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As filed with the Securities and Exchange Commission on December 20, 2006

Registration No. 333-137976

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

AMENDMENT NO. 2
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)

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National CineMedia, Inc.
9110 E. Nichols Ave., Suite 200
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(303) 792-3600
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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. ☐

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 DECEMBER 20, 2006

Shares

Common Stock

This is the initial public offering of our common stock. We are selling 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 $ and $ per share. We have applied to list the common stock on the Nasdaq Global Select Market under the symbol "NCMI."

We will be a holding company and our sole asset will be approximately % 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 % 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 proceeds of this offering to purchase newly issued common membership units from NCM LLC. NCM LLC will pay $ 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 additional shares of common stock to cover over-allotments of shares.

Investing in our common stock involves risks. See " Risk Factors" on page 14.

	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 , 2006.

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**

The date of this prospectus is , 2006.

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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 , 2006, 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***: 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 45 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 NBC Universal, Sony Pictures Entertainment, Turner Broadcasting Systems Inc., Twentieth Century Fox 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.

During the three and nine months ended September 28, 2006, we generated pro forma revenue, operating income and adjusted EBITDA of $73.9 million, $39.2 million and $41.8 million; and $188.1 million, $85.5 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 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 *Roper*, 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 the Loews screen integration agreement with AMC. We will acquire common membership units of NCM LLC using the 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 % of the common membership units in NCM LLC. Our founding members will hold the remaining % 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 LLC operating agreement and management fees pursuant to a management services agreement between us and NCM LLC.

[1] A 10% increase in the number of shares of common stock sold would result in a decrease of % in the percentage of NCM LLC membership units held by the founding members.

As a result of the reorganization our founding members will:

- receive an aggregate of $ for their agreeing to modify our payment obligations under the exhibitor services agreements;
- receive an aggregate of $ 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 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 % 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;
- 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; and
- have registration rights with respect to any shares of our common stock that they receive upon redemption of their NCM LLC common membership units.

Financing Transaction

In connection with the completion of this offering, NCM LLC will enter into a new $ 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 -year, $ million revolving credit facility and an -year, $725 million term loan facility. The amount of the senior secured credit facility is subject to change prior to its closing.

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. After the reorganization, we expect to continue to provide services related to the design, testing and procurement of digital cinema equipment for a fee, pursuant to a digital cinema services agreement to be entered into with an entity to be formed and owned by our founding members. Prior to the completion of the offering, our consulting agreement with Mr. Reid and engagement letter with J.P. Morgan Securities will be assigned to the newly formed

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	shares
Common stock to be outstanding immediately after this offering	shares
Over-allotment option	We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 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.
Common membership units in NCM LLC to be outstanding immediately after this offering	common membership units
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 % of all outstanding shares of our common stock (or % if the underwriters exercised their over-allotment option in full).[1]
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 reserved 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.”
Use of proceeds	We estimate that we will receive net proceeds of approximately $ million assuming an estimated public offering price of $ 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. We will

[1] A 10% increase in the number of shares of common stock sold would result in a decrease of % in the percentage of NCM LLC membership units held by the founding members.

	use the 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. 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 $ of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements. 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 Select Market trading symbol	NCMI

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

- the reorganization was completed in connection with the completion of this offering;
- the underwriters have not exercised their option to purchase up to additional shares of common stock to cover over-allotments of shares. If the underwriters exercise their option in full, immediately following this offering, shares of common stock will be outstanding;
- the initial offering price is $ 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 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, as of September 28, 2006:

- shares of common stock issuable upon redemption of NCM LLC common membership units;
- 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) at a weighted average exercise price of $ per share;
- shares of restricted stock (after substitution of restricted stock for NCM LLC restricted units); and
- 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 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 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 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 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)	85.5	(0.4)	39.2
Net Income (Loss)	(6.9)		(11.2)	7.7	(0.6)	4.8
Net Income (Loss) Per Share						
Other Financial Data						
EBITDA(1)	$ (3.9)	$ 100.0	$ (7.5)	$ 88.9	$ 0.7	$ 40.3
Adjusted EBITDA(1)	4.6	108.8	(3.0)	93.4	2.2	41.8
Adjusted EBITDA Margin(1)	4.7%	49.1%	NM	49.6%	3.6%	56.6%
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	
Indebtedness	10.0	725.0(7)
Members'/Stockholder's Equity	2.1	

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 to be entered into 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 commencing on the date of this offering. Prior to the completion of this offering, NCM LLC will re-allocate 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 to be allocated to AMC is 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 beginning at the completion of this offering 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 $ 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)		$ (11.2)		$ (0.6)	
Minority Interest	—		—		—	
Interest Expense, Net	—		0.3		0.2	
Depreciation	3.0		3.4		1.1	
EBITDA	$ (3.9)	$ 100.0	$ (7.5)	$ 88.9	$ 0.7	$ 40.3
Severance Plan Costs	8.5	8.5	3.4	3.4	0.7	0.7
Share-based Payment Costs	—	—	1.1	1.1	0.8	0.8
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	49.6%	3.6%	56.6%

* *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 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 $3.8 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 these periods.

7. The amount of the senior secured credit facility is subject to change prior to its closing.

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 agreement. 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 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. Although none of these companies individually accounted for over 10% of our pro forma revenue, in the aggregate during the nine months ended September 28, 2006, they accounted for approximately 32.1% of our pro forma revenue in the aggregate during the three months ended September 28, 2006, and approximately 40.6% of our pro forma revenue in the aggregate 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 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, as follows , 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, subject to compliance with certain financial covenants. 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 million in a term loan that will be a part of a new senior secured credit facility. The amount of the credit facility is subject to change prior to its closing. 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 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.

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 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. NCM LLC will pay $ of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements. That portion of 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 $ million senior secured credit facility that will substantially limit its future borrowing capacity. The amount of the credit facility is subject to change prior to its closing. The proceeds of the 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 repay $ outstanding under NCM LLC's existing revolving credit facility and to pay $ of fees and expenses of this offering, as well as for general corporate purposes. 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 % of the amount by which NCM Inc.'s tax payments to various tax authorities are reduced, which could be $ 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 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 shares of common stock, which initially will be unregistered, upon redemption of their outstanding common membership units of NCM LLC. These shares of unregistered 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 of these unregistered shares of common stock cease to be restricted securities and become freely tradable roughly 180 days after completion of this offering.

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, shares of restricted stock will be outstanding and approximately shares of our common stock will be issuable upon exercise of stock options that vest through 2012 and become exercisable beginning on 2007, after the expiration of the 180-day lock-up period. We will substitute this restricted stock for restricted units that will be granted to NCM LLC option holders as "IPO awards" and these 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 options were vested as of September 28, 2006. Once the options become vested and exercisable, to the extent they are not held by one of our affiliates, the shares acquired upon exercise of the options will be freely tradable following effectiveness of the registration statement for the options that 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

Several of the underwriters have affiliates who own common stock of one or more of our founding members. As of October 8, 2006, an affiliate of J.P. Morgan Securities Inc. owned approximately 20.9% of AMC's common stock and less than 1% of Regal's common stock. As of October 10, 2006, an affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.0% of Regal's common stock. As of October 10, 2006, an affiliate of Credit Suisse Securities (USA) LLC owned approximately 1.9% of Regal's common stock, less than 1.0% of Cinemark's common stock and less than 1.0% of AMC'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 $ 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 $ per share, based on an assumed initial public offering price of $ per share, which is the mid-point 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 result in additional dilution in net tangible book value of $ per share. A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus), would reduce dilution in net tangible book value by $ per share. 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 $ 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 $, or $ if the underwriters' over-allotment option to purchase additional shares is exercised in full, after deducting estimated underwriting discounts and commissions in connection with this offering and estimated offering expenses. See "Underwriting."

