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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): February 23, 2012**

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**National CineMedia, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-33296**  
(Commission  
File Number)

**20-5665602**  
(IRS Employer  
Identification No.)

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

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition**

On February 23, 2012, National CineMedia, Inc. issued a press release announcing its financial results for the fourth quarter and full year ended December 29, 2011. A copy of the press release is furnished as Exhibit 99.1 to this report.

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

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u>   |
|--------------------|--|
| 99.1               | Press Release of National CineMedia, Inc. dated February 23, 2012. |

**SIGNATURES**

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

NATIONAL CINEMEDIA, INC.

Dated: February 23, 2012

By: /s/ Ralph E. Hardy  
Ralph E. Hardy  
Executive Vice President, General  
Counsel and Secretary



**National CineMedia, Inc. Reports Results for  
Fiscal Fourth Quarter and Full Year 2011**

*~ Provides 2012 Outlook ~*

*~Announces Quarterly Cash Dividend~*

**Centennial, CO – February 23, 2012** – National CineMedia, Inc. (NASDAQ: NCMI) (the Company), the managing member and owner of 48.7% of National CineMedia, LLC (NCM LLC), the operator of the largest in-theatre digital media network in North America, today announced consolidated results for the fiscal fourth quarter and fiscal year ended December 29, 2011.

Total revenue for the fourth quarter of 2011 decreased 3.0% to \$114.6 million from \$118.1 million for the comparable quarter last year. Advertising revenue for the fourth quarter of 2011 was \$101.3 million, a decrease of 2.4% compared to \$103.8 million for the comparable quarter last year. Fathom Events revenue decreased 7.0% to \$13.3 million for the fourth quarter of 2011 compared to \$14.3 million for the comparable quarter last year. Net income for the fourth quarter of 2011 was \$6.7 million, or \$0.12 per diluted share compared to \$11.6 million or \$0.22 per diluted share for the fourth quarter of 2010. Adjusted OIBDA decreased 4.0% to \$63.0 million for the fourth quarter of 2011 from \$65.6 million for the comparable quarter last year.

For the year ended December 29, 2011, total revenue grew 1.8% to \$435.4 million compared to \$427.5 million for the 2010 period. Advertising revenue for the year ended December 29, 2011 was \$386.1 million, an increase of 1.8% compared to \$379.4 million for the 2010 period. Fathom Events revenue increased 2.5% to \$49.2 million for the year ended December 29, 2011 compared to \$48.0 million for the 2010 period. Net income for the year ended December 29, 2011 was \$31.5 million, or \$0.58 per diluted share, compared to net income of \$29.2 million for year ended December 30, 2010, or \$0.62 per diluted share. For the year ended December 29, 2011, Adjusted OIBDA increased 0.9% to \$224.3 million versus \$222.4 million for the 2010 period.

The Company announced today that its Board of Directors has authorized the Company's fourth quarter cash dividend of \$0.22 per share of common stock. The dividend will be paid on March 22, 2012, to stockholders of record on March 8, 2012. The Company intends to pay a regular quarterly dividend for the foreseeable future at the discretion of the Board of Directors dependent on available cash, anticipated cash needs, overall financial condition, future prospects for earnings and cash flows as well as other relevant factors.

"While the year finished stronger than we had expected for both our local and national advertising businesses, our national advertising revenue growth for the year was well below our longer term growth targets as we were unable to fully recover from the reemergence of recession fears during the third quarter," said Kurt Hall, National CineMedia's Chairman and CEO. Mr. Hall concluded, "Despite some 2012 increases in our theatre access fees that happen every five years, with an increase in national advertising commitments for 2012, the continued expansion and improvement of our digital network and an improving economy we are very well positioned for more meaningful growth over the next few years."

## **2012 Outlook**

For the first quarter of 2012, the Company expects total revenue in the range of \$71 million to \$74 million, or approximately flat to up 5% compared to the total revenue for the first quarter of 2011 of \$70.8 million and Adjusted OIBDA in the range of \$20 million to \$23 million, or a decline of 3% to 15% compared to the Adjusted OIBDA for the first quarter of 2011 of \$23.6 million.

For the full year 2012, the Company expects total revenue in the range of \$460 million to \$470 million, or an increase of 6% to 8% compared to total revenue for the full year of 2011 of \$435.4 million, and Adjusted OIBDA in the range of \$225 million to \$235 million, or approximately flat to up 5% compared to Adjusted OIBDA for the full year of 2011 of \$224.3 million.

