment of Executive by the Company.

8. Notices. All notices or communications hereunder shall be in writing, addressed as follows:

To the Company:

National CineMedia, Inc.
9110 East Nichols Avenue, Suite 200
Centennial, CO 80112
Attn: Ralph E. Hardy, General Counsel

To NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue, Suite 200
Centennial, CO 80112
Attn: Ralph E. Hardy, General Counsel

To Executive:

Mr. Kurt C. Hall

_____

_____

Any such notice or communication shall be delivered by hand or by courier or sent certified or registered mail, return receipt requested, postage prepaid, addressed as above (or to such other address as such party may designate in a notice duty delivered as described above), and the third business day after the actual date of mailing hall constitute the time at which notice was given.

9. Separability; Legal Fees. If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions hereof which shall remain in full force and effect. The non-prevailing party shall bear the costs of any legal fees and other fees and expenses which may be incurred by the prevailing party in respect of enforcing its respective rights under this Agreement.

10. Assignment. This contract shall be binding upon and inure to the benefit of the heirs and representatives of Executive and the assigns, and successors of the Company, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive (except by will or by operation of the laws of intestate succession) or by the Company, except that the Company may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock, assets or businesses of the Company, if such successor expressly agrees to assume the obligations of the Company hereunder.

11. Amendment. This Agreement may only be amended by written agreement of the Company and Executive.

12. Nondisclosure of Confidential Information: Non-Competition.

(a) Executive shall not, without the prior written consent of the Company, use, divulge, disclose or make accessible to any other person, firm, partnership, corporation or other entity any Confidential Information pertaining to the business of the Company or any of its affiliates except, (i) while employed by the Company, in the business of and for the benefit of the Company, or (ii) as required by law. For purposes of this Section 12(a), "**Confidential Information**" shall mean non-public information concerning the financial data, strategic business plans, product development (or other proprietary product data), customer lists, marketing, acquisition and divestiture plans and other non-public, proprietary and confidential information of the Company, its subsidiaries, its affiliates (the "**Restricted Group**") or suppliers or vendors, that, in any case, is not otherwise available to the public (other than by Executive's breach of the terms hereof).

(b) During the period of his employment hereunder and for one year thereafter (except in the case where Executive terminates his employment with the Company for the Good Reason event described in clause (v) of the definition of "Good Reason"), Executive agrees that, without the prior written consent of the Company, (A) he will not, directly or indirectly, either as principal, manager, agent, consultant, officer, stockholder, partner, investor, lender or employee or in any other capacity, carry on, be engaged in, or have any financial interest in, any business in Competition (as defined in Section 12(c)) with the business of the Restricted Group and (B) he shall not, on his own behalf or on behalf of any person, firm or company, directly or indirectly, solicit or hire for the benefit of anyone, other than the Restricted Group, any person who is, or was at any time during the six (6) months immediately preceding the time of the solicitation or hiring by Executive employed by the Restricted Group (other than Executive's secretary or other administrative employee who worked directly for him).

(c) For purposes of this Section 12, a business shall be deemed to be in "Competition" with the Restricted Group if it sells, promotes or distributes advertising through digital media for display at movie theatres or other public venues or retail

establishments. Nothing in this Section 12 shall be construed so as to preclude Executive from investing in a publicly or privately held company, provided Executive's beneficial ownership of any class of such company's securities does not exceed 1% of the outstanding securities of such class.

(d) Executive and the Company agree that this covenant not to compete is a reasonable covenant under the circumstances, and further agree that if in the opinion of any court of competent jurisdiction such restraint is not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of this covenant as to the court shall appear not reasonable and to enforce the remainder of the covenant as so amended. Executive agrees that any breach of the covenants contained in this Section 12 would irreparably injure the Company. Accordingly, Executive agrees that the Company may, in addition to pursuing any other remedies it may have in equity, obtain an injunction against Executive from any court having jurisdiction over the matter restraining any further violation of this Agreement by Executive and cease making any payments otherwise required by this Agreement; *provided*, *however,* that in the event a court of competent jurisdiction, which recognizes the validity of the provisions of this Section 12, finds Executive not to be in violation of the provisions of this Section 12, then the Company shall pay to Executive, in a lump sum, within ten days of such determination, all amounts that would have been payable to Executive hereunder through the date of such determination and continue making any other payments due with respect to periods of time subsequent to such determination in accordance with the provisions of this Agreement.

13. Beneficiaries: References. Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative, and the Company shall pay amounts payable under this Agreement, unless otherwise provided herein, in accordance with the terms of this Agreement, to Executive's personal or legal representatives, executors, administrators, heirs, distributees, devisees, legatees or estate, as the case may be. Any reference to the masculine gender in this Agreement shall include, where appropriate, the feminine.

14. Survival. The respective rights and obligations of the parties hereunder shall survive any termination of this Agreement to the extent necessary to the intended preservation of such rights and obligations. The provisions of this Section 14 are in addition to the survivorship provisions of any other section of this Agreement.

15. Governing Law. This Agreement shall be construed, interpreted and governed in accordance with the laws of the state of Colorado, without reference to rules relating to conflicts of law.

16. Effect on Prior Agreements. Except for amendments to this Agreement, this Agreement contains the entire understanding between the parties hereto and supersedes in all respects any prior or other agreement or understanding between the Company or any affiliate of the Company and Executive.

17. Withholding. The Company shall be entitled to withhold from payment any amount of withholding required by law.

18. Section 409A; Deferred Compensation. Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code (the "**Code**"), if necessary to avoid any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payments or benefits hereunder (without any reduction in such payments or benefits) until the date that is six months following the Executive's termination of employment (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payment or other benefits due to the Executive hereunder could cause accelerated or additional tax under Section 409A of the Code, such payment or other benefits shall be deferred or otherwise restructured, to the extent possible, in a manner, determined by the Board (but subject to the reasonable consent of the Executive), to avoid any accelerated or additional tax. The Company shall consult with the Executive in good faith regarding application of this provision; provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto. Nothing contained in this Section 18 shall have the effect of increasing the amount of any payment or benefit which is otherwise owed by the Company to the Executive.

19. Performance. NCM LLC hereby agrees that it shall be directly and jointly and severally liable for the payment of all sums due hereunder.

20. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original.

[**Signature Page Follows**]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below, to be effective as of the date set forth in the first paragraph.

NATIONAL CINEMEDIA, INC.
The Company; NCM Inc.

By: _____
Name: _____
Title: _____
Date: _____

NATIONAL CINEMEDIA, LLC
NCM LLC

By: _____
Name: _____
Title: _____
Date: _____

EXECUTIVE

_____
Kurt C. Hall
Date: _____

Exhibit 10.16

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "**Agreement**"), is made effective as of _____, 2007, among National CineMedia, Inc., a Delaware corporation ("**NCM Inc.**," the "**Company**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), and Clifford E. Marks (the "**Executive**").

RECITALS

A. The Executive currently serves as the President of Sales and Chief Marketing Officer of NCM LLC and the terms of his employment are covered by an employment agreement by and between the Executive and NCM LLC, effective October 1, 2006, for a term of 24 months commencing October 1, 2006 (the **"Prior Agreement"**).

B. NCM LLC and NCM Inc. have entered into an agreement for NCM Inc. to provide certain management services and employees to NCM LLC.

C. In connection with the formation of NCM Inc. and the management services to be provided by NCM Inc. to NCM LLC, the Executive will become employed by NCM Inc. and will perform services for NCM Inc., including services for the benefit of NCM LLC.

AGREEMENT

Executive, the Company and NCM LLC agree that the Prior Agreement is hereby assigned by NCM LLC to the Company, the Prior Agreement is hereby restated in the form of this Agreement, and NCM LLC remains directly liable for any payment obligations set forth in this Agreement. In consideration of the premises and mutual covenants contained herein and for good and valuable consideration, the receipt of which is mutually acknowledged, the Company, NCM LLC and the Executive agree as follows:

1. DEFINITIONS.

(a) **Base Salary** shall mean the annual salary provided for in Section 3 below, as adjusted from time to time pursuant to Section 3.

(b) **Beneficiary** shall mean the person or persons named by the Executive pursuant to Section 19 below, or in the event no such person is named and survives the Executive, his estate.

(c) **Board** shall mean the Board of Directors of the Company.

(d) **Cause** shall mean any one of more of the following:

(i) willful breach of any material written policy of the Company that results in material and demonstrable liability or loss to the Company or its affiliates;

(ii) conduct by the Executive involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company or its affiliates including, but not limited to, misappropriation or conversion of assets of the Company or its affiliates (other than immaterial assets);

(iii) conviction of or entry of a plea of nolo contendere to a felony; or

(iv) material breach of this Agreement, including but not limited to any action by the Executive that violates the terms of Section 9 of this Agreement.

(e) **Disability** shall mean the illness or other mental or physical disability of the Executive, resulting in his failure to perform substantially his duties under this Agreement for a period of six or more consecutive months.

(f) **Spouse** shall mean, during the Term of Employment, the person who as of the relevant date is legally married to the Executive.

(g) **Term of Employment** shall mean the period specified in subsection 2(b) below.

2. TERM OF EMPLOYMENT, POSITIONS AND DUTIES.

(a) The Company hereby employs the Executive, and the Executive hereby accepts employment with the Company, in the position of President of Sales and Chief Marketing Officer of the Company and with the duties and responsibilities set forth below, and upon such other terms and conditions as are hereinafter stated.

(b) The Term of Employment shall commence on the Effective Date (as defined in Section 27) and shall terminate on September 30, 2008. On the last calendar day of the Term of Employment (as extended from time to time pursuant to the terms hereof), 24 months shall be added to the termination date hereof.

(c) Until the date of his termination of employment hereunder, the Executive shall perform such duties as are customarily associated with the Executive's position and any further duties as may be assigned to him from time to time by the Company's Chief Executive Officer or his designee.

(d) Anything herein to the contrary notwithstanding, nothing shall preclude the Executive from (i) serving on the boards of directors of a reasonable number of other corporations or the boards of a reasonable number of trade associations and/or charitable organizations, and (ii) engaging in charitable activities and community affairs; provided, however, that in the opinion of the Board or Chief Executive Officer of the Company such activities do not materially interfere with the proper performance of his duties and responsibilities specified in subsection 2(c) above and/or do not conflict with the Executive's obligations under Section 9 below.

3. BASE SALARY.

The Executive shall receive from the Company a Base Salary, payable in accordance with the Company's regular payroll practices, of $675,000 per annum, (increasing on each anniversary date hereof by 1% per annum, less standard payroll deductions and withholdings. The Compensation Committee of the Board will review the Executive's salary at least annually and may increase (but not reduce) the Executive's Base Salary in its sole discretion. Once increased, such Base Salary shall not be reduced and, as so increased, shall constitute "Base Salary" hereunder.

4. BONUSES.

(a) The Executive shall be eligible to receive bonuses during the Term of Employment, as follows. The Company's bonus programs otherwise applicable for its employees shall not apply to the Executive. For each calendar year of the Term of Employment the Executive shall be eligible to be paid bonuses as follows:

(i) The Company's Chief Executive Officer and the Executive shall mutually agree upon certain goals to be achieved by the Executive and his staff for each such calendar year. If the Company's Chief Executive Officer is satisfied, in his sole discretion, that such goals have been achieved with respect to any calendar year, then the Executive shall be entitled to payment of a bonus equal to 25% of his Base Salary as of the end of such year payable on or before 60 days after December 31 of such year.

(ii) The Company's Chief Executive Officer shall establish goals for each such calendar year for Company consolidated sales for which the Executive is responsible and that portion of the Company's revenue that will be counted toward the achievement of those goals. The Company's Chief Executive Officer shall determine, in his sole discretion, the extent to which the Executive has achieved such goals for any calendar year. His determination shall be made as a percentage of the sales target achieved. The following table sets forth a schedule of the percentage of the Executive's Base Salary at the end of such year that he will be paid as a bonus on or before 60 days after December 31 of such year if the Company's Chief Executive Officer determines, in his sole discretion, that the Executive has achieved certain percentages of the sales target.

Percentage of Sales Target Achieved ("PSTA")	Bonus Percentage
Less than 80%	0%
80%	35%
85%	40%
90%	55%
95%	60%
100%	75%
105%	77.5%
110%	80%

If the PSTA is at least 80%, but at a percentage that is between two of the stated ranges set forth in the left column immediately preceding this paragraph, then the applicable Bonus Percentage will be calculated as follows assuming the actual PSTA is 82.5%.

(82.5 - 80.0)÷(85 - 80) x (40% - 35%) + 35% = 37.5%

(b) The Compensation Committee of the Board will review the Executive's bonus structure set forth in subsection 4(a) at least annually and may adjust such bonus structure in its sole discretion.

5. EXPENSE REIMBURSEMENT.

During the Term of Employment, the Executive shall be entitled to prompt reimbursement by the Company for all reasonable out-of-pocket expenses incurred by him in performing services under this Agreement, upon his submission of such accounts and records as may be required under Company policy.

6. OTHER BENEFITS.

The Executive shall receive such other benefits as are then customarily provided generally to the other officers of the Company and of its subsidiaries, as determined from time to time by the Company's Board of Directors or Chief Executive Officer, including, without limitation, paid vacation. The Executive shall be entitled to four weeks of paid vacation annually, which will accrue at the rate of approximately 1.67 days per month. If the total amount of vacation accrued reaches 30 days (including any vacation accrued during employment with NCM LLC), further accrual of vacation time will stop until the Executive brings the total amount of accrued vacation below 30 days. The Executive shall be permitted to carry over any accrued but unused vacation time from the previous year.

7. EMPLOYEE BENEFIT PLANS.

The Executive shall be entitled to participate in all employee benefit plans and programs made available to other of the Company's executives having the same title or to its employees generally, as such plans or programs may be in effect from time to time, including, without limitation, Section 401(k) and related supplemental plans, group life insurance, accidental death and dismemberment insurance, travel accident insurance, hospitalization insurance, surgical insurance, major and excess major medical insurance, dental insurance, short-term and long-term disability insurance, sick leave (including salary continuation arrangements), holidays and any other employee benefit plans or programs that may be sponsored by the Company from time to time, including any plans that supplement the above-listed types of plans, whether funded or unfunded.

8. TERMINATION OF EMPLOYMENT.

(a) **Termination by Death**. In the event that the Executive's employment is terminated by death, his beneficiaries as defined in Section 19 hereof, shall be entitled to:

(i) the Executive's Base Salary, at the rate in effect on the date of his death, through the end of the month in which his death occurs;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) continuation of the medical benefits pursuant to COBRA to which he, his surviving Spouse and "eligible dependents" (as defined below) were entitled at the time of his death, for a period of one year following his death at the expense of the Company;

(iv) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his death; and

(v) other benefits to which he is then entitled in accordance with the applicable plans and programs of the Company.

"Eligible dependents" means dependents of the Executive who are eligible to receive medical benefits under the Company's medical plan.

(b) **Termination Due to Disability**. The Company or the Executive may terminate the Executive's employment due to Disability of the Executive, such termination to be effective 30 days after delivery of written notice thereof. In the event that the Executive's employment is terminated due to Disability and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect when he is terminated due to Disability, for a period of six months following such termination, offset by any payments that he receives under the Company's long-term disability plan and any supplement thereto, whether funded or unfunded, that is adopted or provided by the Company for the Executive's benefit;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) for a period of one year from the time of termination of employment, other benefits to which he is then entitled in accordance with applicable plans and programs of the Company.

In the case of the termination of the Executive's employment for Disability, the Executive shall be entitled to receive the amounts described in clauses (i)-(iii) as a lump sum payment promptly after the termination of employment.

(c) **Termination by the Company for Cause**. In the event that the Executive's employment is terminated for Cause, he shall only be entitled to:

(i) his Base Salary through the date of his termination for Cause;

(ii) any annual bonuses awarded but not yet paid;

(iii) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) other benefits accrued and earned by the Executive through the date of termination in accordance with applicable plans and programs of the Company.

(d) **Termination Without Cause or Expiration of Term of Employment**. A Termination Without Cause shall mean a termination of the Executive's employment by the Company other than due to death, Disability or for Cause, including termination of the Executive's employment by reason of the Company's refusal to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to twenty-four months at the end of the Term of Employment.

In the event of a Termination Without Cause and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) the greater of (A) his Base Salary, at the rate in effect on the date of his termination of employment, for the then remaining Term of Employment (as if his employment had not been Terminated Without Cause, but without considering any additional extensions of the Term of Employment), payable in accordance with the Company's normal payroll practices, plus a bonus equal to the most recent annual bonus awarded to the Executive pursuant to subsection 4(a), divided by 12, and multiplied by the number of months remaining in the Term of Employment (as if his employment had not been Terminated Without Cause, but without considering any additional extensions of the Term of Employment) or (B) his Base Salary for a period of 12 months, payable in accordance with the Company's normal payroll practices, plus an amount equal to the most recent annual bonus awarded to the Executive pursuant to subsection 4(a);

(ii) any annual bonuses for prior fiscal year awarded but not yet paid;

(iii) continued participation in all employee benefit plans or programs as in effect from time to time in which he was participating on the date of his termination of employment until the date he receives equivalent coverage in benefits, but in no event for a period longer than the period of time for which Base Salary is paid pursuant to subsection 8(d)(i);

(iv) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(v) other benefits (other than for the payment of severance) that are made available to employees of the Company in general upon termination of employment under similar circumstances in accordance with applicable severance plans and programs of the Company.

In the event that, under the terms of any employee benefit plan referred to in subsection 8(d)(iii) above, the Executive may not continue his participation, he shall be provided with the after-tax economic equivalent of the benefits provided under any plan in which he is unable to participate for the period specified in subsection 8(d)(iii) above.

The economic equivalent of any benefit foregone shall be deemed the after-tax cost that would be incurred by the Executive in obtaining such benefit on the lowest available individual basis.

(e) **Termination for Good Reason**. The Executive may elect to terminate his employment with the Company for Good Reason, which shall be defined as a material reduction of the Executive's title or authority, which the Company fails to remedy within twenty (20) days after receipt from the Executive of written notice thereof, specifically citing this subsection 8(e).

In the event the Executive terminates his employment for Good Reason, the Executive shall be entitled to receive the benefits outlined in subsections 8(d)(i) through 8(d)(v).

(f) **Voluntary Resignation by the Executive**. The Executive may voluntarily terminate his employment with the Company at any time with or without notice and with or without reason. Such voluntary termination by the Executive shall include, without limitation, the Executive's decision not to renew this Agreement upon expiration of the Term of Employment if the Company offers to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to 24 months. In the event the Executive voluntarily terminates his employment, the Executive's salary shall cease on the termination date and the Executive will not be entitled to severance pay, pay in lieu of notice, or any other compensation other than payment of accrued salary and vacation and other benefits as expressly required in such event by applicable law or the terms of applicable benefit plans.