We will use the proceeds 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. NCM LLC will pay $ of the proceeds it receives from us to our founding members for their agreeing to modify our payment obligations under our exhibitor services agreements. We will purchase a number of common membership units equal to the number of shares of common stock sold in this offering.

Several of the underwriters have affiliates who own common stock of one or more of our founding members. As of October 10, 2006, an affiliate of J.P. Morgan Securities Inc. owned approximately 20.9% of AMC's common stock and less than 1.0% of Regal's common stock. As of October 10, 2006, an affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.0% of Regal's common stock. As of October 10, 2006, an affiliate of Credit Suisse Securities (USA) LLC owned approximately 1.9% of Regal's common stock, less than 1% of Cinemark's common stock and less than 1.0% of AMC's common stock. See "Underwriting."

In connection with the completion of this offering, NCM LLC will enter into a new $ 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 -year, $ million revolving credit facility and an -year, $725 million term loan facility. The amount of the senior secured credit facility is subject to change prior to its closing. 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 anniversary of funding and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $, to repay $ outstanding under NCM LLC's existing $20 million revolving credit facility and to pay fees and expenses related to this offering. Affiliates of Credit Suisse Securities (USA) LLC and Lehman Brothers 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 the financial tests described under . 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 $ 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 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	
Borrowings	10.0	725.0(1)
Members' Equity	2.1	
Stockholder's Equity (deficit):		
Common stock; $0.01 par value; shares authorized; none issued and outstanding on an actual basis, shares issued and outstanding on a pro forma basis		
Additional Paid-in Capital		
Minority Interest		(2)
Members'/Stockholder's Equity (deficit)	2.1	(3)
Total Capitalization	$ 12.1	$ (3)

(1) The amount of the senior secured credit facility is subject to change prior to its closing.

(2) Reflects aggregate ownership of % of NCM LLC by the founding members and the accounting for such minority interest in our stockholder's equity because the amount of minority interest will be negative.

(3) 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 . Separately, a 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (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 and , respectively.

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 our pro forma net tangible book value was approximately $, or approximately $ per share of common stock. Net tangible book value per share of common stock represents total consolidated 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 shares of common stock.

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 $ 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 book value as of September 28, 2006 would have been approximately $ or $ per share of common stock.[1] This represents an immediate dilution to new investors in our common stock of approximately $ per share.[2]

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		$
Pro forma net tangible book value per share as of September 28, 2006	$	
Decrease in pro forma net tangible book value per share attributable to this offering, the financing transaction and the reorganization	$	
Pro forma net tangible book value per share after the completion of this offering, the reorganization and the financing transaction		$
Pro forma dilution per share to new investors		$

If the underwriters' over-allotment option is exercised in full, the pro forma net tangible book value per share of common stock after giving effect to this offering, the reorganization and the financing transaction would be approximately $ per share and the dilution in pro forma net tangible book value per share of common stock to new investors would be $ 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 shares of our common stock. If all of these options were exercised, there would be further pro forma dilution to new investors of $ per share.

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[1] A $1.00 increase in the initial public offering price per share would result in a of $ in our net tangible book value as of September 28, 2006 or a of $ per share of common stock. A 10% in the number of shares of common stock, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus), would result in a in our net tangible book value as of September 28, 2006 or a decrease of $ per share of common stock.

[2] A $1.00 increase in the initial public offering price per share would result in additional dilution in net tangible book value of $ per share. A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus), would reduce dilution in net tangible book value by $ per share.