## **Conference Call**

The Company will host a conference call and audio webcast with investors, analysts and other interested parties February 23, 2012 at 5:00 P.M. Eastern time. The live call can be accessed by dialing 1-877-407-9039 or for international participants 1-201-689-8470. Participants should register at least 15 minutes prior to the commencement of the call. Additionally, a live audio webcast will be available to interested parties at [www.ncm.com](http://www.ncm.com) under the Investor Relations section. Participants should allow at least 15 minutes prior to the commencement of the call to register, download and install necessary audio software.

The replay of the conference call will be available until midnight Eastern Time, March 8, 2012, by dialing 1-877-870-5176 or for international participants 1-858-384-5517, and entering conference ID 388148.

## **About National CineMedia, Inc.**

NCM operates NCM Media Networks, a leading integrated media company reaching U.S. consumers in movie theaters, online and through mobile technology. The NCM Cinema Network and NCM Fathom present cinema advertising and events across the nation's largest digital in-theater network, comprised of theaters owned by AMC Entertainment Inc., Cinemark Holdings, Inc. (NYSE: CNK), Regal Entertainment Group (NYSE: RGC) and other leading regional theater circuits. NCM's theater advertising network covers 177 Designated Market Areas® (49 of the top 50) and includes over 18,600 screens (approximately 17,700 digital). During 2011, nearly 671 million patrons (on an annualized basis) attended movies shown in theaters in which NCM currently has exclusive cinema advertising agreements in place. The NCM Fathom Events live digital broadcast network ("DBN") is comprised of over 700 locations in 167 Designated Market Areas® (including all of the top 50). The NCM Interactive Network offers 360-degree integrated marketing opportunities in combination with cinema, encompassing 42 entertainment-related websites, online widgets and mobile applications. National CineMedia, Inc. (NASDAQ: NCMI) owns a 48.7% interest in and is the managing member of National CineMedia LLC. For more information, visit [www.ncm.com](http://www.ncm.com). (NCMI-F)

## **Forward Looking Statements**

*This press release contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events, including statements regarding guidance and the dividend policy. Investors are cautioned that reliance on these forward-looking statements involves risks and uncertainties. Although the Company believes that the assumptions used in the forward looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, actual results could differ materially from those expressed or implied in the forward looking statements. The factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements are, among others, 1) the level of expenditures on cinema advertising; 2) increased competition for advertising expenditures; 3) technological changes and innovations; 4) popularity of major motion picture releases and level of theatre attendance; 5) shifts in population and other demographics that affect theatre attendance; 6) our ability to renew or replace expiring advertising and content contracts; 7) our need for additional funding, risks and uncertainties relating to our significant indebtedness; 8) fluctuations in operating costs; 9) changes in interest rates, and 10) changes in accounting principles. In addition, the outlook provided does not include the impact of any future unusual or infrequent transactions; unidentified restructuring charges; sales and acquisitions of operating assets and investments; any future noncash impairments of goodwill, intangible and fixed assets; amounts related to securities litigation; or the related impact of taxes that may occur from time to time due to management decisions and changing business circumstances. The Company is currently unable to forecast precisely the timing and/or magnitude of any such amounts or events. Please refer to the Company's Securities and Exchange Commission filings for further information about these and other risks.*

### **INVESTOR CONTACT:**

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**NATIONAL CINEMEDIA, INC.**  
**Condensed Consolidated Statements of Income**  
**Unaudited**  
(\$ in millions, except per share data)