(g) **No Mitigation; No Offset.** In the event of any termination of employment under this Section 8, the Executive shall be under no obligation to seek other employment, and except as provided in subsection 8(d)(iii), he shall have no obligation to offset or repay any payments he receives under this Agreement by any payments he receives from a subsequent employer; provided, however, that (without limiting any rights of the Company for any breach of this Agreement under law, equity or otherwise), if the Executive engages in any Covered Activity (as defined in Section 9), any obligation of the Company to make payments to the Executive under Section 8 of this Agreement shall cease.

(h) **Nature of Payments**. Any amounts due under this Section 8 are in the nature of severance payments or liquidated damages or both, and shall fully compensate the Executive and his dependents or Beneficiary, as the case may be, for any and all direct damages and consequential damages that any of them may suffer as a result of termination of the Executive's employment, and they are not in the nature of a penalty.

9. COVENANTS AND CONFIDENTIAL INFORMATION.

(a) During the Executive's employment with the Company and for one year after termination of that employment, the Executive will not, directly or indirectly, own, manage, control or participate in the ownership, management or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any other corporation, partnership, proprietorship, firm, association or other business entity or otherwise engage in: (i) any business that, during the Executive's employment with the Company in any capacity (including as a consultant), competes with the business of the Company or any of the Company's affiliates or subsidiaries; or (ii) any business that, during the one-year period following the Executive's termination date, competes with the business of the Company as conducted on the date the Executive ceases to be employed by the Company in any capacity, (including as a consultant) (collectively, the "**Covered Activities**"); provided, that the ownership of not more than 1% of the stock of any publicly traded corporation shall not be deemed a violation of this covenant; provided, further, that in the event of a Termination Without Cause, the Executive may engage in any Covered Activity if prior to accepting any such employment he enters into a confidentiality agreement with the Company in form and substance satisfactory to the Company in its sole discretion (it being agreed that such confidentiality agreement may be broader in scope than the provisions of this Agreement and that such confidentiality agreement is intended to protect the Company from any risks which may arise in connection with the specific prospective employment of the Executive).

(b) During the Term of Employment and for one year after termination of the Executive's employment, the Executive will not, directly or indirectly induce any person who is an employee, officer or agent of the Company or any of the Company's affiliates or subsidiaries to terminate said relationship.

(c) During the Term of Employment and any time thereafter, the Executive will not, directly or indirectly disclose, divulge, discuss, copy or otherwise use or suffer to be used in any manner in competition with, or contrary to the interests of, the Company or any of the Company's affiliates or subsidiaries, the customer lists, or trade secrets of the Company or any of the Company's affiliates or subsidiaries, it being acknowledged by the Executive that all such information regarding the business of the Company and the Company's affiliates or subsidiaries, compiled or obtained by, or furnished to, the Executive while the Executive shall have been employed by or associated with the Company is confidential information and the Company's exclusive property; provided, however, that this subsection 9(c) shall not apply to the disclosure by the Executive of confidential information in the course of carrying out his duties

under this Agreement or when required to do so by a court of law, to any governmental agency having jurisdiction over the business of the Company and its subsidiaries or to any administrative body or legislative body (including a committee thereof) with jurisdiction to order him to divulge, discuss or make accessible such information.

(d) The Executive expressly agrees and understands that the remedy at law for any breach by him of this Section 9 will be inadequate and that the damages flowing from such breach are not readily susceptible of being measured in monetary terms. Accordingly, it is acknowledged that upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 9, the Company shall be entitled to seek immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach (all as determined by a court of competent jurisdiction). Nothing in this Section 9 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 9 that may be pursued or availed of by the Company.

(e) In the event that the Executive shall violate any legally enforceable provision of this Section 9 (as determined by a court of competent jurisdiction) as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then such violation shall toll the running of that time period from the date of its commencement until the date of its cessation.

10. WITHHOLDING TAXES.

All payments to the Executive or his Beneficiary shall be subject to withholding on account of federal, state and local taxes as required by law. If any payment hereunder is insufficient to provide the amount of such taxes required to be withheld, the Company may withhold such taxes from any other payment due the Executive or his Beneficiary. In the event all cash payments due the Executive are insufficient to provide the required amount of such withholding taxes, the Executive or his Beneficiary, within five days after written notice from the Company, shall pay to the Company the amount of such withholding taxes in excess of all cash payments due the Executive or his Beneficiary.

11. INDEMNIFICATION.

The Company and NCM LLC jointly and severally agree to indemnify the Executive to the fullest extent permitted by applicable law consistent with the charter, articles of incorporation and bylaws of the Company and the Limited Liability Operating Agreement of NCM LLC as in effect on the effective date of this Agreement with respect to any acts or non-acts he may have committed while he was an officer, director and/or employee (i) of the Company or any subsidiary thereof including NCM LLC or (ii) of any other entity if his service with such entity was at the request of the Company. This provision shall survive the termination of this Agreement.

12. EFFECT OF AGREEMENT ON OTHER BENEFITS.

Except as expressly set forth herein, the existence of this Agreement shall not prohibit or restrict the Executive's entitlement to participate fully in the executive compensation, employee benefit and other plans or programs of the Company in which senior executives are eligible to participate, as the Executive and the Company may agree from time to time.

13. ASSIGNABILITY; BINDING NATURE.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, heirs (in the case of the Executive) and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred pursuant to (i) a merger or consolidation in which the Company is not the continuing entity or (ii) sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company each further agree that, in the event of a sale of assets or liquidation as described in the preceding sentence, it will use its best efforts to cause such assignee or transferee expressly to assume the liabilities, obligations and duties of the Company hereunder. No obligations of the Executive under this Agreement may be assigned or transferred by the Executive.

14. REPRESENTATION.

The Company and NCM LLC each represent and warrant that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between the Company or NCM LLC and any other person, firm or organization.

15. ENTIRE AGREEMENT.

Except to the extent otherwise provided herein, this Agreement contains the entire understanding and agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, whether written or oral, between the parties concerning the subject matter hereof.

16. AMENDMENT OR WAIVER.

No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Executive and an authorized officer of the Company. No waiver by any party of any breach by any other party of any condition or provision contained in this Agreement to be performed by such other party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Executive or an authorized officer of the Company, as the case may be.

17. SEVERABILITY.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

18. SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of the Executive's employment with the Company to the extent necessary to the intended preservation of such rights and obligations as described in this Agreement.

19. BENEFICIARIES; REFERENCES.

The Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Executive's death by giving the Company written notice thereof. In the event of the Executive's death or of a judicial determination of his incompetence, reference in this Agreement to the Executive shall be deemed to refer to his beneficiary, and if the Executive shall not have designated a beneficiary, his estate.

20. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Colorado, without reference to principles of conflict of laws.

21. RESOLUTION OF DISPUTES.

(a) Any disputes arising under or in connection with this Agreement shall be resolved, in the Executive's discretion, by arbitration, to be held in Denver, Colorado, in accordance with the rules and procedures of the American Arbitration Association.

(b) All costs, fees and expenses, including attorneys' fees, of any arbitration or litigation in connection with this Agreement, including, without limitation, attorneys' fees of both the Executive and the Company, shall be borne by, and be the obligation of, the Company unless the Company shall substantially prevail, in which event the Executive shall be required to pay the costs and expenses incurred by him relating to such arbitration or litigation. The obligation of the Company under this Section 21 shall survive the termination for any reason of this Agreement (whether such termination is by the Company, by the Executive, upon the expiration of this Agreement or otherwise).

(c) Pending the outcome or resolution of any arbitration or litigation, the Company shall continue payment of all amounts due the Executive under this Agreement without regard to any dispute.

22. NOTICES.

Any notice given to any party shall be in writing and shall be deemed to have been given when delivered either personally, faxed, by overnight delivery service (such as Federal Express), or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of:

If to the Company or the Board:

National CineMedia, Inc.
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to the NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to the Executive:

Cliff Marks
_____
_____

23. HEADINGS.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

24. SECTION 409A; DEFERRED COMPENSATION.

Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code (the "**Code**"), if necessary to avoid any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payments or benefits hereunder (without any reduction in such payments or benefits) until the date that is six months following the Executive's termination of employment (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any

other payment or other benefits due to the Executive hereunder could cause accelerated or additional tax under Section 409A of the Code, such payment or other benefits shall be deferred or otherwise restructured, to the extent possible, in a manner, determined by the Board (but subject to the reasonable consent of the Executive), to avoid any accelerated or additional tax. The Company shall consult with the Executive in good faith regarding application of this provision; provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto. Nothing contained in this Section 24 shall have the effect of increasing the amount of any payment or benefit which is otherwise owed by the Company to the Executive.

25. PERFORMANCE.

NCM LLC hereby agrees that it shall be directly and jointly and severally liable for the payment of all sums due hereunder.

26. COUNTERPARTS.

This Agreement may be executed in two or more counterparts.

27. EFFECTIVE DATE.

This Agreement shall be effective as of _____, 2007 (the "**Effective Date**").

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below, to be effective as of the Effective Date.

NATIONAL CINEMEDIA, INC.
The Company; NCM Inc.

By: _____
Name: _____
Title: _____

Date: _____

NATIONAL CINEMEDIA, LLC
NCM LLC

By: _____
Name: _____
Title: _____

Date: _____

EXECUTIVE

_____
Clifford E. Marks

Date: _____

Exhibit 10.17

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "**Agreement**"), is made effective as of [_____, 2007], among National CineMedia, Inc., a Delaware corporation ("**NCM Inc.**"**,** the "**Company**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), and Gary W. Ferrera (the "**Executive**").

RECITALS

A. The Executive currently serves as the Executive Vice President and Chief Financial Officer of NCM LLC and the terms of his employment are covered by an employment agreement by and between the Executive and NCM LLC, effective April 17, 2006, for a term of 12 months commencing May 1, 2006 (the "**Prior Agreement**").

B. NCM LLC and NCM Inc. have entered into an agreement for NCM Inc. to provide certain management services and employees to NCM LLC.

C. In connection with the formation of NCM Inc. and the management services to be provided by NCM Inc. to NCM LLC, the Executive will become employed by NCM Inc. and will perform services for NCM Inc., including services for the benefit of NCM LLC.

AGREEMENT

Executive, the Company and NCM LLC agree that the Prior Agreement is hereby assigned by NCM LLC to the Company, the Prior Agreement is hereby restated in the form of this Agreement, and NCM LLC remains directly liable for any payment obligations set forth in this Agreement. In consideration of the premises and mutual covenants contained herein and for good and valuable consideration, the receipt of which is mutually acknowledged, the Company, NCM LLC and the Executive agree as follows:

1. DEFINITIONS.

(a) "**Base Salary**" shall mean the annual salary provided for in Section 3 below, as adjusted from time to time pursuant to Section 3.

(b) "**Beneficiary**" shall mean the person or persons named by the Executive pursuant to Section 19 below, or in the event no such person is named and survives the Executive, his estate.

(c) "**Board**" shall mean the Board of Directors of the Company.

(d) "**Cause**" shall mean any one of more of the following:

(i) willful breach of any material written policy of the Company that results in material and demonstrable liability or loss to the Company or its affiliates;

(ii) conduct by the Executive involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company or its affiliates, including, but not limited to, misappropriation or conversion of assets of the Company or its affiliates (other than immaterial assets);

(iii) conviction of or entry of a plea of nolo contendere to a felony; or

(iv) material breach of this Agreement, including but not limited to any action by the Executive that violates the terms of Section 9 of this Agreement.

(e) "**Disability**" shall mean the illness or other mental or physical disability of the Executive, resulting in his failure to perform substantially his duties under this Agreement for a period of six or more consecutive months.

(f) "**Spouse**" shall mean, during the Term of Employment, the person who as of the relevant date is legally married to the Executive.

(g) "**Term of Employment**" shall mean the period specified in subsection 2(b) below.

2. TERM OF EMPLOYMENT, POSITIONS AND DUTIES.

(a) The Company hereby employs the Executive, and the Executive hereby accepts employment with the Company, in the position of Executive Vice President and Chief Financial Officer of the Company and with the duties and responsibilities set forth below, and upon such other terms and conditions as are hereinafter stated.

(b) The Term of Employment shall commence on the Effective Date (as defined in Section 27) and shall terminate on April 30, 2007. On the last calendar day of the Term of Employment (as extended from time to time pursuant to the terms hereof), 12 months shall be added to the termination date hereof.

(c) Until the date of his termination of employment hereunder, the Executive shall perform such duties as are customarily associated with the Executive's position and any further duties as may be assigned to him from time to time by the Company's Chief Executive Officer or his designee.

(d) Anything herein to the contrary notwithstanding, nothing shall preclude the Executive from (i) serving on the boards of directors of a reasonable number of other corporations or the boards of a reasonable number of trade associations and/or charitable organizations, and (ii) engaging in charitable activities and community affairs; provided, however, that in the opinion of the Board or Chief Executive Officer of the Company such activities do not materially interfere with the proper performance of his duties and responsibilities specified in subsection 2(c) above and/or do not conflict with the Executive's obligations under Section 9 below.

3. BASE SALARY.

The Executive shall receive from the Company a Base Salary, payable in accordance with the Company's regular payroll practices, of $325,000 per annum less standard payroll deductions and withholdings. The Compensation Committee of the Board will review the Executive's salary at least annually and may increase (but not reduce) the Executive's Base Salary in its sole discretion. Once increased, such Base Salary shall not be reduced and, as so increased, shall constitute "Base Salary" hereunder.

4. BONUSES.

(a) The Executive shall be eligible to receive bonuses during the Term of Employment, as follows. The Company's bonus programs otherwise applicable for its employees shall not apply to the Executive.

For each calendar year of the Term of Employment the Executive shall be eligible to be paid bonuses of up to 75% in the aggregate of the Executive's Base Salary paid for that year. The Company's Chief Executive Officer and the Executive shall mutually agree upon certain objective financial and subjective non-financial goals to be achieved by the Executive and his staff for each such calendar year, and such goals will be set forth in the Company's performance bonus plan. If the Company's Chief Executive Officer is satisfied, in his sole discretion, that such goals have been achieved with respect to any calendar year, then the Executive shall be entitled to payment of a bonus of up to 75% of his Base Salary as of the end of such year payable at such time as annual bonuses are paid to the other Company executive officers.

(b) The Compensation Committee of the Board will review the Executive's bonus structure set forth in subsection 4(a) at least annually and may adjust such bonus structure in its sole discretion.

5. EXPENSE REIMBURSEMENT.

During the Term of Employment, the Executive shall be entitled to prompt reimbursement by the Company for all reasonable out-of-pocket expenses incurred by him in performing services under this Agreement, upon his submission of such accounts and records as may be required under Company policy.

6. OTHER BENEFITS.

The Executive shall receive such other benefits as are then customarily provided generally to the other officers of the Company and of its subsidiaries, as determined from time to time by the Company's Board of Directors or Chief Executive Officer, including, without limitation, paid vacation. The Executive shall be entitled to four weeks of paid vacation

annually, which will accrue at the rate of approximately 1.67 days per month. If the total amount of vacation accrued reaches 30 days including any accrued vacation during employment with NCM LLC, further accrual of vacation time will stop until the Executive brings the total amount of accrued vacation below 30 days. The Executive shall be permitted to carry over any accrued but unused vacation time from the previous year.

7. EMPLOYEE BENEFIT PLANS.

The Executive shall be entitled to participate in all employee benefit plans and programs made available to other of the Company's executives having the same title or to its employees generally, as such plans or programs may be in effect from time to time, including, without limitation, Section 401(k) and related supplemental plans, group life insurance, accidental death and dismemberment insurance, travel accident insurance, hospitalization insurance, surgical insurance, major and excess major medical insurance, dental insurance, short-term and long-term disability insurance, sick leave (including salary continuation arrangements), holidays and any other employee benefit plans or programs that may be sponsored by the Company from time to time, including any plans that supplement the above-listed types of plans, whether funded or unfunded.

8. TERMINATION OF EMPLOYMENT.

(a) **Termination by Death**. In the event that the Executive's employment is terminated by death, his beneficiaries as defined in Section 19 hereof, shall be entitled to:

(i) the Executive's Base Salary, at the rate in effect on the date of his death, through the end of the month in which his death occurs;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) continuation of the medical benefits pursuant to COBRA to which he, his surviving Spouse and "eligible dependents" (as defined below) were entitled at the time of his death, for a period of one year following his death at the expense of the Company;

(iv) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his death; and

(v) other benefits to which he is then entitled in accordance with the applicable plans and programs of the Company.

"Eligible dependents" means dependents of the Executive who are eligible to receive medical benefits under the Company's medical plan.

(b) **Termination Due to Disability**. The Company or the Executive may terminate the Executive's employment due to Disability of the Executive, such termination to be effective 30 days after delivery of written notice thereof. In the event that the Executive's

employment is terminated due to Disability and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect when he is terminated due to Disability, for a period of six months following such termination, offset by any payments that he receives under the Company's long-term disability plan and any supplement thereto, whether funded or unfunded, that is adopted or provided by the Company for the Executive's benefit;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) for a period of one year from the time of termination of employment, other benefits to which he is then entitled in accordance with applicable plans and programs of the Company.

In the case of the termination of the Executive's employment for Disability, the Executive shall be entitled to receive the amounts described in clauses (i)-(iii) as a lump sum payment promptly after the termination of employment.

(c) **Termination by the Company for Cause**. In the event that the Executive's employment is terminated for Cause, he shall only be entitled to:

(i) his Base Salary through the date of his termination for Cause;

(ii) any annual bonuses awarded but not yet paid;

(iii) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) other benefits accrued and earned by the Executive through the date of termination in accordance with applicable plans and programs of the Company.

(d) **Termination Without Cause or Expiration of Term of Employment**. A Termination Without Cause shall mean a termination of the Executive's employment by the Company other than due to death, Disability or for Cause, including termination of the Executive's employment by reason of the Company's refusal to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to one year at the end of the Term of Employment.

In the event of a Termination Without Cause and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect on the date of his termination of employment, for 12 months, payable in accordance with the Company's normal payroll practices;

(ii) any annual bonuses awarded but not yet paid;

(iii) continued participation in all employee benefit plans or programs as in effect from time to time in which he was participating on the date of his termination of employment until the date he receives equivalent coverage in benefits, but in no event for a period longer than 12 months;

(iv) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(v) other benefits (other than for the payment of severance) that are made available to employees of the Company in general upon termination of employment under similar circumstances in accordance with applicable severance plans and programs of the Company.

In the event that, under the terms of any employee benefit plan referred to in subsection 8(d)(iii) above, the Executive may not continue his participation, he shall be provided with the after-tax economic equivalent of the benefits provided under any plan in which he is unable to participate for the period specified in subsection 8(d)(iii) above.