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.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Founding members					$
Purchasers of common stock					
Total					

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 % 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 shares, or approximately % of the total number of shares of common stock outstanding after this offering.[3]

[3] A 10% increase in the number of shares sold of common stock would decrease the number of shares of common stock held by the founding members as a percentage of the total number of shares of common stock outstanding after this offering by %; the number of shares of common stock held by the purchasers would increase by shares, or % of the total shares 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 to be entered into 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 commencing on the date of this offering. Prior to the completion of this offering, NCM LLC will re-allocate 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 to be allocated to AMC is 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 beginning at the completion of the offering 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 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 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 consolidated statements of operations and the unaudited pro forma 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) founding members of NCM LLC will receive common membership units and preferred membership units in exchange for each outstanding common membership unit and (ii) 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;
- the completion of the offering and the use of proceeds therefrom as set forth in this prospectus, including our acquisition of % of the common membership units of NCM LLC, which will be accounted for by our expected consolidation of NCM LLC, as discussed in Note 4 to the pro forma 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.

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 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 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 consolidated financial information also does not project the results of operations or financial position for any future period or date.

Unaudited Pro Forma 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	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, Net	—	—	—	—	—	—	[7]	
Minority Interest	—	—	—	—	—	—	[8]	
Income / (Loss) Before Income Taxes	$ (6.9)	$ 2.8	$ (1.8)	$ (5.9)	$ 101.6	$ 95.7	$	$
Income Taxes	—	1.1	(0.8)	0.3	(0.3)[5]	—	[9]	
NET INCOME (LOSS)	$ (6.9)	$ 1.7	$ (1.0)	$ (6.2)	$ 101.9	$ 95.7	$	$
NET INCOME PER SHARE								$
Weighted Average Shares Outstanding								

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

Unaudited Pro Forma 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	—	4.1
Severance Plan Costs	0.7	—	0.7	—	0.7
Depreciation	1.1	—	1.1	—	1.1
Other	0.4	—	0.4	—	0.4
TOTAL EXPENSES	$ 61.1	$ (26.4)	$ 34.7	$ 0.0	$ 34.7
Operating Income (Loss)	$ (0.4)	$ 39.6	$ 39.2	$ 0.0	$ 39.2
Interest Expense, Net	0.2	—	0.2	[7]	
Minority Interest	—	—	—	[8]	
Income / (Loss) Before Income Taxes	$ (0.6)	$ 39.6	$ 39.0	$	$
Income Taxes	—	—	—	[9]	
NET INCOME (LOSS)	$ (0.6)	$ 39.6	$ 39.0	$	$
NET INCOME PER SHARE					$
Weighted Average Shares Outstanding					

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Unaudited Pro Forma 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	—	11.4
Severance Plan Costs	3.4	—	3.4	—	3.4
Depreciation	3.4	—	3.4	—	3.4
Other	0.4	—	0.4		0.4
TOTAL EXPENSES	$ 156.1	(53.5)	$ 102.6	$ 0.0	$ 102.6
Operating Income (Loss)	$ (10.9)	$ 96.4	$ 85.5	—	$ 85.5
Interest Expense, Net	0.3	—	0.3	[7]	
Minority Interest	—	—	—	[8]	
Income / (Loss) Before Income Taxes	$ (11.2)	$ 96.4	$ 85.2	$	$
Income Taxes	—	—	—	[9]	
NET INCOME (LOSS)	$ (11.2)	$ 96.4	$ 85.2	$	$
NET INCOME PER SHARE					$
Weighted Average Shares Outstanding					

* *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 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 numbers of founding member digital screens (8,713 for the year ended December 29, 2005 and 11,077 and 11,077 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 deferred financing fees, over the term of the loan of an estimated $ million related to the incurrence of an assumed $725 million of indebtedness under a new senior secured credit facility. The interest rate is assumed to be LIBOR plus basis points. If applicable interest rate margins were to increase by 0.125%, our annual interest cost would increase by $ million. The amount of the credit facility is subject to change prior to its closing. For further discussion of the new senior secured credit facility, please see "Financing Transaction."
8. Represents adjustments to reflect minority interest expense resulting from the founding members' ownership of approximately % 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 %.