|   | Quarter Ended<br>December 29,<br>2011 | Quarter Ended<br>December 30,<br>2010 | Year Ended<br>December 29,<br>2011 | Year Ended<br>December 30,<br>2010 |
|---|---------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| <b>REVENUE:</b>   |                                       |                                       |                                    |                                    |
| Advertising (including revenue from founding members of \$8.6, \$8.7, \$38.2 and \$38.5 million respectively) | \$ 101.3                              | \$ 103.8                              | \$ 386.1                           | \$ 379.4                           |
| Fathom Events   | 13.3                                  | 14.3                                  | 49.2                               | 48.0                               |
| Other   | —                                     | —                                     | 0.1                                | 0.1                                |
| Total   | <u>114.6</u>                          | <u>118.1</u>                          | <u>435.4</u>                       | <u>427.5</u>                       |
| <b>OPERATING EXPENSES:</b>  |                                       |                                       |                                    |                                    |
| Advertising operating costs   | 6.8                                   | 5.7                                   | 24.6                               | 21.7                               |
| Fathom Events operating costs   | 9.4                                   | 9.7                                   | 34.1                               | 32.4                               |
| Network costs   | 4.3                                   | 5.4                                   | 18.6                               | 20.0                               |
| Theatre access fees—founding members  | 13.3                                  | 12.7                                  | 55.4                               | 52.6                               |
| Selling and marketing costs   | 14.7                                  | 15.2                                  | 59.8                               | 57.9                               |
| Administrative and other costs  | 6.8                                   | 11.1                                  | 30.4                               | 34.5                               |
| Depreciation and amortization   | 4.8                                   | 4.5                                   | 18.8                               | 17.8                               |
| Total   | <u>60.1</u>                           | <u>64.3</u>                           | <u>241.7</u>                       | <u>236.9</u>                       |
| <b>OPERATING INCOME</b>   | <u>54.5</u>                           | <u>53.8</u>                           | <u>193.7</u>                       | <u>190.6</u>                       |
| <b>NON-OPERATING EXPENSES:</b>  |                                       |                                       |                                    |                                    |
| Interest on borrowings  | 13.9                                  | 11.1                                  | 49.2                               | 44.4                               |
| Interest income   | (0.1)                                 | (0.1)                                 | (0.3)                              | (0.4)                              |
| Accretion of interest on the discounted income taxes payable to founding members under tax sharing agreement  | 4.2                                   | 4.4                                   | 15.1                               | 14.5                               |
| Change in derivative fair value   | (1.4)                                 | (4.1)                                 | 1.3                                | 5.3                                |
| Impairment on investment  | 6.7                                   | 0.0                                   | 6.7                                | 0.0                                |
| Other non-operating   | 0.2                                   | 0.0                                   | 1.7                                | 0.2                                |
| Total   | <u>23.5</u>                           | <u>11.3</u>                           | <u>73.7</u>                        | <u>64.0</u>                        |
| <b>INCOME BEFORE INCOME TAXES</b>   | <u>31.0</u>                           | <u>42.5</u>                           | <u>120.0</u>                       | <u>126.6</u>                       |
| Provision for Income Taxes  | 6.2                                   | 6.6                                   | 19.4                               | 16.8                               |
| Equity loss from investment, net  | —                                     | —                                     | —                                  | 0.7                                |
| <b>CONSOLIDATED NET INCOME</b>  | <u>24.8</u>                           | <u>35.9</u>                           | <u>100.6</u>                       | <u>109.1</u>                       |
| Less: Net Income Attributable to Noncontrolling Interests   | 18.1                                  | 24.3                                  | 69.1                               | 79.9                               |
| <b>NET INCOME ATTRIBUTABLE TO NCM, INC.</b>   | <u>\$ 6.7</u>                         | <u>\$ 11.6</u>                        | <u>\$ 31.5</u>                     | <u>\$ 29.2</u>                     |
| <b>EARNINGS PER SHARE:</b>  |                                       |                                       |                                    |                                    |
| Basic   | \$ 0.12                               | \$ 0.22                               | \$ 0.58                            | \$ 0.63                            |
| Diluted   | \$ 0.12                               | \$ 0.22                               | \$ 0.58                            | \$ 0.62                            |

**NATIONAL CINEMEDIA, INC.**  
**Selected Balance Sheet Data**  
**Unaudited (\$ in millions)**

|   | <u>December 29, 2011</u> | <u>December 30, 2010</u> |
|---|--------------------------|--------------------------|
| Cash and cash equivalents                     | \$ 65.9                  | \$ 74.4                  |
| Short and Long-term marketable securities     | 32.2                     | 8.5                      |
| Receivables, net                              | 98.6                     | 100.7                    |
| Property and equipment, net                   | 24.6                     | 19.8                     |
| <b>Total Assets</b>                           | <b>820.2</b>             | <b>854.5</b>             |
| Long-term borrowings                          | 794.0                    | 775.0                    |
| <b>Total equity/(deficit)</b>                 | <b>(346.8)</b>           | <b>(318.4)</b>           |
| <b>Total Liabilities and Equity/(Deficit)</b> | <b>820.2</b>             | <b>854.5</b>             |