The economic equivalent of any benefit foregone shall be deemed the after-tax cost that would be incurred by the Executive in obtaining such benefit on the lowest available individual basis.

(e) **Termination for Good Reason**. The Executive may elect to terminate his employment with the Company for Good Reason, which shall be defined as a material reduction of the Executive's title or authority, which the Company fails to remedy within twenty (20) days after receipt from the Executive of written notice thereof, specifically citing this subsection 8(e).

In the event the Executive terminates his employment for Good Reason, the Executive shall be entitled to receive the benefits outlined in subsections 8(d)(i) through 8(d)(v).

(f) **Voluntary Resignation by the Executive**. The Executive may voluntarily terminate his employment with the Company at any time with or without notice and with or without reason. Such voluntary termination by the Executive shall include, without limitation, the Executive's decision not to renew this Agreement upon expiration of the Term of Employment if the Company offers to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to 18 months. In the event the Executive voluntarily terminates his employment, the Executive's salary shall cease on the termination date and the Executive will not be entitled to severance pay, pay in lieu of notice, or any other compensation other than payment of accrued salary and vacation and other benefits as expressly required in such event by applicable law or the terms of applicable benefit plans.

(g) **No Mitigation; No Offset**. In the event of any termination of employment under this Section 8, the Executive shall be under no obligation to seek other employment, and except as provided in subsection 8(d)(iii), he shall have no obligation to offset or repay any payments he receives under this Agreement by any payments he receives from a subsequent employer; provided, however, that (without limiting any rights of the Company for any breach of this Agreement under law, equity or otherwise), if the Executive engages in any Covered Activity (as defined in Section 9), any obligation of the Company to make payments to the Executive under Section 8 of this Agreement shall cease.

(h) **Nature of Payments**. Any amounts due under this Section 8 are in the nature of severance payments or liquidated damages or both, and shall fully compensate the Executive and his dependents or Beneficiary, as the case may be, for any and all direct damages and consequential damages that any of them may suffer as a result of termination of the Executive's employment, and they are not in the nature of a penalty.

9. COVENANTS AND CONFIDENTIAL INFORMATION.

(a) During the Executive's employment with the Company and for one year after termination of that employment, the Executive will not, directly or indirectly, own, manage, control or participate in the ownership, management or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any other corporation, partnership, proprietorship, firm, association or other business entity or otherwise engage in: (i) any business that, during the Executive's employment with the Company in any capacity (including as a consultant), competes with the business of the Company or any of the Company's affiliates or subsidiaries; or (ii) any business that, during the one-year period following the Executive's termination date, competes with the business of the Company as conducted on the date the Executive ceases to be employed by the Company in any capacity, (including as a consultant) (collectively, the "**Covered Activities**"); provided, that the ownership of not more than 1% of the stock of any publicly traded corporation shall not be deemed a violation of this covenant; provided, further, that in the event of a Termination Without Cause, the Executive may engage in any Covered Activity if prior to accepting any such employment he enters into a confidentiality agreement with the Company in form and substance satisfactory to the Company in its sole discretion (it being agreed that such confidentiality agreement may be broader in scope than the provisions of this Agreement and that such confidentiality agreement is intended to protect the Company from any risks which may arise in connection with the specific prospective employment of the Executive).

(b) During the Term of Employment and for one year after termination of the Executive's employment, the Executive will not, directly or indirectly induce any person who is an employee, officer or agent of the Company or any of the Company's affiliates or subsidiaries to terminate said relationship.

(c) During the Term of Employment and any time thereafter, the Executive will not, directly or indirectly disclose, divulge, discuss, copy or otherwise use or suffer to be used in any manner in competition with, or contrary to the interests of, the Company or any of the Company's affiliates or subsidiaries, the customer lists, or trade secrets of the Company or any of the Company's affiliates or subsidiaries, it being acknowledged by the Executive that all such information regarding the business of the Company and the Company's affiliates or subsidiaries, compiled or obtained by, or furnished to, the Executive while the Executive shall have been employed by or associated with the Company is confidential information and the Company's exclusive property; provided, however, that this subsection 9(c) shall not apply to the disclosure by the Executive of confidential information in the course of carrying out his duties under this Agreement or when required to do so by a court of law, to any governmental agency having jurisdiction over the business of the Company and its subsidiaries or to any administrative body or legislative body (including a committee thereof) with jurisdiction to order him to divulge, discuss or make accessible such information.

(d) The Executive expressly agrees and understands that the remedy at law for any breach by him of this Section 9 will be inadequate and that the damages flowing from such breach are not readily susceptible of being measured in monetary terms. Accordingly, it is acknowledged that upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 9, the Company shall be entitled to seek immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach (all as determined by a court of competent jurisdiction). Nothing in this Section 9 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 9 that may be pursued or availed of by the Company.

(e) In the event that the Executive shall violate any legally enforceable provision of this Section 9 (as determined by a court of competent jurisdiction) as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then such violation shall toll the running of that time period from the date of its commencement until the date of its cessation.

10. WITHHOLDING TAXES.

All payments to the Executive or his Beneficiary shall be subject to withholding on account of federal, state and local taxes as required by law. If any payment hereunder is insufficient to provide the amount of such taxes required to be withheld, the Company may withhold such taxes from any other payment due the Executive or his Beneficiary. In the event all cash payments due the Executive are insufficient to provide the required amount of such withholding taxes, the Executive or his Beneficiary, within five days after written notice from the Company, shall pay to the Company the amount of such withholding taxes in excess of all cash payments due the Executive or his Beneficiary.

11. INDEMNIFICATION.

The Company and NCM LLC jointly and severally agree to indemnify the Executive to the fullest extent permitted by applicable law consistent with the charter, articles of

incorporation and bylaws of the Company and the Limited Liability Operating Agreement of NCM LLC as in effect on the effective date of this Agreement with respect to any acts or non-acts he may have committed while he was an officer, director and/or employee (i) of the Company or any subsidiary thereof including NCM LLC or (ii) of any other entity if his service with such entity was at the request of the Company. This provision shall survive the termination of this Agreement.

12. EFFECT OF AGREEMENT ON OTHER BENEFITS.

Except as expressly set forth herein, the existence of this Agreement shall not prohibit or restrict the Executive's entitlement to participate fully in the executive compensation, employee benefit and other plans or programs of the Company in which senior executives are eligible to participate, as the Executive and the Company may agree from time to time.

13. ASSIGNABILITY; BINDING NATURE.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, heirs (in the case of the Executive) and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred pursuant to (i) a merger or consolidation in which the Company is not the continuing entity or (ii) sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company each further agree that, in the event of a sale of assets or liquidation as described in the preceding sentence, it will use its best efforts to cause such assignee or transferee expressly to assume the liabilities, obligations and duties of the Company hereunder. No obligations of the Executive under this Agreement may be assigned or transferred by the Executive.

14. REPRESENTATION.

The Company and NCM LLC each represent and warrant that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between the Company or NCM LLC and any other person, firm or organization.

15. ENTIRE AGREEMENT.

Except to the extent otherwise provided herein, this Agreement contains the entire understanding and agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, whether written or oral, between the parties concerning the subject matter hereof.

16. AMENDMENT OR WAIVER.

No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Executive and an authorized officer of the Company. No waiver by any party of any breach by any other party of any condition or provision contained in this Agreement to be performed by such other party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Executive or an authorized officer of the Company, as the case may be.

17. SEVERABILITY.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

18. SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of the Executive's employment with the Company to the extent necessary to the intended preservation of such rights and obligations as described in this Agreement.

19. BENEFICIARIES; REFERENCES.

The Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Executive's death by giving the Company written notice thereof. In the event of the Executive's death or of a judicial determination of his incompetence, reference in this Agreement to the Executive shall be deemed to refer to his beneficiary, and if the Executive shall not have designated a beneficiary, his estate.

20. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Colorado, without reference to principles of conflict of laws.

21. RESOLUTION OF DISPUTES.

(a) Any disputes arising under or in connection with this Agreement shall be resolved, in the Executive's discretion, by arbitration, to be held in Denver, Colorado, in accordance with the rules and procedures of the American Arbitration Association.

(b) All costs, fees and expenses, including attorneys' fees, of any arbitration or litigation in connection with this Agreement, including, without limitation, attorneys' fees of both the Executive and the Company, shall be borne by, and be the obligation of, the Company

unless the Company shall substantially prevail, in which event the Executive shall be required to pay the costs and expenses incurred by him relating to such arbitration or litigation. The obligation of the Company under this Section 21 shall survive the termination for any reason of this Agreement (whether such termination is by the Company, by the Executive, upon the expiration of this Agreement or otherwise).

(c) Pending the outcome or resolution of any arbitration or litigation, the Company shall continue payment of all amounts due the Executive under this Agreement without regard to any dispute.

22. NOTICES.

Any notice given to any party shall be in writing and shall be deemed to have been given when delivered either personally, faxed, by overnight delivery service (such as Federal Express), or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of:

If to the Company or the Board:

National CineMedia, Inc.
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to the Executive:

Gary W. Ferrera
_____
_____

23. HEADINGS.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

24. SECTION 409A; DEFERRED COMPENSATION.

Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code (the "**Code**"), if necessary to avoid any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payments or benefits hereunder (without any reduction in such payments or benefits) until the date that is six months following the Executive's termination of employment (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payment or other benefits due to the Executive hereunder could cause accelerated or additional tax under Section 409A of the Code, such payment or other benefits shall be deferred or otherwise restructured, to the extent possible, in a manner, determined by the Board (but subject to the reasonable consent of the Executive), to avoid any accelerated or additional tax. The Company shall consult with the Executive in good faith regarding application of this provision; provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto. Nothing contained in this Section 24 shall have the effect of increasing the amount of any payment or benefit which is otherwise owed by the Company to the Executive.

25. PERFORMANCE.

NCM LLC hereby agrees that it shall be directly and jointly and severally liable for the payment of all sums due hereunder.

26. COUNTERPARTS.

This Agreement may be executed in two or more counterparts.

27. EFFECTIVE DATE.

This Agreement shall be effective as of _____, 2007 (the "**Effective Date**").

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below, to be effective as of the Effective Date.

NATIONAL CINEMEDIA, INC.
The Company; NCM Inc.

By: _____
Name: _____
Title: _____

Date: _____

NATIONAL CINEMEDIA, LLC
NCM LLC

By: _____
Name: _____
Title: _____

Date: _____

EXECUTIVE

_____
Gary W. Ferrera

Date: _____

Exhibit 10.18

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "**Agreement**"), is made effective as of [_____, 2007], among National CineMedia, Inc., a Delaware corporation ("**NCM INC.**", the "**Company**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), and Thomas C. Galley (the "**Executive**").

RECITALS

A. The Executive currently serves as the Executive Vice President and Chief Technology and Operations Officer of NCM LLC and the terms of his employment are covered by an employment agreement by and between the Executive and NCM LLC, effective May 25, 2005, for an initial term of 18 months (the "**Prior Agreement**").

B. NCM LLC and NCM Inc. have entered into an agreement for NCM Inc. to provide certain management services and employees to NCM LLC.

C. In connection with the formation of NCM Inc. and the management services to be provided by NCM Inc. to NCM LLC, the Executive will become employed by NCM Inc. and will perform services for NCM Inc., including services for the benefit of NCM LLC.

AGREEMENT

Executive, the Company and NCM LLC agree that the Prior Agreement is hereby assigned by NCM LLC to NCM Inc., the Prior Agreement is hereby restated in the form of this Agreement, and NCM LLC remains directly liable for any payment obligations set forth in this Agreement. In consideration of the premises and mutual covenants contained herein and for good and valuable consideration, the receipt of which is mutually acknowledged, the Company, NCM LLC and the Executive agree as follows:

1. DEFINITIONS.

(a) **Base Salary** shall mean the annual salary provided for in Section 3 below, as adjusted from time to time pursuant to Section 3.

(b) **Beneficiary** shall mean the person or persons named by the Executive pursuant to Section 19 below, or in the event no such person is named and survives the Executive, his estate.

(c) **Board** shall mean the Board of Directors of the Company.

(d) **Cause** shall mean any one of more of the following:

(i) willful breach of any material written policy of the Company that results in material and demonstrable liability or loss to the Company or its affiliates;

(ii) conduct by the Executive involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company or its affiliates, including, but not limited to, misappropriation or conversion of assets of the Company or its affiliates (other than immaterial assets);

(iii) conviction of or entry of a plea of nolo contendere to a felony; or

(iv) material breach of this Agreement, including but not limited to any action by the Executive that violates the terms of Section 9 of this Agreement.

(e) **Disability** shall mean the illness or other mental or physical disability of the Executive, resulting in his failure to perform substantially his duties under this Agreement for a period of six or more consecutive months.

(f) **Spouse** shall mean, during the Term of Employment, the person who as of the relevant date is legally married to the Executive.

(g) **Term of Employment** shall mean the period specified in subsection 2(b) below.

2. TERM OF EMPLOYMENT, POSITIONS AND DUTIES.

(a) The Company hereby employs the Executive, and the Executive hereby accepts employment with the Company, in the position of Executive Vice President and Chief Technology and Operations Officer of the Company and with the duties and responsibilities set forth below, and upon such other terms and conditions as are hereinafter stated.

(b) The Term of Employment shall commence on the Effective Date (as defined in Section 27) and shall terminate on May 24, 2008. On the last calendar day of the Term of Employment (as extended from time to time pursuant to the terms hereof), 18 months shall be added to the termination date hereof.

(c) Until the date of his termination of employment hereunder, the Executive shall perform such duties as are customarily associated with Executive's position and any further duties as may be assigned to him from time to time by the Company's Chief Executive Officer or his designee.

(d) Anything herein to the contrary notwithstanding, nothing shall preclude the Executive from (i) serving on the boards of directors of a reasonable number of other corporations or the boards of a reasonable number of trade associations and/or charitable organizations, and (ii) engaging in charitable activities and community affairs; provided, however, that in the opinion of the Board or Chief Executive Officer of the Company such activities do not materially interfere with the proper performance of his duties and responsibilities specified in subsection 2(c) above and/or do not conflict with the Executive's obligations under Section 9 below.

3. BASE SALARY.

The Executive shall receive from the Company a Base Salary, payable in accordance with the Company's regular payroll practices, of $415,000 per annum less standard payroll deductions and withholdings. The Compensation Committee of the Board will review the Executive's salary at least annually and may increase (but not reduce) the Executive's Base Salary in its sole discretion. Once increased, such Base Salary shall not be reduced and, as so increased, shall constitute "Base Salary" hereunder.

4. BONUSES.

(a) The Executive shall be eligible to receive bonuses during the Term of Employment, as follows. The Company's bonus programs otherwise applicable for its employees shall not apply to the Executive.

For each calendar year of the Term of Employment the Executive shall be eligible to be paid bonuses of up to 75% in the aggregate of the Executive's Base Salary. The Company's Chief Executive Officer and the Executive shall mutually agree upon certain objective financial and subjective non-financial goals to be achieved by the Executive and his staff for each such calendar year, and such goals will be set forth in the Company's performance bonus plan. If the Company's Chief Executive Officer is satisfied, in his sole discretion, that such goals have been achieved with respect to any calendar year, then the Executive shall be entitled to payment of a bonus of up to 75% of his Base Salary as of the end of such year payable on or before 60 days after December 31 of such year.

(b) The Compensation Committee of the Board will review the Executive's bonus structure set forth in subsection 4(a) at least annually and may adjust such bonus structure in its sole discretion.

5. EXPENSE REIMBURSEMENT.

During the Term of Employment, the Executive shall be entitled to prompt reimbursement by the Company for all reasonable out-of-pocket expenses incurred by him in performing services under this Agreement, upon his submission of such accounts and records as may be required under Company policy.

6. OTHER BENEFITS.

The Executive shall receive such other benefits as are then customarily provided generally to the other officers of the Company and of its subsidiaries, as determined from time to time by the Company's Board of Directors or Chief Executive Officer, including, without limitation, paid vacation. The Executive shall be entitled to four weeks of paid vacation annually, which will accrue at the rate of approximately 1.67 days per month. If the total amount

of vacation accrued reaches 30 days (including any vacation accrued during employment with NCM LLC), further accrual of vacation time will stop until the Executive brings the total amount of accrued vacation below 30 days. The Executive shall be permitted to carry over any accrued but unused vacation time from the previous year.

7. EMPLOYEE BENEFIT PLANS.

The Executive shall be entitled to participate in all employee benefit plans and programs made available to other of the Company's executives having the same title or to its employees generally, as such plans or programs may be in effect from time to time, including, without limitation, Section 401(k) and related supplemental plans, group life insurance, accidental death and dismemberment insurance, travel accident insurance, hospitalization insurance, surgical insurance, major and excess major medical insurance, dental insurance, short-term and long-term disability insurance, sick leave (including salary continuation arrangements), holidays and any other employee benefit plans or programs that may be sponsored by the Company from time to time, including any plans that supplement the above-listed types of plans, whether funded or unfunded.

8. TERMINATION OF EMPLOYMENT.

(a) **Termination by Death**. In the event that the Executive's employment is terminated by death, his beneficiaries as defined in Section 19 hereof, shall be entitled to:

(i) the Executive's Base Salary, at the rate in effect on the date of his death, through the end of the month in which his death occurs;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) continuation of the medical benefits pursuant to COBRA to which he, his surviving Spouse and "eligible dependents" (as defined below) were entitled at the time of his death, for a period of one year following his death at the expense of the Company;

(iv) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his death; and

(v) other benefits to which he is then entitled in accordance with the applicable plans and programs of the Company.

"Eligible dependents" means dependents of the Executive who are eligible to receive medical benefits under the Company's medical plan.

(b) **Termination Due to Disability**. The Company or the Executive may terminate the Executive's employment due to Disability of the Executive, such termination to be effective 30 days after delivery of written notice thereof. In the event that the Executive's

employment is terminated due to Disability and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect when he is terminated due to Disability, for a period of six months following such termination, offset by any payments that he receives under the Company's long-term disability plan and any supplement thereto, whether funded or unfunded, that is adopted or provided by the Company for the Executive's benefit;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) for a period of one year from the time of termination of employment, other benefits to which he is then entitled in accordance with applicable plans and programs of the Company.

In the case of the termination of the Executive's employment for Disability, the Executive shall be entitled to receive the amounts described in clauses (i)-(iii) as a lump sum payment promptly after the termination of employment.

(c) **Termination by the Company for Cause**. In the event that the Executive's employment is terminated for Cause, he shall only be entitled to:

(i) his Base Salary through the date of his termination for Cause;

(ii) any annual bonuses awarded but not yet paid;

(iii) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) other benefits accrued and earned by the Executive through the date of termination in accordance with applicable plans and programs of the Company.