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Unaudited Pro Forma 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	$ [2] [3]	[5] [6]		$
Receivables, Net	—	51.9	—	51.9	—	[7]		51.9
Other Current Assets	—	1.1	—	1.1	—			1.1
Total Current Assets	—	57.6	—	57.6				
Property and Equipment, Net	—	11.6	—	11.6	—			11.6
Investment in NCM LLC	—	—	—	—		[5]	[8]	
Other Assets	—	3.0	—	3.0	[2]			
Deferred Tax Assets	—	—	—	—			[9]	
TOTAL ASSETS	$ —	$ 72.2	$ —	$ 72.2	$			$
Accounts Payable	$ —	$ 5.0	$ —	$ 5.0	$ —			$ —
Amounts Due to Members	—	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				
Long-term Borrowings	—	10.0	—	10.0	725.0 [3]	(10.0)[7]		725.0
Other Liabilities	—	1.1	—	1.1	— [4]		[9]	
Tax Payable to Members	—	—	—	—				
Total Liabilities	—	70.1	—	70.1				
Stockholder's Equity / (Deficit)								
Members' Capital—Common Units		2.1	—	2.1	[1]	[6]	[8]	—
Members' Capital—Preferred Units		—	—	—	[1]	[7]		
Common Stock	—	—	—	—	[2]			
Additional Paid-in Capital	—	—	—	—	[2]			
					[4]		[8]	
Members' / Stockholder's Equity / (Deficit)	—	2.1	—	2.1				
TOTAL LIABILITIES AND CAPITAL	$ —	$ 72.2	$ —	$ 72.2	$			$

Notes to the Unaudited Pro Forma Consolidated Balance Sheet:

1. Represents the adjustments to reflect the recapitalization of NCM LLC pursuant to which (i) existing members of NCM LLC will receive common membership units and preferred membership units in exchange for each outstanding common membership unit and (ii) 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.
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 $ million from the issuance of common stock at the estimated public offering price of $ (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.
3. Reflects the adjustments related to the new senior secured credit facility under which NCM LLC will incur indebtedness (assumed to be $725 million) under a new term loan facility, after deducting deferred financing fees of $ million. The amount of the credit facility is subject to change prior to its closing. For further discussion, see "Financing Transaction."
4. Represents the reclassification of the liability under NCM LLC's unit option plan to additional 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 "in the money" 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 $ million to acquire a % interest in NCM LLC.
6. Represents the payment of $ million to the founding members 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 $.
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 reduction in NCM Inc.'s additional 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. The minority interest will be included in stockholder's deficit because negative minority interest cannot be recorded as an asset.

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 % 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 $ million and a credit to additional paid-in capital estimated at $ 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 common membership units and preferred membership units 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 % 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 $ 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	$ 28.4	$ 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	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 to be entered into 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 commencing on the date of this offering and NCM LLC will issue to AMC common membership units in NCM LLC prior to the completion of this offering. The number of common membership units to be issued to AMC is 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 beginning at the completion of the offering 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 $ 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	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, which will be entered into between NCM LLC and AMC in connection with this offering, will commit 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 to be entered into 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 commencing on the date of this offering. Prior to the completion of this offering, NCM LLC will re-allocate 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 to be allocated to AMC is 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 for a specified time period beginning at the completion of the offering until May 31, 2008 and for the three months ended September 28, 2006, would have been $ 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 $ 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 29, 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 28, 2005, and direct comparison to the year-to-date results for the nine-month period ended September 29, 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		Quarter 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 revenues), 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 revenues, 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 30, 2005 includes revenues, 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 30, 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 revenues), 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 revenues. 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 revenues, 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 revenues 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 revenues 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 revenues 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 revenues 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 $ 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)		$ (11.2)		$ (0.6)	
Minority Interest	—		—		—	
Interest Expense, Net	—		0.3		0.2	
Depreciation	3.0		3.4		1.1	
EBITDA	$ (3.9)	$ 100.0	$ (7.5)	$ 88.9	$ 0.7	$ 40.3
Severance Plan Costs	8.5	8.5	3.4	3.4	0.7	0.7
Share-based Compensation Costs	—	—	1.1	1.1	0.8	0.8
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	49.6%	3.6%	56.6%

* *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 $ 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 $ 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.