**NATIONAL CINEMEDIA, INC.**  
**Operating Data**  
**Unaudited**

|   | <u>Quarter and<br/>Year<br/>Ended<br/>December 29,<br/>2011</u> | <u>Quarter and<br/>Year<br/>Ended<br/>December 30,<br/>2010</u> |
|---|---|---|
| Total Screens at Period End (1) (6)           | 18,670  | 17,302  |
| Founding Member Screens at Period End (2) (6) | 15,265  | 14,997  |
| Total Digital Screens at Period End (3) (6)   | 17,698  | 16,003  |

|   | <u>Quarter<br/>Ended<br/>December 29,<br/>2011</u> | <u>Quarter<br/>Ended<br/>December 30,<br/>2010</u> | <u>Year<br/>Ended<br/>December<br/>29,<br/>2011</u> | <u>Year<br/>Ended<br/>December<br/>30,<br/>2010</u> |
|---|--|--|---|---|
| Total Attendance for Period (4) (6) (in millions)           | 147.7  | 147.3  | 636.8   | 637.4   |
| Founding Member Attendance for Period (5) (6) (in millions) | 125.7  | 131.4  | 553.1   | 564.3   |
| Capital Expenditures (in millions)                          | \$ 4.1   | \$ 3.6   | \$ 13.7   | \$ 10.4   |

- (1) Represents the total screens within NCM LLC's advertising network.
- (2) Represents the sum of founding member screens.
- (3) Represents the total number of screens that are connected to the digital content network.
- (4) Represents the total attendance within NCM LLC's advertising network.
- (5) Represents the total attendance within NCM LLC's advertising network in theatres operated by the founding members.
- (6) Excludes Consolidated Theatres for all periods presented prior to June 2011.

NATIONAL CINEMEDIA, INC.

Operating Data

Unaudited

(In millions, except advertising revenue per attendee and per share data)

|                                | Quarter<br>Ended<br>December 29,<br>2011 | Quarter<br>Ended<br>December 30,<br>2010 | Year<br>Ended<br>December<br>29,<br>2011 | Year<br>Ended<br>December<br>30,<br>2010 |
|--------------------------------|--|--|--|--|
| Advertising Revenue            | \$ 101.3                                 | \$ 103.8                                 | \$ 386.1                                 | \$ 379.4                                 |
| Total Revenue                  | 114.6                                    | 118.1                                    | 435.4                                    | 427.5                                    |
| Operating Income               | 54.5                                     | 53.8                                     | 193.7                                    | 190.6                                    |
| Total Attendance (1)           | 147.7                                    | 147.3                                    | 636.8                                    | 637.4                                    |
| Advertising Revenue / Attendee | \$ 0.686                                 | \$ 0.705                                 | \$ 0.606                                 | \$ 0.595                                 |
| OIBDA                          | \$ 59.3                                  | \$ 58.3                                  | \$ 212.5                                 | \$ 208.4                                 |
| Adjusted OIBDA                 | 63.0                                     | 65.6                                     | 224.3                                    | 222.4                                    |
| Adjusted OIBDA Margin          | 55.0%                                    | 55.5%                                    | 51.5%                                    | 52.0%                                    |
| Earnings Per Share – Basic     | \$ 0.12                                  | \$ 0.22                                  | \$ 0.58                                  | \$ 0.63                                  |
| Earnings Per Share – Diluted   | \$ 0.12                                  | \$ 0.22                                  | \$ 0.58                                  | \$ 0.62                                  |

(1) Represents the total attendance within NCM LLC's advertising network. Excludes Consolidated Theatres attendance for all periods presented prior to June 2011.

(See attached tables for the non-GAAP reconciliation)