(d) **Termination Without Cause or Expiration of Term of Employment**. A Termination Without Cause shall mean a termination of the Executive's employment by the Company other than due to death, Disability or for Cause, including termination of the Executive's employment by reason of the Company's refusal to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to one year at the end of the Term of Employment.

In the event of a Termination Without Cause and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect on the date of his termination of employment, for 18 months, payable in accordance with the Company's normal payroll practices;

(ii) any annual bonuses awarded but not yet paid;

(iii) continued participation in all employee benefit plans or programs as in effect from time to time in which he was participating on the date of his termination of employment until the date he receives equivalent coverage in benefits, but in no event for a period longer than 18 months;

(iv) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(v) other benefits (other than for the payment of severance) that are made available to employees of the Company in general upon termination of employment under similar circumstances in accordance with applicable severance plans and programs of the Company.

In the event that, under the terms of any employee benefit plan referred to in subsection 8(d)(iii) above, the Executive may not continue his participation, he shall be provided with the after-tax economic equivalent of the benefits provided under any plan in which he is unable to participate for the period specified in subsection 8(d)(iii) above.

The economic equivalent of any benefit foregone shall be deemed the after-tax cost that would be incurred by the Executive in obtaining such benefit on the lowest available individual basis.

(e) **Termination for Good Reason**. The Executive may elect to terminate his employment with the Company for Good Reason, which shall be defined as a material reduction of the Executive's title or authority, which the Company fails to remedy within twenty (20) days after receipt from the Executive of written notice thereof, specifically citing this subsection 8(e).

In the event the Executive terminates his employment for Good Reason, the Executive shall be entitled to receive the benefits outlined in subsections 8(d)(i) through 8(d)(v).

(f) **Voluntary Resignation by the Executive**. The Executive may voluntarily terminate his employment with the Company at any time with or without notice and with or without reason. Such voluntary termination by the Executive shall include, without limitation, the Executive's decision not to renew this Agreement upon expiration of the Term of Employment if the Company offers to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to 18 months. In the event the Executive voluntarily terminates his employment, the Executive's salary shall cease on the termination date and the Executive will not be entitled to severance pay, pay in lieu of notice, or any other compensation other than payment of accrued salary and vacation and other benefits as expressly required in such event by applicable law or the terms of applicable benefit plans.

(g) **No Mitigation; No Offset**. In the event of any termination of employment under this Section 8, the Executive shall be under no obligation to seek other employment, and except as provided in subsection 8(d)(iii), he shall have no obligation to offset or repay any payments he receives under this Agreement by any payments he receives from a subsequent employer; provided, however, that (without limiting any rights of the Company for any breach of this Agreement under law, equity or otherwise), if the Executive engages in any Covered Activity (as defined in Section 9), any obligation of the Company to make payments to the Executive under Section 8 of this Agreement shall cease.

(h) **Nature of Payments**. Any amounts due under this Section 8 are in the nature of severance payments or liquidated damages or both, and shall fully compensate the Executive and his dependents or Beneficiary, as the case may be, for any and all direct damages and consequential damages that any of them may suffer as a result of termination of the Executive's employment, and they are not in the nature of a penalty.

9. COVENANTS AND CONFIDENTIAL INFORMATION.

(a) During the Executive's employment with the Company and for one year after termination of that employment, the Executive will not, directly or indirectly, own, manage, control or participate in the ownership, management or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any other corporation, partnership, proprietorship, firm, association or other business entity or otherwise engage in: (i) any business that, during the Executive's employment with the Company in any capacity (including as a consultant), competes with the business of the Company or any of the Company's affiliates or subsidiaries; or (ii) any business that, during the one-year period following the Executive's termination date, competes with the business of the Company as conducted on the date the Executive ceases to be employed by the Company in any capacity, (including as a consultant) (collectively, the "**Covered Activities**"); provided, that the ownership of not more than 1% of the stock of any publicly traded corporation shall not be deemed a violation of this covenant; provided, further, that in the event of a Termination Without Cause, the Executive may engage in any Covered Activity if prior to accepting any such employment he enters into a confidentiality agreement with the Company in form and substance satisfactory to the Company in its sole discretion (it being agreed that such confidentiality agreement may be broader in scope than the provisions of this Agreement and that such confidentiality agreement is intended to protect the Company from any risks which may arise in connection with the specific prospective employment of the Executive).

(b) During the Term of Employment and for one year after termination of the Executive's employment, the Executive will not, directly or indirectly induce any person who is an employee, officer or agent of the Company or any of the Company's affiliates or subsidiaries to terminate said relationship.

(c) During the Term of Employment and any time thereafter, the Executive will not, directly or indirectly disclose, divulge, discuss, copy or otherwise use or suffer to be used in any manner in competition with, or contrary to the interests of, the Company or any of the Company's affiliates or subsidiaries, the customer lists, or trade secrets of the Company or any of the Company's affiliates or subsidiaries, it being acknowledged by the Executive that all such information regarding the business of the Company and the Company's affiliates or subsidiaries, compiled or obtained by, or furnished to, the Executive while the Executive shall have been employed by or associated with the Company is confidential information and the Company's exclusive property; provided, however, that this subsection 9(c) shall not apply to the disclosure by the Executive of confidential information in the course of carrying out his duties under this Agreement or when required to do so by a court of law, to any governmental agency having jurisdiction over the business of the Company and its subsidiaries or to any administrative body or legislative body (including a committee thereof) with jurisdiction to order him to divulge, discuss or make accessible such information.

(d) The Executive expressly agrees and understands that the remedy at law for any breach by him of this Section 9 will be inadequate and that the damages flowing from such breach are not readily susceptible of being measured in monetary terms. Accordingly, it is acknowledged that upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 9, the Company shall be entitled to seek immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach (all as determined by a court of competent jurisdiction). Nothing in this Section 9 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 9 that may be pursued or availed of by the Company.

(e) In the event that the Executive shall violate any legally enforceable provision of this Section 9 (as determined by a court of competent jurisdiction) as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then such violation shall toll the running of that time period from the date of its commencement until the date of its cessation.

10. WITHHOLDING TAXES.

All payments to the Executive or his Beneficiary shall be subject to withholding on account of federal, state and local taxes as required by law. If any payment hereunder is insufficient to provide the amount of such taxes required to be withheld, the Company may withhold such taxes from any other payment due the Executive or his Beneficiary. In the event all cash payments due the Executive are insufficient to provide the required amount of such withholding taxes, the Executive or his Beneficiary, within five days after written notice from the Company, shall pay to the Company the amount of such withholding taxes in excess of all cash payments due the Executive or his Beneficiary.

11. INDEMNIFICATION.

The Company and NCM LLC jointly and severally agree to indemnify the Executive to the fullest extent permitted by applicable law consistent with the charter, articles of

incorporation and bylaws of the Company and the Limited Liability Operating Agreement of NCM LLC in effect on the effective date of this Agreement with respect to any acts or non-acts he may have committed while he was an officer, director and/or employee (i) of the Company or any subsidiary thereof, including NCM LLC or (ii) of any other entity if his service with such entity was at the request of the Company. This provision shall survive the termination of this Agreement.

12. EFFECT OF AGREEMENT ON OTHER BENEFITS.

Except as expressly set forth herein, the existence of this Agreement shall not prohibit or restrict the Executive's entitlement to participate fully in the executive compensation, employee benefit and other plans or programs of the Company in which senior executives are eligible to participate, as the Executive and the Company may agree from time to time.

13. ASSIGNABILITY; BINDING NATURE.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, heirs (in the case of the Executive) and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred pursuant to (i) a merger or consolidation in which the Company is not the continuing entity or (ii) sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company each further agree that, in the event of a sale of assets or liquidation as described in the preceding sentence, it will use its best efforts to cause such assignee or transferee expressly to assume the liabilities, obligations and duties of the Company hereunder. No obligations of the Executive under this Agreement may be assigned or transferred by the Executive.

14. REPRESENTATION.

The Company and NCM LLC each represent and warrant that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between the Company or NCM LLC and any other person, firm or organization.

15. ENTIRE AGREEMENT.

Except to the extent otherwise provided herein, this Agreement contains the entire understanding and agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, whether written or oral, between the parties concerning the subject matter hereof.

16. AMENDMENT OR WAIVER.

No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Executive and an authorized officer of the Company. No waiver by any party of any breach by any other party of any condition or provision contained in this Agreement to be performed by such other party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Executive or an authorized officer of the Company, as the case may be.

17. SEVERABILITY.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

18. SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of the Executive's employment with the Company to the extent necessary to the intended preservation of such rights and obligations as described in this Agreement.

19. BENEFICIARIES; REFERENCES.

The Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Executive's death by giving the Company written notice thereof. In the event of the Executive's death or of a judicial determination of his incompetence, reference in this Agreement to the Executive shall be deemed to refer to his beneficiary, and if the Executive shall not have designated a beneficiary, his estate.

20. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Colorado, without reference to principles of conflict of laws.

21. RESOLUTION OF DISPUTES.

(a) Any disputes arising under or in connection with this Agreement shall be resolved, in the Executive's discretion, by arbitration, to be held in Denver, Colorado, in accordance with the rules and procedures of the American Arbitration Association.

(b) All costs, fees and expenses, including attorneys' fees, of any arbitration or litigation in connection with this Agreement, including, without limitation, attorneys' fees of both the Executive and the Company, shall be borne by, and be the obligation of, the Company

unless the Company shall substantially prevail, in which event the Executive shall be required to pay the costs and expenses incurred by him relating to such arbitration or litigation. The obligation of the Company under this Section 21 shall survive the termination for any reason of this Agreement (whether such termination is by the Company, by the Executive, upon the expiration of this Agreement or otherwise).

(c) Pending the outcome or resolution of any arbitration or litigation, the Company shall continue payment of all amounts due the Executive under this Agreement without regard to any dispute.

22. NOTICES.

Any notice given to any party shall be in writing and shall be deemed to have been given when delivered either personally, faxed, by overnight delivery service (such as Federal Express), or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of:

If to the Company or the Board:

National CineMedia, Inc.
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to NCM LLC:

National CineMedia, LLC
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: General Counsel
Fax: (303) 792-8649

If to the Executive:

Thomas C. Galley
_____
_____

23. HEADINGS.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

24. SECTION 409A; DEFERRED COMPENSATION.

Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code (the "**Code**"), if necessary to avoid any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payments or benefits hereunder (without any reduction in such payments or benefits) until the date that is six months following the Executive's termination of employment (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payment or other benefits due to the Executive hereunder could cause accelerated or additional tax under Section 409A of the Code, such payment or other benefits shall be deferred or otherwise restructured, to the extent possible, in a manner, determined by the Board (but subject to the reasonable consent of the Executive), to avoid any accelerated or additional tax. The Company shall consult with the Executive in good faith regarding application of this provision; provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto. Nothing contained in this Section 24 shall have the effect of increasing the amount of any payment or benefit which is otherwise owed by the Company to the Executive.

25. PERFORMANCE.

NCM LLC hereby agrees that it shall be directly and jointly and severally liable for the payment of all sums due hereunder.

26. COUNTERPARTS.

This Agreement may be executed in two or more counterparts.

27. EFFECTIVE DATE.

This Agreement shall be effective as of _____, 2007 (the "**Effective Date**").

[**Signature Page to Follow**]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below, to be effective as of the Effective Date.

NATIONAL CINEMEDIA, INC.
The Company; NCM Inc.

By: _____
Name: _____
Title: _____

Date: _____

NATIONAL CINEMEDIA, LLC
NCM LLC

By: _____
Name: _____
Title: _____

Date: _____

EXECUTIVE

_____
Thomas C. Galley

Date: _____

Exhibit 10.19

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT, (this "**Agreement**"), is made effective as of [_____, 2007], among National CineMedia, Inc., a Delaware corporation ("**NCM, Inc.**" the "**Company**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), and Ralph E. Hardy (the "**Executive**").

RECITALS

A. The Executive currently serves as the Executive Vice President and General Counsel of NCM LLC and the terms of his employment are covered by an employment agreement by and between the Executive and NCM LLC, effective May 25, 2005, for a term ending each December 31 (the "**Prior Agreement**").

B. NCM LLC and NCM Inc. have entered into an agreement for NCM Inc. to provide certain management services and employees to NCM LLC.

C. In connection with the formation of NCM Inc. and the management services to be provided by NCM Inc. to NCM LLC, the Executive will become employed by NCM Inc. and will perform services for NCM Inc., including services for the benefit of NCM LLC.

AGREEMENT

Executive, the Company and NCM LLC agree that the Prior Agreement is hereby assigned by NCM LLC to the Company, the prior Agreement is hereby restated in the form of this Agreement, and NCM LLC remains directly liable for any payment obligations set forth in this Agreement. In consideration of the premises and mutual covenants contained herein and for good and valuable consideration, the receipt of which is mutually acknowledged, the Company, NCM LLC and the Executive agree as follows:

1. DEFINITIONS.

(a) **Base Salary** shall mean the annual salary provided for in Section 3 below, as adjusted from time to time.

(b) **Beneficiary** shall mean the person or persons named by the Executive pursuant to Section 19 below, or in the event no such person is named and survives the Executive, his estate.

(c) **Board** shall mean the Board of Directors of the Company, including any committee thereof authorized to exercise any powers of the Board in connection with the subject matter of this Agreement.

(d) **Cause** shall mean:

(i) the Executive's fraud, dishonesty, willful misconduct or deliberate injury to the Company or its affiliates or subsidiaries, in the performance of his duties hereunder;

(ii) the Executive's intentional or grossly negligent refusal or failure to perform his duties consistent with his position with the Company; or

(iii) the Executive's conviction of a felony.

(e) **Disability** shall mean the illness or other mental or physical disability of the Executive, resulting in his failure to perform substantially his duties under this Agreement for a period of six or more consecutive months.

(f) **Spouse** shall mean, during the Term of Employment, the person who as of the relevant date is legally married to the Executive.

(g) **Term of Employment** shall mean the period specified in subsection 2(b) below.

2. TERM OF EMPLOYMENT, POSITIONS AND DUTIES.

(a) The Company hereby employs the Executive, and the Executive hereby accepts employment with the Company, in the position of Executive Vice President and General Counsel of the Company and with the duties and responsibilities set forth below, and upon such other terms and conditions as are hereinafter stated.

(b) The Term of Employment shall commence on the Effective Date(as defined in Section 27) and shall terminate on December 31, 2007, and on December 31, 2007 and each December 31 thereafter it shall be deemed that the Term of Employment has been extended by one year unless, prior to any such anniversary date, either the Executive or the Company notifies the other to the contrary.

(c) Until the date of his termination of employment hereunder, the Executive shall be employed as an Executive Vice President of the Company and shall have the responsibilities assigned to him from time to time.

(d) Anything herein to the contrary notwithstanding, nothing shall preclude the Executive from (i) serving on the boards of directors of a reasonable number of other corporations or the boards of a reasonable number of trade associations and/or charitable organizations, and (ii) engaging in charitable activities and community affairs; provided, however, that in the opinion of the Board or Chief Executive Officer of the Company such activities do not materially interfere with the proper performance of his duties and responsibilities specified in subsection 2(c) above and/or do not conflict with the Executive's obligations under Section 9 below.

3. BASE SALARY.

The Executive shall receive from the Company a Base Salary, payable in accordance with the regular payroll practices of the Company, of $221,728 (but not less frequently than monthly). During the Term of Employment, the Board shall review the Base Salary no less often than annually.

4. ANNUAL BONUSES.

The Executive shall be eligible to receive annual bonuses during the Term of Employment, as determined by the Board.

5. EXPENSE REIMBURSEMENT.

During the Term of Employment, the Executive shall be entitled to prompt reimbursement by the Company for all reasonable out-of-pocket expenses incurred by him in performing services under this Agreement, upon his submission of such accounts and records as may be required under Company policy.

6. OTHER BENEFITS.

The Executive shall receive such other benefits as are then customarily provided generally to the other officers of the Company and of its subsidiaries, as determined from time to time by the Board or the Company's Chief Executive Officer, including, without limitation, paid vacation in accordance with the Company's practices as in effect from time to time.

7. EMPLOYEE BENEFIT PLANS.

The Executive shall be entitled to participate in all employee benefit plans and programs made available to other of the Company's executives having the same title or to its employees generally, as such plans or programs may be in effect from time to time, including, without limitation, Section 401(k) and related supplemental plans, group life insurance, accidental death and dismemberment insurance, travel accident insurance, hospitalization insurance, surgical insurance, major and excess major medical insurance, dental insurance, short-term and long-term disability insurance, sick leave (including salary continuation arrangements), holidays and any other employee benefit plans or programs that may be sponsored by the Company from time to time, including any plans that supplement the above-listed types of plans, whether funded or unfunded.

8. TERMINATION OF EMPLOYMENT.

(a) **Termination by Death**. In the event that the Executive's employment is terminated by death, his beneficiaries as defined in Section 19 hereof, shall be entitled to:

(i) the Executive's Base Salary, at the rate in effect on the date of his death, through the end of the month in which his death occurs;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) continuation of the medical benefits pursuant to COBRA to which he, his surviving Spouse and "eligible dependents" (as defined below) were entitled at the time of his death, for a period of one year following his death at the expense of the Company;

(iv) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his death; and

(v) other benefits to which he is then entitled in accordance with the applicable plans and programs of the Company.

"Eligible dependents" means dependents of the Executive who are eligible to receive medical benefits under the Company's medical plan.

(b) **Termination Due to Disability**. The Company or the Executive may terminate the Executive's employment due to Disability of the Executive, such termination to be effective 30 days after delivery of written notice thereof. In the event that the Executive's employment is terminated due to Disability and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect when he is terminated due to Disability, for a period of six months following such termination, offset by any payments that he receives under the Company's long-term disability plan and any supplement thereto, whether funded or unfunded, that is adopted or provided by the Company for the Executive's benefit;

(ii) any annual bonuses awarded for prior periods but not yet paid;

(iii) reimbursement in accordance with this Agreement of any business expenses incurred by the Executive but not yet paid to him on the date of his/her termination of employment; and

(iv) for a period of one year from the time of termination of employment, other benefits to which he is then entitled in accordance with applicable plans and programs of the Company.

In the case of the termination of the Executive's employment for Disability, the Executive shall be entitled to receive the amounts described in clauses (i)-(iii) as a lump sum payment promptly after the termination of employment.

(c) **Termination by the Company for Cause**. In the event that the Executive's employment is terminated for Cause, he shall only be entitled to:

(i) his Base Salary through the date of his termination for Cause;

(ii) any annual bonuses awarded but not yet paid;

(iii) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(iv) other benefits accrued and earned by the Executive through the date of termination in accordance with applicable plans and programs of the Company.

(d) **Termination Without Cause or Expiration of Term of Employment**. A Termination Without Cause shall mean a termination of the Executive's employment by the Company other than due to death, Disability or for Cause, including termination of the Executive's employment by reason of the Company's refusal to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to one year at the end of the Term of Employment.

In the event of a Termination Without Cause and in exchange for a release of claims against the Company, the Executive shall be entitled to:

(i) his Base Salary, at the rate in effect on the date of his termination of employment, for 12 months, payable in accordance with the Company's normal payroll practices;

(ii) any annual bonuses awarded but not yet paid;

(iii) continued participation in all employee benefit plans or programs as in effect from time to time in which he was participating on the date of his termination of employment until the date he receives equivalent coverage in benefits, but in no event for a period longer than 12 months;

(iv) reimbursement in accordance with this Agreement for any business expenses incurred by the Executive but not yet paid to him on the date of his termination of employment; and

(v) other benefits (other than for the payment of severance) that are made available to employees of the Company in general upon termination of employment under similar circumstances in accordance with applicable severance plans and programs of the Company.

In the event that, under the terms of any employee benefit plan referred to in subsection 8(d)(iii) above, the Executive may not continue his participation, he shall be provided with the after-tax economic equivalent of the benefits provided under any plan in which he is unable to participate for the period specified in subsection 8(d)(iii) above.

The economic equivalent of any benefit foregone shall be deemed the after-tax cost that would be incurred by the Executive in obtaining such benefit on the lowest available individual basis.

(e) **Termination for Good Reason**. The Executive may elect to terminate his employment with the Company for Good Reason, which shall be defined as a material reduction of the Executive's title or authority, which the Company fails to remedy within twenty (20) days after receipt from the Executive of written notice thereof, specifically citing this subsection 8(e).

In the event the Executive terminates his employment for Good Reason, the Executive shall be entitled to receive the benefits outlined in subsections 8(d)(i) through 8(d)(v).

(f) **Voluntary Resignation by the Executive**. The Executive may voluntarily terminate his employment with the Company at any time with or without notice and with or without reason. Such voluntary termination by the Executive shall include, without limitation, the Executive's decision not to renew this Agreement upon expiration of the Term of Employment if the Company offers to renew this Agreement on economic terms and conditions at least equal to this Agreement and for a term at least equal to one year. In the event the Executive voluntarily terminates his employment, the Executive's salary shall cease on the termination date and the Executive will not be entitled to severance pay, pay in lieu of notice, or any other compensation other than payment of accrued salary and vacation and other benefits as expressly required in such event by applicable law or the terms of applicable benefit plans.

(g) **No Mitigation; No Offset**. In the event of any termination of employment under this Section 8, the Executive shall be under no obligation to seek other employment, and except as provided in subsection 8(d)(iii), he shall have no obligation to offset or repay any payments he receives under this Agreement by any payments he receives from a subsequent employer; provided, however, that (without limiting any rights of the Company for any breach of this Agreement under law, equity or otherwise), if the Executive engages in any Covered Activity (as defined in Section 9), any obligation of the Company to make payments to the Executive under Section 8 of this Agreement shall cease.

(h) **Nature of Payments**. Any amounts due under this Section 8 are in the nature of severance payments or liquidated damages or both, and shall fully compensate the Executive and his dependents or Beneficiary, as the case may be, for any and all direct damages and consequential damages that any of them may suffer as a result of termination of the Executive's employment, and they are not in the nature of a penalty.

9. COVENANTS AND CONFIDENTIAL INFORMATION.

(a) The Executive agrees that during the Term of Employment and for so long as he is entitled to receive any benefits or payments under this Agreement (but in no event for less than one year after the Term of Employment) and, as to subsection 9(a)(iii) below, at any time after the Term of Employment he will not, directly or indirectly, do or suffer any of the following:

(i) Own, manage, control or participate in the ownership, management or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any other corporation, partnership, proprietorship, firm, association or other business entity or otherwise engage in any business that competes with, the business of the Company or any of the Company's affiliates or subsidiaries (as conducted on the date the Executive ceases to be employed by the Company in any capacity, including as a consultant) (collectively, the "**Covered Activities**"); provided, however, that the ownership of not more than 1% of the stock of any publicly traded corporation shall not be deemed a violation of this covenant; provided, further, however, that in the event of a Termination Without Cause, the Executive may engage in any Covered Activity if prior to accepting any such employment he enters into a confidentiality agreement with the Company in form and substance satisfactory to the Company in its sole discretion (it being agreed that such confidentiality agreement may be broader in scope than the provisions of this Agreement and that such confidentiality agreement is intended to protect the Company from any risks which may arise in connection with the specific prospective employment of the Executive).

(ii) Induce any person who is an employee, officer or agent of the Company or any of the Company's affiliates or subsidiaries to terminate said relationship.

(iii) Disclose, divulge, discuss, copy or otherwise use or suffer to be used in any manner in competition with, or contrary to the interests of, the Company or any of the Company's affiliates or subsidiaries, the customer lists, or trade secrets of the Company or any of the Company's affiliates or subsidiaries, it being acknowledged by the Executive that all such information regarding the business of the Company and the Company's affiliates or subsidiaries, compiled or obtained by, or furnished to, the Executive while the Executive shall have been employed by or associated with the Company is confidential information and the Company's exclusive property; provided, however, that this subsection 9(a)(iii) shall not apply to the disclosure by the Executive of confidential information (A) in the course of carrying out his duties under this Agreement or (B) when required to do so by a court of law, to any governmental agency having jurisdiction over the business of the Company and its subsidiaries or to any administrative body or legislative body (including a committee thereof) with jurisdiction to order him to divulge, discuss or make accessible such information.

(b) The Executive expressly agrees and understands that the remedy at law for any breach by him of this Section 9 will be inadequate and that the damages flowing from such breach are not readily susceptible of being measured in monetary terms. Accordingly, it is acknowledged that upon adequate proof of the Executive's violation of any legally enforceable provision of this Section 9, the Company shall be entitled to seek immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach (all as determined by a court of competent jurisdiction). Nothing in this Section 9 shall be deemed to limit the Company's remedies at law or in equity for any breach by the Executive of any of the provisions of this Section 9 that may be pursued or availed of by the Company.

(c) In the event that the Executive shall violate any legally enforceable provision of this Section 9 (as determined by a court of competent jurisdiction) as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then such violation shall toll the running of that time period from the date of its commencement until the date of its cessation.

10. WITHHOLDING TAXES.

All payments to the Executive or his Beneficiary shall be subject to withholding on account of federal, state and local taxes as required by law. If any payment hereunder is insufficient to provide the amount of such taxes required to be withheld, the Company may withhold such taxes from any other payment due the Executive or his Beneficiary. In the event all cash payments due the Executive are insufficient to provide the required amount of such withholding taxes, the Executive or his Beneficiary, within five days after written notice from the Company, shall pay to the Company the amount of such withholding taxes in excess of all cash payments due the Executive or his Beneficiary.

11. INDEMNIFICATION.

The Company and NCM LLC jointly and severally agree to indemnify the Executive to the fullest extent permitted by applicable law consistent with the charter, articles of incorporation and bylaws of the Company and the Limited Liability Operating Agreement of NCM LLC as in effect on the effective date of this Agreement with respect to any acts or non-acts he may have committed while he was an officer, director and/or employee (i) of the Company or any subsidiary thereof, including NCM LLC or (ii) of any other entity if his service with such entity was at the request of the Company. This provision shall survive the termination of this Agreement.

12. EFFECT OF AGREEMENT ON OTHER BENEFITS.

Except as expressly set forth herein, the existence of this Agreement shall not prohibit or restrict the Executive's entitlement to participate fully in the executive compensation, employee benefit and other plans or programs of the Company in which senior executives are eligible to participate.

13. ASSIGNABILITY; BINDING NATURE.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, heirs (in the case of the Executive) and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred pursuant to (i) a merger or consolidation in which the Company is not the continuing entity or (ii) sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as

contained in this Agreement, either contractually or as a matter of law. The Company each further agree that, in the event of a sale of assets or liquidation as described in the preceding sentence, it will use its best efforts to cause such assignee or transferee expressly to assume the liabilities, obligations and duties of the Company hereunder. No obligations of the Executive under this Agreement may be assigned or transferred by the Executive.

14. REPRESENTATION.

The Company and NCM LLC each represent and warrant that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between the Company or NCM LLC and any other person, firm or organization.

15. ENTIRE AGREEMENT.

Except to the extent otherwise provided herein, this Agreement contains the entire understanding and agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, whether written or oral, between the parties concerning the subject matter hereof.

16. AMENDMENT OR WAIVER.

No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Executive and an authorized officer of the Company. No waiver by any party of any breach by any other party of any condition or provision contained in this Agreement to be performed by such other party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Executive or an authorized officer of the Company, as the case may be.

17. SEVERABILITY.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

18. SURVIVORSHIP.

The respective rights and obligations of the parties hereunder shall survive any termination of the Executive’s employment with the Company to the extent necessary to the intended preservation of such rights and obligations as described in this Agreement.

19. BENEFICIARIES; REFERENCES.

The Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Executive's death by giving the Company written notice thereof. In the event of the Executive's death or of a judicial determination of his incompetence, reference in this Agreement to the Executive shall be deemed to refer to his beneficiary, and if the Executive shall not have designated a beneficiary, his estate.

20. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Colorado, without reference to principles of conflict of laws.

21. RESOLUTION OF DISPUTES.

(a) Any disputes arising under or in connection with this Agreement shall be resolved, in the Executive's discretion, by arbitration, to be held in Denver, Colorado, in accordance with the rules and procedures of the American Arbitration Association.

(b) All costs, fees and expenses, including attorneys' fees, of any arbitration or litigation in connection with this Agreement, including, without limitation, attorneys' fees of both the Executive and the Company, shall be borne by, and be the obligation of, the Company unless the Company shall substantially prevail, in which event the Executive shall be required to pay the costs and expenses incurred by him relating to such arbitration or litigation. The obligation of the Company under this Section 21 shall survive the termination for any reason of this Agreement (whether such termination is by the Company, by the Executive, upon the expiration of this Agreement or otherwise).

(c) Pending the outcome or resolution of any arbitration or litigation, the Company shall continue payment of all amounts due the Executive under this Agreement without regard to any dispute.

22. NOTICES.

Any notice given to any party shall be in writing and shall be deemed to have been given when delivered either personally, faxed, by overnight delivery service (such as Federal Express), or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of:

If to the Company or the Board:

National CineMedia, Inc.
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: _____
Fax: (303) 792-8649

If to NCM LLC:

National CineMedia LLC
9110 East Nichols Avenue
Centennial, Colorado 80112
Attention: _____
Fax: (303) 792-8649

If to the Executive:

Ralph E. Hardy
_____
_____

23. HEADINGS.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

24. SECTION 409A; DEFERRED COMPENSATION.

Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code (the "**Code**"), if necessary to avoid any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payments or benefits hereunder (without any reduction in such payments or benefits) until the date that is six months following the Executive's termination of employment (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payment or other benefits due to the Executive hereunder could cause accelerated or additional tax under Section 409A of the Code, such payment or other benefits shall be deferred or otherwise restructured, to the extent possible, in a manner, determined by the Board (but subject to the reasonable consent of the Executive), to avoid any accelerated or additional tax. The Company shall consult with the Executive in good faith regarding application of this provision; provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto. Nothing contained in this Section 24 shall have the effect of increasing the amount of any payment or benefit which is otherwise owed by the Company to the Executive.

25. PERFORMANCE.

NCM LLC hereby agrees that it shall be directly and jointly and severally liable for the payment of all sums due hereunder.

26. COUNTERPARTS.

This Agreement may be executed in two or more counterparts.

27. EFFECTIVE DATE.

This Agreement shall be effective as of _____, 2007 (the **"Effective Date"**).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below, to be effective as of the Effective Date.

NATIONAL CINEMEDIA, INC.
The Company; NCM Inc.

By: _____
Name: _____
Title: _____

Date: _____

NATIONAL CINEMEDIA, LLC
NCM LLC

By: _____
Name: _____
Title: _____

Date: _____

EXECUTIVE

_____
Ralph E. Hardy

Date: _____

Exhibit 10.20

FORM OF INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT, dated as of _____, 2007, is made by and between National CineMedia, Inc., a Delaware corporation (the "Company") and _____ (the "Indemnitee").

RECITALS

A. The Company recognizes that competent and experienced persons are increasingly reluctant to serve or to continue to serve as directors or officers of corporations unless they are protected by comprehensive liability insurance or indemnification, or both, due to increased exposure to litigation costs and risks resulting from their service to such corporations, and due to the fact that the exposure frequently bears no reasonable relationship to the compensation of such directors and officers.

B. The statutes and judicial decisions regarding the duties of directors and officers are often difficult to apply, ambiguous, or conflicting, and therefore fail to provide such directors and officers with adequate, reliable knowledge of legal risks to which they are exposed or information regarding the proper course of action to take.

C. The Company and Indemnitee recognize that plaintiffs often seek damages in such large amounts and the costs of litigation may be so enormous (whether or not the case is meritorious), that the defense and/or settlement of such litigation is often beyond the personal resources of directors and officers.

D. The Company believes that it is unfair for its directors and officers and the directors and officers of its subsidiaries to assume the risk of huge judgments and other expenses which may occur in cases in which the director or officer received no personal profit and in cases where the director or officer was not culpable.

E. The Company, after reasonable investigation, has determined that the liability insurance coverage presently available to the Company or its subsidiaries may be inadequate in certain circumstances to cover all possible exposure for which Indemnitee should be protected. The Company believes that the interests of the Company and its stockholders would best be served by a combination of such insurance and the indemnification by the Company of the directors and officers of the Company.

F. The Company's Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") requires the Company to indemnify its directors and officers to

the fullest extent permitted by the Delaware General Corporation Law (the "DGCL"). The Certificate of Incorporation expressly provides that the indemnification provisions set forth therein are not exclusive, and contemplates that contracts may be entered into between the Company and its directors and officers with respect to indemnification.

G. Section 145 of the DGCL ("Section 145"), under which the Company is organized, empowers the Company to indemnify its officers, directors, employees and agents by agreement and to indemnify persons who serve, at the request of the Company, as the directors, officers, employees or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 145 is not exclusive.

H. Section 102(b)(7) of the DGCL allows a corporation to include in its certificate of incorporation a provision limiting or eliminating the personal liability of a director for monetary damages in respect of claims by shareholders and corporations for breach of certain fiduciary duties, and the Company has so provided in its Certificate of Incorporation that each director shall be exculpated from such liability to the maximum extent permitted by law.

I. The Board of Directors has determined that contractual indemnification as set forth herein is not only reasonable and prudent but also promotes the best interests of the Company and its stockholders.

J. The Company desires and has requested Indemnitee to serve or continue to serve as a director or officer of the Company and/or one or more subsidiaries of the Company free from undue concern for unwarranted claims for damages arising out of or related to such services to the Company and/or one or more subsidiaries of the Company.

K. Indemnitee is willing to serve, continue to serve or to provide additional service for or on behalf of the Company and/or one or more subsidiaries of the Company on the condition that Indemnitee is furnished the indemnity provided for herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Right to Indemnification.** To the fullest extent permitted by the laws of the State of Delaware:

(a) The Company shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to any threatened, pending or completed proceeding by reason of the fact that Indemnitee is or was or has agreed to serve at the request of the Company as a director, officer, employee or agent (which for purposes hereof, shall include a trustee, partner or

manager or similar capacity) of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, partner or manager or similar capacity) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity. For the avoidance of doubt, the foregoing indemnification obligation includes, without limitation, claims for monetary damages against Indemnitee in respect of an alleged breach of fiduciary duties, to the fullest extent permitted under Section 102(b)(7) of the DGCL as in existence on the date hereof.

(b) The indemnification provided by this Section 1 shall be from and against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such proceeding and any appeal therefrom, but shall only be provided if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(c) Notwithstanding the foregoing provisions of this Section 1, in the case of any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, Indemnitee shall be entitled to the rights of indemnification provided for herein in connection with such action or suit if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification shall be made in respect of any such claim, issue or matter as to which Indemnitee shall have been finally adjudged to be liable to the Company unless, and only to the extent that, the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

(d) The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful. In addition, neither the failure of the party making the determination as specified in Section 3 below (the "reviewing party") to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the

reviewing party that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be indemnified under applicable law, shall be a defense in such legal proceedings to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief. In connection with any determination by the reviewing party or otherwise as to whether Indemnitee is entitled to be indemnified hereunder, the burden of proof shall be on the Company to establish by clear and convincing evidence that Indemnitee is not so entitled.

(e) The indemnification and contribution provided for herein will remain in full force and effect regardless of any investigation made by or on behalf of Indemnitee or any officer, director, employee, agent or controlling person of Indemnitee.

2. **Successful Defense: Partial Indemnification.**

(a) To the extent that Indemnitee has been successful on the merits or otherwise in defense of any proceeding referred to in Section 1 hereof or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. For purposes of this Agreement and without limiting the foregoing, if any proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without:

(i) the disposition being adverse to Indemnitee;

(ii) an adjudication that Indemnitee was liable to the Company;

(iii) a plea of guilty or *nolo contendere* by Indemnitee;

(iv) an adjudication that Indemnitee did not act in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; and

(v) with respect to any criminal proceeding, an adjudication that Indemnitee had reasonable cause to believe Indemnitee's conduct was unlawful,

Indemnitee shall be considered for the purposes hereof to have been wholly successful with respect thereto.

(b) If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses (including attorneys' fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any action, suit, proceeding or investigation, or in defense of any claim, issue or matter therein, and any appeal therefrom but not, however, for the total amount thereof, the Company shall nevertheless indemnify

Indemnitee for the portion of such expenses (including attorneys' fees), judgments, fines or amounts paid in settlement to which Indemnitee is entitled.

3. **Determination That Indemnification Is Proper.** Any indemnification hereunder shall (unless otherwise ordered by a court) be made by the Company unless a determination is made that indemnification of such person is not proper in the circumstances because he or she has not met the applicable standard of conduct set forth in Section 1(b) hereof. Any such determination shall be made:

(i) by a majority vote of the directors who are not parties to the proceeding in question ("disinterested directors"), even if less than a quorum;

(ii) by a majority vote of a committee of disinterested directors designated by majority vote of disinterested directors, even if less than a quorum;

(iii) by a majority vote of a quorum of the outstanding shares of stock of all classes entitled to vote on the matter, voting as a single class, which quorum shall consist of stockholders who are not at that time parties to the proceeding in question;

(iv) by independent legal counsel; or

(v) by a court of competent jurisdiction.