**NATIONAL CINEMEDIA, INC.**  
**Non-GAAP Reconciliations**  
**Unaudited**

**OIBDA, Adjusted OIBDA and Adjusted OIBDA Margin**

Operating Income Before Depreciation and Amortization (OIBDA), Adjusted OIBDA and Adjusted OIBDA margin are not financial measures calculated in accordance with generally accepted accounting principles (GAAP) in the United States. OIBDA represents operating income (loss) before depreciation and amortization expense. Adjusted OIBDA excludes from OIBDA non-cash share based payment costs and deferred stock compensation. Adjusted OIBDA margin is calculated by dividing Adjusted OIBDA by total revenue. These non-GAAP financial measures are used by management to evaluate operating performance, to forecast future results and as a basis for compensation. The Company believes these are important supplemental measures of operating performance because they eliminate items that have less bearing on its operating performance and so highlight trends in its core business that may not otherwise be apparent when relying solely on GAAP financial measures. The Company believes the presentation of these measures is relevant and useful for investors because it enables them to view performance in a manner similar to the method used by the Company's management, helps improve their ability to understand the Company's operating performance and makes it easier to compare the Company's results with other companies that may have different depreciation and amortization policies and non-cash share based compensation programs, or different interest rates or debt levels or income tax rates. A limitation of these measures, however, is that they exclude depreciation and amortization, which represent a proxy for the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in the Company's business. In addition, Adjusted OIBDA has the limitation of not reflecting the effect of the Company's share based payment costs and deferred stock compensation. OIBDA or Adjusted OIBDA should not be regarded as an alternative to operating income, net income or as indicators of operating performance, nor should they be considered in isolation of, or as substitutes for financial measures prepared in accordance with GAAP. The Company believes that operating income is the most directly comparable GAAP financial measure to OIBDA. Because not all companies use identical calculations, these non-GAAP presentations may not be comparable to other similarly titled measures of other companies.

The following table reconciles operating income to OIBDA and Adjusted OIBDA for the periods presented (dollars in millions):

|   | Quarter<br>Ended<br>December 29,<br>2011 | Quarter<br>Ended<br>December 30,<br>2010 | Year<br>Ended<br>December<br>29,<br>2011 | Year<br>Ended<br>December<br>30,<br>2010 |
|---|--|--|--|--|
| Operating income                                    | \$ 54.5                                  | \$ 53.8                                  | \$ 193.7                                 | \$ 190.6                                 |
| Depreciation and amortization                       | 4.8                                      | 4.5                                      | 18.8                                     | 17.8                                     |
| OIBDA   | 59.3                                     | 58.3                                     | 212.5                                    | 208.4                                    |
| Share-based compensation costs (1)                  | 3.7                                      | 7.3                                      | 11.8                                     | 14.0                                     |
| Adjusted OIBDA                                      | <u>\$ 63.0</u>                           | <u>\$ 65.6</u>                           | <u>\$ 224.3</u>                          | <u>\$ 222.4</u>                          |
| Total Revenue                                       | <u>\$ 114.6</u>                          | <u>\$ 118.1</u>                          | <u>\$ 435.4</u>                          | <u>\$ 427.5</u>                          |
| Adjusted OIBDA margin                               | 55.0%                                    | 55.5%                                    | 51.5%                                    | 52.0%                                    |
| Adjusted OIBDA                                      | \$ 63.0                                  | \$ 65.6                                  | \$ 224.3                                 | \$ 222.4                                 |
| Consolidated Theatres Payments                      | 0.0                                      | 1.2                                      | 0.7                                      | 3.9                                      |
| Adjusted OIBDA after Consolidated Theatres Payments | <u>\$ 63.0</u>                           | <u>\$ 66.8</u>                           | <u>\$ 225.0</u>                          | <u>\$ 226.3</u>                          |

(1) Share-based payment costs are included in network operations, selling and marketing and administrative expense in the accompanying financial statements.

*Outlook (in millions)*

|                                    | Quarter Ending<br>March 29, 2012 |               | Year Ending<br>December 27, 2012 |                |
|------------------------------------|----------------------------------|---------------|----------------------------------|----------------|
|                                    | Low                              | High          | Low                              | High           |
| Operating Income                   | \$12.0                           | \$13.5        | \$190.0                          | \$198.0        |
| Depreciation and amortization      | 5.5                              | 6.0           | 23.0                             | 24.0           |
| OIBDA                              | 17.5                             | 19.5          | 213.0                            | 222.0          |
| Share-based compensation costs (1) | 2.5                              | 3.5           | 12.0                             | 13.0           |
| Adjusted OIBDA                     | <u>\$20.0</u>                    | <u>\$23.0</u> | <u>\$225.0</u>                   | <u>\$235.0</u> |
| Total Revenue                      | <u>\$71.0</u>                    | <u>\$74.0</u> | <u>\$460.0</u>                   | <u>\$470.0</u> |

(1) Share-based payment costs are included in network operations, selling and marketing and administrative expense in the accompanying financial statements.