4. **Advance Payment of Expenses: Notification and Defense of Claim.**

(a) Expenses (including attorneys' fees) incurred by Indemnitee in defending a threatened or pending proceeding, or in connection with an enforcement action pursuant to Section 5(b) or Section 7(b), shall be paid by the Company in advance of the final disposition of such proceeding within twenty (20) days after receipt by the Company of (i) a statement or statements from Indemnitee requesting such advance or advances from time to time, and (ii) an undertaking by or on behalf of Indemnitee to repay such amount or amounts, only if, and to the extent that, it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Company as authorized by this Agreement or otherwise. Such undertaking shall be accepted without reference to the financial ability of Indemnitee to make such repayment. Advances shall be unsecured and interest-free.

(b) Within thirty (30) days after receipt by Indemnitee of notice of the commencement of any proceeding, Indemnitee shall, if a claim thereof is to be made against the Company hereunder, notify the Company of the commencement thereof. The failure timely to notify the Company of the commencement of the proceeding, or Indemnitee's request for indemnification, will not relieve the Company from any liability that it may have to Indemnitee hereunder, except to the extent the Company is prejudiced in its defense of such proceeding as a result of such failure.

(c) In the event the Company shall be obligated to pay the expenses of Indemnitee with respect to any proceeding, as provided in this Agreement, the Company, if appropriate, shall be entitled to assume the defense of such proceeding, with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same proceeding, provided that:

(i) Indemnitee shall have the right to employ Indemnitee's own counsel in such proceeding at Indemnitee's expense; and

(ii) if (A) the employment of counsel by Indemnitee has been previously authorized in writing by the Company, (B) counsel to the Company or Indemnitee shall have reasonably concluded that there may be a conflict of interest or position, or reasonably believes that a conflict is likely to arise, on any significant issue between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then (in each case) the fees and expenses of Indemnitee's counsel shall be at the expense of the Company, except as otherwise expressly provided by this Agreement.

The Company shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company or as to which counsel for the Company or Indemnitee shall have reasonably made the conclusion provided for in clause (B) above.

(d) Notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee is, by reason of Indemnitee's corporate status with respect to the Company or any corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee is or was serving or has agreed to serve at the request of the Company, a witness or otherwise participates in any proceeding at a time when Indemnitee is not a party in the proceeding, the Company shall indemnify Indemnitee against all expenses (including attorneys' fees) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. **Procedure for Indemnification.**

(a) To obtain indemnification, Indemnitee shall promptly submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) The Company's determination whether to grant Indemnitee's indemnification request shall be made promptly, and in any event within 45 days following receipt of a request for indemnification pursuant to Section 5(a). The right to indemnification as granted by Section 1 of this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction if the Company denies such request, in whole or in part, or fails to respond within such 45-day period. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charges and expenses under Section 4 hereof where the required undertaking, if any, has been received by the Company) that Indemnitee has not met the standard of conduct set forth in Section 1 hereof, but the burden of proving such defense by clear and convincing evidence shall be on the Company. Neither the failure of the Company (including its Board of Directors or one of its committees, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in Section 1 hereof, nor the fact that there has been an actual determination by the Company (including its Board of Directors or one of its committees, its independent legal counsel, and its stockholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has or has not met the applicable standard of conduct. The Indemnitee's expenses (including attorneys' fees) incurred in connection with successfully establishing Indemnitee's right to indemnification, in whole or in part, in any such proceeding or otherwise shall also be indemnified by the Company.

(c) The Indemnitee shall be presumed to be entitled to indemnification under this Agreement upon submission of a request for indemnification pursuant to this Section 5, and the Company shall have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. Such presumption shall be used as a basis for a determination of entitlement to indemnification unless the Company overcomes such presumption by clear and convincing evidence.

6. **Insurance and Subrogation.**

(a) The Company shall purchase and maintain insurance in reasonable amounts from established and reputable insurers on behalf of Indemnitee (which shall include section called "tail" coverage) who is or was or has agreed to serve at the request of the Company as a director or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf in any such capacity, or arising out of Indemnitee's status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement; provided, that the Company shall have no obligation to maintain such insurance if the Company determines in good faith that the premium costs for such insurance are disproportionate to the amount of coverage provided. If the Company has such insurance in effect at the time the Company

receives from Indemnitee any notice of the commencement of a proceeding, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

(b) In the event of any payment by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(c) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) if and to the extent that Indemnitee has otherwise actually received such payment under this Agreement or any insurance policy, contract, agreement or otherwise.

7. **Limitation on Indemnification.** Notwithstanding any other provision herein to the contrary, the Company shall not be obligated pursuant to this Agreement:

(a) Claims Initiated by Indemnitee. To indemnify or advance expenses to Indemnitee with respect to any proceeding (or part thereof) initiated by Indemnitee, except with respect to a proceeding brought to establish or enforce a right to indemnification (which shall be governed by the provisions of Section 7(b) of this Agreement), unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company.

(b) Action for Indemnification. To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, unless Indemnitee is successful in establishing Indemnitee's right to indemnification in such proceeding, in whole or in part, or unless and to the extent that the court in such proceeding shall determine that, despite Indemnitee's failure to establish their right to indemnification, Indemnitee is entitled to indemnity for such expenses; provided, however, that nothing in this Section 7(b) is intended to limit the Company's obligation with respect to the advancement of expenses to Indemnitee in connection with any such proceeding instituted by Indemnitee to enforce or interpret this Agreement, as provided in Section 4 hereof.

(c) Section 16 Violations. To indemnify Indemnitee on account of any proceeding with respect to which final judgment is rendered against Indemnitee for payment or an accounting of profits arising from the purchase or sale by Indemnitee of securities in violation

of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute.

(d) Certain Settlement Provisions. To indemnify Indemnitee for amounts paid in settlement of any proceeding without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not settle any proceeding in any manner that would impose any fine or other obligation on Indemnitee without Indemnitee's prior written consent, which shall not be unreasonably withheld.

8. **Contribution.** In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to Indemnitee in whole or in part, it is agreed that, in such event, the Company shall (whether or not it is jointly liable with Indemnitee as would be joined in any proceeding), to the fullest extent permitted by law, contribute to the payment of Indemnitee's costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding, whether civil, criminal, administrative or investigative, in an amount that is just and equitable in the circumstances, taking into account, among other things, contributions by other directors and officers of the Company or others pursuant to indemnification agreements or otherwise; provided, that, without limiting the generality of the foregoing, such contribution shall not be required where such holding by the court is due to (i) the failure of Indemnitee to meet the standard of conduct set forth in Section 1 hereof, or (ii) any limitation on indemnification set forth in Section 6(c) or 7 hereof.

9. **Non-Exclusivity.** The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may have under any provision of law, the Company's Certificate of Incorporation or Bylaws, in any court in which a proceeding is brought, the vote of the Company's stockholders or disinterested directors, other agreements or otherwise, and Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as an agent of the Company and shall inure to the benefit of the heirs, executors and administrators of Indemnitee. However, no amendment or alteration of the Company's Certificate of Incorporation or Bylaws or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

10. **Enforcement.** The Company shall be precluded from asserting in any judicial proceeding that the procedures and presumptions of this Agreement are not valid, binding and enforceable. The Company agrees that its execution of this Agreement shall constitute a stipulation by which it shall be irrevocably bound in any court of competent jurisdiction in which a proceeding by Indemnitee for enforcement of his rights hereunder shall have been commenced, continued or appealed, that its obligations set forth in this Agreement are unique and special, and that failure of the Company to comply with the provisions of this Agreement will cause irreparable and irremediable injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy Indemnitee may have at law or in equity with

respect to breach of this Agreement, Indemnitee shall be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under this Agreement.

11. **Interpretation of Agreement.**

(a) It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee to the fullest extent now or hereafter permitted by law, including in those circumstances in which indemnification would otherwise be discretionary.

(b) If the DGCL is amended after adoption of this Agreement to expand further the indemnification permitted to directors or officers, then the Company shall indemnify Indemnitee to the fullest extent permitted by the DGCL, as so amended.

12. **No Employment Rights.** Nothing in this Agreement is intended to create in Indemnitee any right to employment or continued employment.

13. **Survival of Rights.**

(a) All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is a director, officer, employee or agent of the Company and shall continue thereafter so long as Indemnitee shall be subject to any possible claim or threatened, pending or completed proceeding by reason of the fact that Indemnitee was serving in the capacity referred to herein.

(b) The Company shall require any successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) or to all, substantially all or a substantial part of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(c) All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, heirs, executors, administrators and legal representatives.

14. **Savings Clause.** If any provision or provisions of this Agreement shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding, including an action by or in the right of the Company, to the full extent permitted by any applicable portion of

this Agreement that shall not have been invalidated and to the full extent permitted by applicable law.

15. **Certain Definitions.** For purposes of this Agreement, the following definitions shall apply:

(a) The term "by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise" shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act.

(b) The term "Company" shall include, without limitation and in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

(c) The term "expenses" shall be broadly and reasonably construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnitee for which Indemnitee is not otherwise compensated by the Company or any third party, provided that the rate of compensation and estimated time involved is approved by the Board, which approval shall not be unreasonably withheld), actually and reasonably incurred by Indemnitee in connection with either the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, Section 145 or otherwise.

(d) The term "independent legal counsel" shall mean an attorney or firm of attorneys, selected in accordance with the provisions of Section 3(iv) hereof, who shall not have otherwise performed services for the Company or any Indemnitee within the last five years (other than with respect to matters concerning the right of any Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements). Any such independent legal counsel shall be selected by the Board, unless the Board shall request that the Indemnitee shall make such selection. The party selecting the Independent Counsel shall promptly provide written notice to the other party of its selection. Indemnitee or the Company, as the case may be, may, within 10 days after such written notice of selection shall have been given, deliver to the

Company or the Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the independent legal counsel so selected does not meet the requirements hereof.

(e) The term "judgments, fines and amounts paid in settlement" shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever (including, without limitation, all penalties and amounts required to be forfeited or reimbursed to the Company), as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan).

(f) The term "not opposed to the best interests of the Company" shall include action taken by a person in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan.

(g) The term "other enterprises" shall include, without limitation, employee benefit plans.

(h) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative.

(i) The term "serving at the request of the Company" shall include, without limitation, any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries.

16. **Notices.** Any notice, request or other communication required or permitted to be given to the parties under this Agreement shall be in writing and either delivered in person or sent by telecopy, telex, telegram, overnight mail or courier service, or certified or registered mail, return receipt requested, postage prepaid, to the parties at the following addresses (or at such other addresses for a party as shall be specified by like notice):

If to the Company:

9100 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405
Attn: Executive Vice President and General Counsel
Facsimile: (303) 792-8800

If to Indemnitee:

_____

_____

Facsimile: _____

17. **Entire Agreement.** This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements between Indemnitee and the Company or its predecessors with respect to the matters covered hereby are expressly superseded by this Agreement.

18. **Modification and Waiver.** No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

19. **Governing Law.** This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware. If a court of competent jurisdiction shall make a final determination that the provisions of the law of any state other than Delaware govern indemnification by the Company of its officers and directors, then the indemnification provided under this Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of this Agreement to the contrary.

20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument, notwithstanding that both parties are not signatories to the original or same counterpart.

21. **Headings.** The section and subsection headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered to be effective as of the date first above written.

NATIONAL CINEMEDIA, INC.

By: _____

Name: _____

Title: _____

INDEMNITEE

_____

[Name]

Exhibit 10.21

UNIT PURCHASE AGREEMENT

THIS UNIT PURCHASE AGREEMENT dated as of January __, 2007 (this "Agreement"), is among National CineMedia, Inc., a Delaware corporation ("NCM Inc."), American Multi-Cinema, Inc., a Delaware corporation ("AMC"), Cinemark Media, Inc., a Delaware corporation ("Cinemark"), and Regal CineMedia Holdings, LLC, a Delaware limited liability company ("Regal," and together with AMC and Cinemark, the "Founding Members"). Certain capitalized terms used in this Agreement are defined in Section 1.1.

RECITALS

A. AMC, Cinemark and Regal are currently the only members of National CineMedia, LLC, a Delaware limited liability company ("NCM LLC").

B. NCM Inc. is contemplating an offer and sale of its Common Stock to the public in an underwritten initial public offering (the "IPO").

C. The Underwriters have required as a condition to entering into the Underwriting Agreement that NCM Inc. grant the Underwriters an option to purchase up to an additional 4,000,000 shares of Common Stock from NCM Inc. to cover over-allotments of shares in the IPO (the "Over-allotment") and have required that they be third-party beneficiaries of this Agreement.

D. As a condition to entering into the Underwriting Agreement and agreeing to the Over-allotment, NCM Inc. has required that the Founding Members sell to NCM Inc., a number of LLC Units equal to the number of shares of Common Stock sold pursuant to the Over-allotment at a price per LLC Unit equal to the Net Proceeds.

E. The Underwriting Agreement provides that each of the Founding Members shall execute a lock-up agreement in the form attached hereto as Exhibit A (the "Lock-Up Agreement") as a condition to the obligations of the Underwriters under the terms of the Underwriting Agreement.

AGREEMENT

In consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NCM Inc. and the Founding Members agree as follows:

1. **Definitions**

1.1 **Certain Definitions.** For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"Common Stock" means the common stock, par value $0.01 per share, of NCM Inc.

"Encumbrance" means any security interest, lien, mortgage, claim, charge, pledge, restriction, option, reservation, equitable interest, deed of trust, right of first refusal or encumbrance of any nature.

"LLC Units" means the Units of NCM LLC, as defined in the NCM LLC Third Operating Agreement, as they may be adjusted in connection with the IPO.

"NCM LLC Third Operating Agreement" means the Third Amended and Restated Limited Liability Company Operating Agreement of NCM, LLC, substantially in the form attached as Exhibit 3.6 to NCM Inc.'s Registration Statement.

"Net Proceeds" means the price per share at which shares of Common Stock are sold to the public in the IPO, less underwriting discounts and commissions and a pro-rata portion of the expenses incurred by the Company related to the sale of shares pursuant to the Over-allotment.

"Option" means the Underwriters' over-allotment option set forth in Section 3 of the Underwriting Agreement.

"Purchase Date" means the date and time or dates and times on which NCM, Inc. sells shares of Common Stock to the Underwriters pursuant to the Over-allotment.

"Registration Statement" means Registration Statement (No. 333-137976), filed on October 13, 2006, Amendment No. 1 to the Registration Statement filed on November 21, 2006, Amendment No. 2 filed on December 20, 2006, Amendment No. 3 filed on January 11, 2007 and as it may be further amended.

"Underwriting Agreement" means the underwriting agreement, substantially in the form attached as Exhibit 1.1 to the Registration Statement.

"Underwriters" means the underwriters named in Schedule A to the Underwriting Agreement.

1.2 **Additional Terms**. In addition to defined terms identified in Section 1.1, the following terms have the meanings assigned in the Sections referred to in the table below:

Term	Section	Term	Section
AMC	Preamble	Over-allotment	Recitals
Cinemark	Preamble	Purchase	2.5
Founding Members	Preamble	Purchase Notice	2.3
IPO	Recitals	Purchase Price	2.4
Lock-Up Agreement	Recitals	Purchased Units	2.1
NCM Inc.	Preamble	Regal	Preamble

2. **Purchase of LLC Units; Purchase Price; Closing.**

2.1 **Purchase of LLC Units**. Each Founding Member, severally and not jointly, agrees to sell and deliver to NCM Inc. on the Purchase Date, free and clear of all Encumbrances, a number of LLC Units (collectively, the "Purchased Units") equal to (x) the number of shares (not to exceed 4,000,000 shares) of Common Stock to be sold by NCM, Inc. pursuant to the Over-allotment multiplied by (y) the ownership percentage of such Founding Member in NCM LLC immediately prior to the consummation of the IPO. NCM Inc. agrees to buy and accept on the Purchase Date such Purchased Units. For the avoidance of doubt, the sale of Common Stock pursuant to the Over-allotment, if any, and the purchase of LLC Units pursuant to the terms of this Agreement shall be effected simultaneously.

2.2 **Purchase Contingent.** NCM Inc. agrees and acknowledges that the Founding Members' obligations to sell any of the Purchased Units are contingent upon the Underwriters' exercise of their Option. The Founding Members agree and acknowledge that NCM Inc.'s obligation to purchase any of the Purchased Units is contingent upon the Underwriters' exercise of their Option. If the Underwriters exercise their Option, NCM Inc. will, simultaneous with the sale of Common Stock by NCM Inc. to the Underwriters pursuant to the Over-allotment, purchase such number of Purchased Units from the Founding Members equal to the number of shares of Common Stock purchased by the Underwriters from NCM Inc. pursuant to the Over-allotment.

2.3 **Purchase Notice**. NCM Inc. shall give each Founding Member written notice (the "Purchase Notice") not less than one business day prior to the Purchase Date, which Notice shall also specify the number of Purchased Units being purchased. The Purchase Notice may be conditioned upon the simultaneous sale of Common Stock pursuant to the Over-allotment.

2.4 **Purchase Price**. The price (the "Purchase Price") for each of the Purchased Units shall be an amount equal to the Net Proceeds. From and after each Purchase Date, unless there shall have been a default in payment of the consideration for the Purchased Units being purchased on such date, all rights of each Founding Member of, and the obligations of NCM Inc. with respect to, such Purchased Units (except each Founding Member's right to receive, and NCM Inc.'s obligation to pay, the Purchase Price therefor pursuant to this Agreement) shall cease with respect to such Purchased Units.

2.5 **Purchase**. The closing or closings, if any, (collectively, the "Purchase") of the transactions contemplated hereby shall be held at the offices of Holme Roberts & Owen LLP, 1700 Lincoln Street, Suite 4100, Denver, Colorado on the Purchase Date.

2.6 **Closing Deliverables**.

(a) Each Founding Member shall deliver, or cause to be delivered, to NCM Inc. on the Purchase Date:

(i) certificate(s) representing the Purchased Units being sold by such Founding Member, in each case duly endorsed in blank or accompanied by transfer powers duly endorsed in blank, in proper form for transfer, with appropriate transfer tax stamps, if any, affixed; and

(ii) all other customary documents, instruments or certificates as shall be reasonably requested by NCM Inc. and as shall be consistent with the terms of this Agreement.

(b) NCM Inc. shall deliver, or cause to be delivered, to each of the Founding Members on the Purchase Date the Purchase Price for each Purchased Unit by wire transfer of immediately available funds to accounts designated by such Founding Member in writing prior to the Purchase Date.

2.7 **Closing Costs; Transfer Taxes and Fees**. The Founding Members shall each be responsible for the documentary and transfer taxes and any sales or other taxes, if any, imposed by reason of the transfer of the LLC Units under this Agreement and any deficiency, interest or penalty asserted with respect thereto.

3. **Lockup Agreements**. The Founding Members acknowledge that the execution and delivery of a Lock-Up Agreement by each Founding Member is a condition to the obligations of the Underwriters under the terms of the Underwriting Agreement and each Founding Member agrees, severally and not jointly, to execute and deliver the Lock-Up Agreements as requested by NCM Inc. at or prior to the First Closing Date (as defined in the Underwriting Agreement).

4. **Representations and Warranties of the Founding Members**. As of the date of this Agreement (except with respect to Section 4.3 below) and as of each Purchase Date, each Founding Member represents and warrants, severally and not jointly, to NCM Inc. as follows:

4.1 **Organization; Good Standing; Qualification.** Such Founding Member is a corporation or limited liability company, duly organized and validly existing under

the laws of the state of its incorporation or formation, and is in good standing under such laws. Such Founding Member is in good standing and qualified to do business in every jurisdiction where the failure to so qualify would have a material adverse effect on its ability to enter into this Agreement or to consummate the transactions contemplated hereby.

4.2 **Authorization**. The execution, delivery and performance of this Agreement and the sale of the LLC Units have been duly authorized by such Founding Member. This Agreement constitutes the legal, valid and binding obligation of the Founding Member enforceable against the Founding Member in accordance with its terms.

4.3 **Title to the LLC Units**. As of each Purchase Date, the Founding Member owns, and has good and marketable title to the number of LLC Units it has agreed to sell pursuant to the terms of this Agreement on such Purchase Date. Except for restrictions set forth in the NCM LLC Third Operating Agreement, the Founding Member holds such LLC Units free and clear of any Encumbrance.

4.4 **Consents**. Except as has been obtained or will be obtained prior to each Purchase Date, no consent, approval or authorization of, or designation, declaration or filing with, any governmental authority or other third party on the part of such Founding Member is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

5. **Representations and Warranties of NCM Inc**. As of the date of this Agreement and as of each Purchase Date, NCM Inc. hereby represents and warrants to each Founding Member as follows:

5.1 **Organization; Good Standing; Qualification.** NCM Inc. is a corporation duly organized and validly existing under the laws of the State of Delaware and is in good standing under such laws. NCM Inc. is in good standing and qualified to do business in every jurisdiction where the failure to so qualify would have a material adverse effect on its ability to enter into this Agreement or to consummate the transactions contemplated hereby.

5.2 **Authorization**. The execution, delivery and performance of this Agreement and the purchase of the Purchased Units have been duly authorized by NCM Inc. This Agreement constitutes the legal, valid and binding obligation of NCM Inc. enforceable against NCM Inc. in accordance with its terms.

5.3 **Consents**. Except as has been obtained or will be obtained prior to each Purchase Date, no consent, approval or authorization of, or designation, declaration or filing with, any governmental authority or other third party on the part of NCM Inc. is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

6. **Termination**. If (i) the Underwriting Agreement is terminated for any reason such that NCM Inc. has no obligation to deliver the Over-allotment or the Lock-Up Agreements or (ii) the Underwriters do not exercise their option to purchase some or all of the Over-allotment under Section 3 of the Underwriting Agreement within the time frame permitted therein, this Agreement shall terminate and neither the Founding Members nor NCM Inc. shall have any further obligations hereunder or with respect hereto.

7. **Covenants.**

7.1 **Further Assurances**. From time-to-time and after the date hereof, each Founding Member shall deliver or cause to be delivered to NCM Inc. and NCM LLC such further documents and instruments and shall do and cause to be done such further acts as NCM Inc. and NCM LLC shall reasonably request to carry out more effectively the provisions and purposes of this Agreement.

7.2 **No Transfer or Encumbrance**. No Founding Member shall sell, exchange, encumber, transfer or otherwise dispose of, or create (or permit to be created) an Encumbrance (except as expressly set forth in the NCM LLC Third Operating Agreement) on, the LLC Units of such Founding Member to be transferred under this Agreement.

8. **Miscellaneous**

8.1 **Governing Law**. This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Delaware without giving effect to principles of conflicts of law.

8.2 **Notices**. All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing, shall be delivered by hand or sent by facsimile, electronic mail or nationally recognized overnight delivery service and shall be deemed given when received when addressed as follows:

If to NCM Inc.:

National CineMedia, Inc.
9110 East Nichols Avenue
Suite 200
Centennial CO 80112-3405
Attention: [_____]
Fax: [_____]

with a copy to:

Holme Roberts & Owen LLP
1700 Lincoln Street, Suite 4100
Denver, Colorado 80203-4541
Attention: W. Dean Salter
Fax: (303) 866-0200

If to Cinemark:

Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway, Suite 500
Plano, Texas 75093
Attention: Robert Copple
Fax: (974) 665-1003

with a copy to:

Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway, Suite 500
Plano, Texas 75093
Attention: Michael Cavalier
Fax: (974) 665-1003

If to AMC:

American Multi-Cinema, Inc.
920 Main Street
Kansas City, MO 64105
Attention: Kevin M. Connor
Fax: (816) 480-4700

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attention: David S. Allinson
Fax: (212) 751-4864

If to Regal:

Regal CineMedia Holdings, LLC
7132 Regal Lane
Knoxville, TN 37918
Attention: General Counsel
Fax: (865) 922-6085

with a copy to:

Hogan & Hartson, L.L.P.
1200 Seventeenth Street, Suite 1500
Denver, CO 80202
Attention: Christopher J. Walsh
Fax: (303) 899-7333

If to Credit Suisse Securities (USA) LLC
Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, N.Y. 10010-3629

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071
Attention: Casey T. Fleck, Esq.
Fax: (213) 687-5600

Any party to this Agreement may change its address for notices, demands and other communications under this Agreement by giving notice of such change to the other party hereto in accordance with this Section 8.2.

8.3 **Survival**. The representations, warranties, covenants and agreements made herein shall survive any investigation made by any of the parties hereto and the closing of the transactions contemplated hereby.

8.4 **Benefit of Parties; Assignment**. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, legal representatives and permitted assigns. This Agreement may not be assigned by either NCM Inc. or any Founding Member except with the prior written consent of the other parties hereto; *provided*, *however*, no prior consent shall be required for an assignment by NCM Inc. of this Agreement to an affiliate of NCM Inc. Nothing herein contained shall confer or is intended to confer on any third party or entity that is not a party to this Agreement any rights under this Agreement.

8.5 **Amendment**. This Agreement may not be amended, waived, modified, altered or supplemented except by means of a written instrument executed by (i) the parties whose rights or obligations are amended, waived, modified, altered or supplemented and (ii) Credit Suisse Securities (USA) LLC.

8.6 **Waiver**. No failure on the part of any party hereto to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any party hereto in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver thereof; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

8.7 **Severability**. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8.8 **Entire Agreement**. This Agreement sets forth the entire understanding of parties hereto and supersedes all other agreements and understandings between the parties hereto relating to the subject matter hereof.

8.9 **Counterparts and Facsimiles**. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other. The parties hereto may execute the signature pages hereof and exchange such signature pages by facsimile transmission.

8.10 **Interpretation of Agreement**.

(a) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation.”

(b) The Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

(c) Each party hereto and its counsel cooperated in drafting and preparation of this Agreement and the documents referred to in this Agreement. Any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the party that drafted it is of no application and is hereby expressly waived.

8.11 **Third-Party Beneficiaries**. The Underwriters shall be third-party beneficiaries of this Agreement and it shall be enforceable by them as though they were signatories hereto.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

NCM INC.:

NATIONAL CINEMEDIA, INC.

By: _____
Name: _____
Title: _____

AMC:

AMERICAN MULTI-CINEMA, INC.

By: _____
Name: _____
Title: _____

CINEMARK:

CINEMARK MEDIA, INC.

By: _____
Name: _____
Title: _____

REGAL:

REGAL CINEMEDIA HOLDINGS, LLC

By: _____
Name: _____
Title: _____

[Signature page of Common Unit Purchase Agreement]

Exhibit A
Form of Lock-Up Agreement

Exhibit 10.22

January ____, 2007

American Multi-Cinema, Inc.
920 Main Street
Kansas City, Missouri 64105

Cinemark USA, Inc.
3900 Dallas Parkway, Suite 500
Plano, Texas 75093

Regal Cinemas, Inc.
7132 Regal Lane
Knoxville, Tennessee 37918

Re: Final Circuit Share Payments

Gentlemen:

National CineMedia, Inc., a Delaware corporation ("**NMC Inc.**"), is undertaking a sale of its common stock in an initial public offering (the "**IPO**"). On the date of the IPO (the "**Effective Date**") (i) NCM Inc. will use the net proceeds from the IPO to purchase newly issued common membership units in National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), (ii) American Multi-Cinema, Inc., a Missouri corporation ("**AMC**"), Cinemark Media, Inc., a Delaware corporation, Regal CineMedia Holdings, LLC, a Delaware limited liability company, and NCM Inc. will amend and restate the Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of July 15, 2005, as amended, for the purposes of admitting NCM Inc. as a member in, and designating NCM Inc. as the sole manager of, NCM LLC, and (iii) NCM LLC will enter into Exhibitor Services Agreements (the "**New ESAs**") with each of AMC, Cinemark USA, Inc., a Texas corporation ("**Cinemark USA**"), and Regal Cinemas, Inc., a Tennessee corporation ("**Regal Cinemas**").

The New ESAs will terminate (i) the Amended and Restated Exhibitor Services Agreements, dated as of July 15, 2005, between (x) NCM LLC and AMC (the "**AMC ESA**"), and (y) NCM LLC and Regal Cinemas (the "**Regal ESA**"), and (ii) the Exhibitor Services Agreement, dated as of July 15, 2005, between NCM LLC and Cinemark USA (the "**Cinemark ESA**"; each of the AMC ESA, the Regal ESA and the Cinemark ESA shall be referred to as an "**Original ESA**"). In addition to payments provided for under the New ESAs, on termination of each Original ESA, AMC, Cinemark USA and Regal Cinemas will be entitled to receive the Circuit Share Fees (as defined in the applicable Original ESA), calculated through the date immediately preceding the Effective Date (each a "**Final Circuit Share Payment**"), owed by NCM LLC under each Original ESA. This letter confirms that, on or before 30 days following the Effective Date, NCM LLC will calculate and pay the Final Circuit Share Payment that each of AMC, Cinemark USA and Regal Cinemas is entitled to receive under the applicable Original ESA, in complete satisfaction of all amounts due and owing thereunder. Each Final Circuit Share Payment shall be accompanied by a detailed accounting of how the Final Circuit Share Payment was calculated. Any dispute regarding a Final Circuit Share Payment shall be resolved in accordance with the

terms of the applicable Original ESA (solely for purposes of resolving any such dispute, the provisions of the applicable Original ESA regarding dispute resolution shall survive the Effective Date until the dispute has been finally resolved).

Please acknowledge your agreement to this letter by signing in the space indicated below.

Very truly yours,

NATIONAL CINEMEDIA, LLC

By: _____
Name: _____
Title: _____

AGREED AND ACCEPTED as of the date first written above.

AMERICAN MULTI-CINEMA, INC.

By: _____
Name: _____
Title: _____

CINEMARK USA, INC.

By: _____
Name: _____
Title: _____

REGAL CINEMAS, INC.

By: _____
Name: _____
Title: _____

Exhibit 10.23

PRIVILEGED* & *CONFIDENTIAL
ATTORNEY WORK PRODUCT
SUBJECT TO JOINT DEFENSE AND COMMON INTEREST PRIVILEGE

JOINT DEFENSE AND COMMON INTEREST AGREEMENT

THIS JOINT DEFENSE AND COMMON INTEREST AGREEMENT ("Agreement") is entered into between and among the undersigned legal counsel, on behalf of themselves as counsel, their respective law firms, associated employees and consultants, and their respective clients in this matter (specifically, AMC Entertainment, Inc., Regal Entertainment Group and Cinemark, Inc.). Each client is referred to herein as a "Party," and the clients are referred to collectively as "the Parties."

WHEREAS AMC Entertainment, Inc. and Regal Entertainment Group have entered into a new joint venture in the field of advertising and promotion; and

WHEREAS the Parties are discussing the possibility of Cinemark, Inc. participating in the ownership of the joint venture (hereinafter "the Transaction"); and

WHEREAS the Transaction may become the subject of a filing for competition- related approval or clearance, a governmental inquiry, investigation, administrative or regulatory proceedings, or litigation in the United States of America or elsewhere (collectively "Proceedings"); and

WHEREAS the Parties recognize that they have a common interest in assuring that their legal rights in discussing, negotiating and effecting the Transaction are fully protected in the event of any Proceedings; and

WHEREAS the Parties recognize that it is likely to be in their best interest, in defending or asserting their respective legal rights in any Proceedings, to share a variety of information and resources related to the Transaction, without waiving or otherwise risking loss of the protection of the attorney-client privilege, the work-product doctrine, or other applicable privileges, nondisclosure agreements, or legal protections (collectively "Privileges");

NOW THEREFORE the Parties hereby memorialize in writing this Agreement for their joint defense and common interest, as follows:

1. The Parties acknowledge that they have certain common interests in advocating or defending their interests regarding the Transaction in any Proceedings. The Parties also acknowledge that it may be in their best interests in the sole discretion of each Party: (a) to exchange and jointly develop information, legal theories, and other material related to the Transaction otherwise protected by all or any of the Privileges ("Joint Defense Information"); and (b) to pool their respective work product in a joint and common defense. To the extent the Parties choose to share or jointly develop Joint Defense Information, the terms of this Agreement apply. Nothing herein shall be construed to require one Party to share privileged information or communications with another Party; nor shall this Agreement be construed to alter any of the rights or obligations set forth in any confidentiality, non-disclosure or other agreement already entered into by the Parties in connection with this Transaction.

2. Each Party agrees that all Joint Defense Information exchanged or jointly developed pursuant to this Agreement is communicated in confidence for the purposes of

securing or communicating legal advice and representation and shall not be used for any other purpose, and is therefore subject to:
(a) any and all of the Privileges belonging to the party conveying or jointly developing the information, which Privileges may not be waived without the prior written consent of such Party, which consent will not be unreasonably withheld when requested by the other Party; and (b) the terms of this Agreement. Any inadvertent or purposeful disclosure by any Party of information exchanged pursuant to this Agreement shall not constitute a waiver of any Privilege of any other Party.

3. To ensure the confidentiality of Joint Defense Information and to preserve any and all of the Privileges belonging to each Party, each Party agrees not to, without the written consent of the other Party from which Joint Defense Information was received or which jointly participated in the development of that Joint Defense Information, give, show, make available, or communicate in anyway any such Joint Defense Information to anyone other than: (a) the signatories to this Agreement, (b) in the case of external counsel, the partners, associates, counsel, staff and other employees of the respective law firms that are working on the Transaction and/or any Proceedings, (c) in the case of internal counsel, the lawyers and legal department support staff that are working on the Transaction and/or any Proceedings, and (d) independent consultants or experts retained by the Parties in connection with the Proceedings; provided, however, that any such attorney, consultant, or expert must agree to abide by the confidentiality and other provisions of this Agreement prior to receiving any Joint Defense Information. To ensure that any attorney, consultant, or expert whom a party may retain in connection with the

Transaction agrees to abide by the confidentiality provisions of this Agreement before receiving any Joint Defense Information, each Party shall provide a copy of this Agreement to any such attorney, consultant, or expert together with a document stating that one of the terms of the engagement of the attorney, consultant, or expert is that such person agrees to be bound by the confidentiality provisions of this Agreement. Joint Defense Information shall not be further disclosed to any other person unless authorized in writing by the party or Parties that originated the Joint Defense Information. Regardless of whatever Joint Defense Information is created and/
or shared, and unless the Parties subsequently agree otherwise in writing, each Party is responsible, at its sole cost and expense, for all advice and counsel provided by its own attorneys, consultants, and experts.

4. Each Party or its counsel may designate certain very competitively sensitive or otherwise highly confidential proprietary Joint Defense Information as “Highly Confidential.” All “Highly Confidential” Joint Defense Information shall be shared with and solely for the use of the Parties’ external counsel only. External counsel shall not share any “Highly Confidential” Joint Defense Information with the Party that is their client, except with the prior written consent of the providing Party or the providing Party’s counsel.

5. If any government entity or other person requests or demands, by subpoena or otherwise, that a Party produce Joint Defense Information received from the other Party or jointly developed by the Parties, the Party to which the request or demand is addressed shall assert at its sale cost or expense all applicable Privileges, and shall

immediately upon receiving the request or demand notify the other party about the request or demand and indicate the Joint Defense Information covered by the government request or demand so as to afford such Party the opportunity to intervene in any Proceeding to assert any applicable Privilege on its own behalf and at its own cost or expense. In the event that disclosure is ordered notwithstanding the assertion of any applicable Privilege, the Parties shall cooperate in seeking an appropriate protective order to limit the extent and nature of disclosure.

6. Each Party agrees that the sharing of Joint Defense Information between the parties pursuant to this Agreement does not waive (a) any Privilege, or (b) the confidentiality of such Joint Defense Information which has been designated confidential pursuant to a Protective Order or which is otherwise confidential, and further agrees that no Party may claim such a waiver.

7. The sharing of Joint Defense Information pursuant to this Agreement shall not prevent a Party from asserting any claim, at law or in equity, against any other Party in any proceeding. If there is any proceeding between the Parties in the future (including a proceeding involving additional parties not involved in this Joint Defense Agreement), no Party may use against another Party in that proceeding Joint Defense Information received from that Party or jointly developed by the Parties. Furthermore, no oral or written statements made by one Party to another Party and covered by this Agreement shall be deemed an admission in that proceeding. The Parties further agree to enter into a stipulated protective order in any subsequent proceeding between or among them that shall protect all Joint Defense Information from disclosure to third parties.

8. The Parties agree that no adequate remedy is available at law for a breach of this Agreement and that, in addition to any other remedies available, performance of this Agreement may be specifically ordered, a breach hereof may be enjoined, or both.

9. In the event that any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void, or unenforceable, that provision shall have no force or effect, but its illegality or unenforceability shall neither affect nor impair the enforceability of any other provision of this Agreement.

10. This Agreement may not be amended, except by an instrument in writing signed by all Parties.

11. This Agreement may be signed in separate counterparts, each of which shall be binding on the Parties who, through their counsel, are signatory to any counterpart.

12. This Agreement applies to all exchanges of Joint Defense Information between the Parties before execution of this Agreement and is intended as the written embodiment of the Parties' prior oral joint defense agreement. This Agreement is meant to reaffirm and supplement the prior Joint Defense and Common Interest Agreement entered into by the parties and their counsel dated August 16,2004, and applies to any exchanges of Joint Defense Information under that prior agreement.

13. Subject to the Parties' respective rights and obligations under any nondisclosure, confidentiality or other agreement made in connection with this Transaction. any Party is free to withdraw from (and in that limited sense thereby terminate) this Joint Defense Agreement upon written notice to the other Party or its

counsel. Upon notice of withdrawal, each Party shall promptly return all documents in the nature of Joint Defense Information received from the other Party pursuant to this Agreement and shall continue to protect from disclosure to any third party all oral and written Joint Defense Information previously disclosed to it by the other Party or jointly developed by the Parties. Each party shall continue to be bound by this Agreement with regard to the required confidential treatment of any Joint Defense Information received by it or its counsel from the other Party or that Party's counselor jointly developed by the Parties or the parties' counsel prior to the withdrawal.

14. Upon the completion of all Proceedings or the termination of all discussion between the parties with respect to the Transaction, each Party shall promptly return all documents in the nature of Joint Defense Information received from the other Party pursuant to this Agreement and shall continue to protect from disclosure to any third party all oral and written Joint Defense Information previously disclosed to it by the other Party or jointly developed by the Parties. Each Party shall continue to be bound by this Agreement with regard to the required confidential treatment of any Joint Defense Information received by it or its counsel from the other Party or that Party's counselor jointly developed by the Parties or the Parties' counsel prior to the withdrawal.

15. This Agreement shall terminate upon the completion of all Proceedings, or upon cessation of discussions between the Parties.

16. This Agreement shall be construed and interpreted, and the rights of the Parties shall be determined. in accordance with the substantive laws of the State of New York for contracts expected and likely to be performed solely within such State without regard to the conflict of laws principles thereof or of any other jurisdiction.

17. Nothing contained herein or done pursuant to this Agreement shall be deemed to create an attorney-client relationship between one Party's counsel and the other Party. The fact that a Party's counsel has executed this Agreement and from time to time received Joint Defense Information from the other party or its counsel pursuant to this Agreement shall not in any way preclude (or be used as a basis for seeking disqualification preventing) the first Party's counsel and those working with such counsel from fully representing any interest of that Party, including representation that may be construed as being adverse to the other Party (such as but not limited to examining or cross-examining any officer or employee of such other Party in any proceeding). The undersigned counsel for each Party represent that they have specifically advised their respective client of this paragraph in the Agreement.

Dated: March 3, 2005

By: /s/ Joseph G. Krauss
Joseph G. Krauss
HOGAN & HARTSON
Attorneys for Regal Entertainment Group

Dated: March 3, 2005

By: /s/ Abbott B. Lipsky, Jr.
Name: Abbott B. Lipsky, Jr.
LATHAM & WATKINS
Attorneys for AMC Entertainment, Inc.

PRIVILEGED & CONFIDENTIAL
ATTORNEY WORK PRODUCT
SUBJECT TO JOINT DEFENSE AND COMMON INTEREST PRIVILEGE

JOINT DEFENSE AND COMMON INTEREST AGREEMENT

THIS JOINT DEFENSE AND COMMON INTEREST AGREEMENT ("Agreement") is entered into between and among the undersigned legal counsel, on behalf of themselves as counsel, their respective law firms, associated employees and consultants, and their respective clients in this matter (specifically, AMC Entertainment, Inc. and Regal Entertainment Group). Each client is referred to herein as a "Party," and the clients are referred to collectively as "the Parties."

WHEREAS the Parties are discussing the possibility of entering into a new joint venture in the field of advertising and promotion (hereinafter "the Transaction"); and WHEREAS the Transaction may become the subject of a filing for competition- related approval or clearance, a governmental inquiry, investigation, administrative or regulatory proceedings, or litigation in the United States of America or elsewhere (collectively "Proceedings"); and

WHEREAS the Parties recognize that they have a common interest in assuring that their legal rights in discussing, negotiating and effecting the Transaction are fully protected in the event of any Proceedings; and

WHEREAS the Parties recognize that it is likely to be in their best interest, in defending or asserting their respective legal rights in any Proceedings, to share a variety of information and resources related to the Transaction, without waiving or otherwise risking loss of the protection of the attorney-client privilege, the work-product doctrine, or other applicable privileges, nondisclosure agreements, or legal protections (collectively "Privileges");

NOW THEREFORE the Parties hereby memorialize in writing this Agreement for their joint defense and common interest, as follows:

1. The Parties acknowledge that they have certain common interests in advocating or defending their interests regarding the Transaction in any Proceedings. The Parties also acknowledge that it may be in their best interests in the sole discretion of each Party: (a) to exchange and jointly develop information, legal theories, and other material related to the Transaction otherwise protected by all or any of the Privileges ("Joint Defense Information"); and (b) to pool their respective work product in a joint and common defense. To the extent the Parties choose to share or jointly develop Joint Defense Information, the terms of this Agreement apply. Nothing herein shall be construed to require one Party to share privileged information or communications with another Party; nor shall this Agreement be construed to alter any of the rights or obligations set forth in any confidentiality, non-disclosure or other agreement already entered into by the Parties in connection with this Transaction.

2. Each Party agrees that all Joint Defense Information exchanged or jointly developed pursuant to this Agreement is communicated in confidence for the purposes of securing or communicating legal advice and representation and shall not be used for any other purpose, and is therefore subject to: (a) any and all of the Privileges belonging to the Party conveying or jointly developing the information, which Privileges may not be waived without the prior written consent of such Party, which consent will not be

unreasonably withheld when requested by the other Party; and (b) the terms of this Agreement. Any inadvertent or purposeful disclosure by any Party of information exchanged pursuant to this Agreement shall not constitute a waiver of any Privilege of any other Party.

3. To ensure the confidentiality of Joint Defense Information and to preserve any and all of the Privileges belonging to each Party, each Party agrees not to, without the written consent of the other Party from which Joint Defense Information was received or which jointly participated in the development of that Joint Defense Information, give, show, make available, or communicate in any way any such Joint Defense Information to anyone other than: (a) the signatories to this Agreement, (b) in the case of external counsel, the partners, associates, counsel, staff and other employees of the respective law firms that are working on the Transaction and/or any Proceedings, (c) in the case of internal counsel, the lawyers and legal department support staff that are working on the Transaction and/or any Proceedings, and (d) independent consultants or experts retained by the Parties in connection with the Proceedings; provided, however, that any such attorney, consultant, or expert must agree to abide by the confidentiality and other provisions of this Agreement prior to receiving any Joint Defense Information. To ensure that any attorney, consultant, or expert whom a Party may retain in connection with the Transaction agrees to abide by the confidentiality provisions of this Agreement before receiving any Joint Defense Information, each Party shall provide a copy of this Agreement to any such attorney, consultant, or expert together with a document stating that one of the terms of the engagement of the attorney, consultant, or expert is that such

person agrees to be bound by the confidentiality provisions of this Agreement. Joint Defense Information shall not be further disclosed to any other person unless authorized in writing by the Party or Parties that originated the Joint Defense Information. Regardless of whatever Joint Defense Information is created and/or shared, and unless the Parties subsequently agree otherwise in writing, each Party is responsible, at its sole cost and expense, for all advice and counsel provided by its own attorneys, consultants, and experts.

4. Each Party or its counsel may designate certain very competitively sensitive or otherwise highly confidential proprietary Joint Defense Information as "Highly Confidential." All "Highly Confidential" Joint Defense Information shall be shared with and solely for the use of the Parties' external counsel only. External counsel shall not share any "Highly Confidential" Joint Defense Information with the Party that is their client, except with the prior written consent of the providing Party or the providing Party's counsel.

5. If any government entity or other person requests or demands, by subpoena or otherwise, that a Party produce Joint Defense Information received from the other Party or jointly developed by the Parties, the Party to which the request or demand is addressed shall assert at its sole cost or expense all applicable Privileges, and shall immediately upon receiving the request or demand notify the other Party about the request or demand and indicate the Joint Defense Information covered by the government request or demand so as to afford such Party the opportunity to intervene in any Proceeding to assert any applicable Privilege on its own behalf and at its own cost or

expense. In the event that disclosure is ordered notwithstanding the assertion of any applicable Privilege, the Parties shall cooperate in seeking an appropriate protective order to limit the extent and nature of disclosure.

6. Each Party agrees that the sharing of Joint Defense Information between the parties pursuant to this Agreement does not waive (a) any Privilege, or (b) the confidentiality of such Joint Defense Information which has been designated confidential pursuant to a Protective Order or which is otherwise confidential, and further agrees that no Party may claim such a waiver.

7. The sharing of Joint Defense Information pursuant to this Agreement shall not prevent a Party from asserting any claim, at law or in equity, against any other Party in any proceeding. If there is any proceeding between the Parties in the future (including a proceeding involving additional parties not involved in this Joint Defense Agreement), no Party may use against another Party in that proceeding Joint Defense Information received from that Party or jointly developed by the Parties. Furthermore, no oral or written statements made by one Party to another Party and covered by this Agreement shall be deemed an admission in that proceeding. The Parties further agree to enter into a stipulated protective order in any subsequent proceeding between or among them that shall protect all Joint Defense Information from disclosure to third parties.

8. The Parties agree that no adequate remedy is available at law for a breach of this Agreement and that, in addition to any other remedies available, performance of this Agreement may be specifically ordered, a breach hereof may be enjoined, or both.

9. In the event that any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void, or unenforceable, that provision shall have no force or effect, but its illegality or unenforceability shall neither affect nor impair the enforceability of any other provision of this Agreement.

10. This Agreement may not be amended, except by an instrument in writing signed by all Parties.

11. This Agreement may be signed in separate counterparts, each of which shall be binding on the Parties who, through their counsel, are signatory to any counterpart.

12. This Agreement applies to all exchanges of Joint Defense Information between the Parties before execution of this Agreement and is intended as the Written embodiment of the parties' prior oral joint defense agreement. This Agreement is meant to reaffirm and supplement the prior Joint Defense and Common Interest Agreement entered into by the parties and their counsel dated August 16, 2004, and applies to any exchanges of Joint Defense Information under that prior agreement.

13. Subject to the parties' respective rights and obligations under any nondisclosure, confidentiality or other agreement made in connection with this Transaction, any Party is free to withdraw from (and in that limited sense thereby terminate) this Joint Defense Agreement upon written notice to the other Party or its counsel. Upon notice of withdrawal, each Party shall promptly return all documents in the nature of Joint Defense Information received from the other Party pursuant to this Agreement and shall continue to protect from disclosure to any third party all oral and

written Joint Defense Information previously disclosed to it by the other Party or jointly developed by the Parties. Each Party shall continue to be bound by this Agreement with regard to the required confidential treatment of any Joint Defense Information received by it or its counsel from the other Party or that Party's counselor jointly developed by the Parties or the Parties' counsel prior to the withdrawal.

14. Upon the completion of all Proceedings or the termination of all discussion between the Parties with respect to the Transaction, each Party shall promptly return all documents in the nature of Joint Defense Information received from the other Party pursuant to this Agreement and shall continue to protect from disclosure to any third party all oral and written Joint Defense Information previously disclosed to it by the other Party or jointly developed by the Parties. Each Party shall continue to be bound by this Agreement with regard to the required confidential treatment of any Joint Defense Information received by it or its counsel from the other Party or that Party's counselor jointly developed by the Parties or the Parties' counsel prior to the withdrawal.

15. This Agreement shall terminate upon the completion of all Proceedings, or upon cessation of discussions between the Parties.

16. This Agreement shall be construed and interpreted, and the rights of the Parties shall be determined, in accordance with the substantive laws of the State of New York for contracts expected and likely to be performed solely within such State without regard to the conflict of laws principles thereof or of any other jurisdiction.

17. Nothing contained herein or done pursuant to this Agreement shall be deemed to create an attorney-client relationship between one Party's counsel and the other

Party. The fact that a Party's counsel has executed this Agreement and from time to time received Joint Defense Information from the other Party or its counsel pursuant to this Agreement shall not in any way preclude (or be used as a basis for seeking disqualification preventing) the first Party's counsel and those working with such counsel from fully representing any interest of that Party, including representation that may be construed as being adverse to the other Party (such as but not limited to examining or cross-examining any officer or employee of such other Party in any proceeding). The undersigned counsel for each Party represent that they have specifically advised their respective client of this paragraph in the Agreement.

Dated: July 13, 2005

By: /s/ Joseph G. Krauss
Joseph G. Krauss
HOGAN & HARTSON
Attorneys for Regal Entertainment Group

Dated: July 13, 2005

By: /s/ Abbott B. Lipsky, Jr.
Name: Abbott B. Lipsky, Jr.
LATHAM & WATKINS
Attorneys for AMC Entertainment, Inc.

Dated: July 13, 2005

By: /s/ Paul B. Hewitt
Name: Paul B. Hewitt
AKIN GUMP STRAUSS HAUER & FELD
Attorneys for Cinemark, Inc.

PRIVILEGED & CONFIDENTIAL
ATTORNEY WORK PRODUCT
SUBJECT TO JOINT DEFENSE AND COMMON INTEREST PRIVILEGE

AMENDMENT TO JOINT DEFENSE AND COMMON INTEREST AGREEMENT

THIS AMENDMENT TO JOINT DEFENSE AND COMMON INTEREST AGREEMENT (this "Amendment") is entered into, effective as of this 1st day of July, 2006, between and among the undersigned legal counsel, on behalf of themselves as counsel, their respective law firms, associated employees and consultants, and their respective clients in this matter (specifically, AMC Entertainment, Inc. ("AMC"), Regal Entertainment Group ("Regal"), Cinemark, Inc. ("Cinemark") and National CineMedia, LLC ("NCM")). Each client is referred to herein as a "Party," and the clients are referred to collectively as the "Parties." All capitalized terms used herein that are not otherwise defined shall have the meaning given such term in the JDA (as defined below).

WHEREAS, AMC, Cinemark, and Regal, through wholly-owned subsidiaries, have entered into a joint venture in the field of advertising and promotion through the formation of NCM; and

WHEREAS, in connection with the formation of NCM, AMC and Regal, among others, entered into that certain Joint Defense and Common Interest Agreement, dated August 16, 2004 (the "Original JDA"), which Original JDA was supplemented by that certain Joint Defense and Common Interest Agreement, dated July 13, 2005, by and among counsel for AMC, Regal and Cinemark (the "Amended JDA" and together with the Original JDA, the "JDA");

WHEREAS, the Parties are discussing the possibility of restructuring and recapitalizing NCM in connection with the issuance of debt and the initial public offering of NCM and related transactions related thereto (the "Transaction") and in connection therewith desire to add NCM as a Party to the JDA and to amend the defined term "Transaction" in the JDA to include those transactions included in the above defined term "Transaction"; and

WHEREAS the Parties recognize that they have a common interest in assuring that their legal rights in discussing, negotiating and effecting the Transaction are fully protected in the event of any Proceedings; and

WHEREAS the Parties recognize that it is likely to be in their best interest, in defending or asserting their respective legal rights in any Proceedings, to share a variety of information and resources related to the Transaction, without waiving or otherwise risking loss of the protection of any Privileges;

NOW THEREFORE the Parties hereby memorialize in writing this Amendment for their joint defense and common interest, as follows:

1. The Parties desire to amend the JDA to specifically add NCM as a "Party" to the JDA whereby NCM shall be subject to all the terms, conditions and obligations of the JDA without limitation and NCM hereby agrees to be bound by, and subject to, the terms, conditions and obligations of the JDA without limitation.

2. The Parties desire to amend the define term "Transaction" in the JDA to include those transactions included in the defined term "Transaction" above.

3. In the event that any provision of this Amendment shall be held by any court of competent jurisdiction to be illegal, void, or unenforceable, that provision shall have no force or effect, but its illegality or unenforceability shall neither affect nor impair the enforceability of any other provision of this Amendment.

4. This Amendment may not be amended, except by an instrument in writing signed by all Parties.

5. This Amendment may be signed in separate counterparts, each of which shall be binding on the Parties who, through their counsel, are signatory to any counterpart.

6. This Amendment is meant to reaffirm and supplement the Original JDA and the Amended JDA, and except as expressly modified pursuant to the terms of this Amendment, the Original JDA and the Amended JDA shall not be modified and shall remain in full force and effect .

7**.** This Amendment shall be construed and interpreted, and the rights of the Parties shall be determined, in accordance with the substantive laws of the State of New York for contracts expected and likely to be performed solely within such State without regard to the conflict of laws principles thereof or of any other jurisdiction.

8. Nothing contained herein or done pursuant to this Amendment shall be deemed to create an attorney-client relationship between one Party's counsel and the other Party. The fact that a Party's counsel has executed this Amendment and from time to time received Joint Defense Information from the other Party or its counsel pursuant to the JDA or this Amendment shall not in any way preclude (or be used as a basis for

seeking disqualification preventing) the first Party's counsel and those working with such counsel from fully representing any interest of that Party, including representation that may be construed as being adverse to the other Party (such as but not limited to examining or cross-examining any officer or employee of such other Party in any proceeding). The undersigned counsel for each Party represent that they have specifically advised their respective client of this paragraph in the Amendment.

[Signature page follows]

Dated: January __, 2007

By: _____
Joseph G. Krauss
HOGAN & HARTSON
Attorneys for Regal Entertainment Group

Dated: January __, 2007

By: _____
Name: _____
LATHAM & WATKINS
Attorneys for AMC Entertainment, Inc.

Dated: January __, 2007

By: _____
Name: _____
AKIN GUMP STRAUSS HAUER & FELD
Attorneys for Cinemark, Inc.

Dated: January __, 2007

By: _____
Name: _____
HOLME ROBERTS & OWEN LLP
Attorneys for National CineMedia, LLC

Dated: January __, 2007

By: _____
Name: _____
KIRKLAND & ELLIS
Attorneys for Cinemark, Inc.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 4 to Registration Statement No. 333-137976 on Form S-1 of our report dated January 9, 2007 relating to the financial statement of National CineMedia, Inc., appearing in the Prospectus, which is part of this Registration Statement.

We consent to the use in this Amendment No. 4 to Registration Statement No. 333-137976 on Form S-1 of our report dated December 20, 2006 relating to the financial statements of National CineMedia, LLC, appearing in the Prospectus, which is part of this Registration Statement.

We consent to the use in this Amendment No. 4 to Registration Statement No. 333-137976 on Form S-1 of our report dated December 20, 2006 relating to the financial statements of Regal CineMedia Corporation, appearing in the Prospectus, which is part of this Registration Statement.

We consent to the use in this Amendment No. 4 to Registration Statement No. 333-137976 on Form S-1 of our report dated December 20, 2006 relating to the financial statements of National Cinema Network, Inc. appearing in the Prospectus, which is part of this Registration Statement.

We consent to the reference to us under the heading “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP

Denver, Colorado
January 23, 2007