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 $5.0 million to $7.0 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		Nine Months Ended	Nine Months Ended	Three Months Ended	
	Year Ended April 1, 2004	38 Weeks Ended December 23, 2004	14 Weeks Ended March 31, 2005	January 1, 2004	December 30, 2004	December 29, 2005	September 28, 2006	September 29, 2005	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 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 $ 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 -year, $ million revolving credit facility and an -year, $725 million term loan facility. The amount of the credit facility is subject to change prior to its closing. The term loan will be due on the anniversary of funding, and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $, to repay $ outstanding under NCM LLC's existing revolving credit facility and to pay $ of fees and expenses related to this offering. 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. 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.

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 a variable base rate. The applicable margin for the term loan facility will be % with respect to base rate loans and % with respect to eurodollar loans. The applicable margins for the revolving credit facility will be subject to adjustment from time to time based on the then-current consolidated leverage ratio. Upon the occurrence of any payment default, all outstanding 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 % per annum.

The senior secured credit facility will contain a number of negative covenants that limit NCM LLC and its restricted subsidiaries from, among other things .

The senior secured credit facility will also require the maintenance of certain quarterly financial and operating ratios, including a .

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 payments on the term loan of the facility of and interest, based on an interest rate that . The terms of the new senior secured credit facility will require us to hedge the cash flow variability of interest for at least % of the amount outstanding. 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, coinciding with the attendance patterns within the theatre exhibition industry as well as the timing of marketing expenditures by our clients. Theatrical attendance is highest during the summer and year-end holiday season, and marketing expenditures tend to be higher during the second, third, and fourth quarters, dependent upon the client's products and marketing cycle. As a result, our first quarter typically has less revenue than the later quarters of the year. The results of one quarter are not necessarily indicative of results for the next or any other quarter.

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. 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.

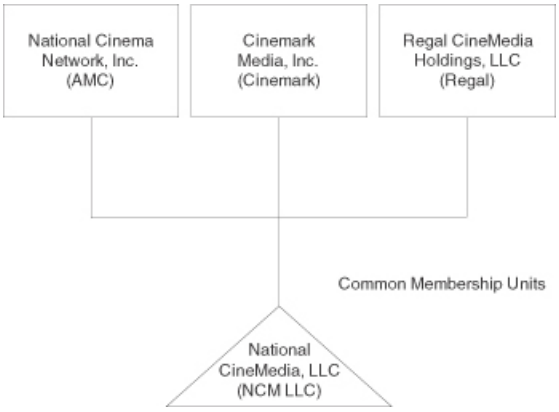
Corporate History and Current Structure

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. 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 to be entered into concurrently 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 commencing on the date of this offering. Prior to the completion of this offering, NCM LLC will re-allocate 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 to be allocated to AMC is 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 beginning on the completion of the offering 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 October 26, 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 33.4% by AMC, approximately 25.5% by Cinemark and approximately 41.1% 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 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 commencing upon the completion of this offering, and NCM LLC will issue common membership units to AMC; such Loews payments will be made quarterly for a specified time period.

- NCM LLC will be recapitalized on a non-cash basis with a distribution to the founding members of common membership units and preferred membership units in exchange for each outstanding common membership unit;
- 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;
- 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 proceeds of this offering at a price per unit equal to the public offering price per share, less underwriting discounts and commissions;
- NCM LLC will pay $ 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 a price of $ per unit 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.) The amount of the senior secured credit facility is subject to change prior to its closing.

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. Following these acquisitions, we will own % 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 promptly after issuing additional shares pursuant to the over-allotment option, and our aggregate ownership of NCM LLC will increase to %.

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 % of the common membership units in NCM LLC. Our founding members will hold the remaining % 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] A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus) would result in a decrease of % in the percentage of NCM LLC membership units 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

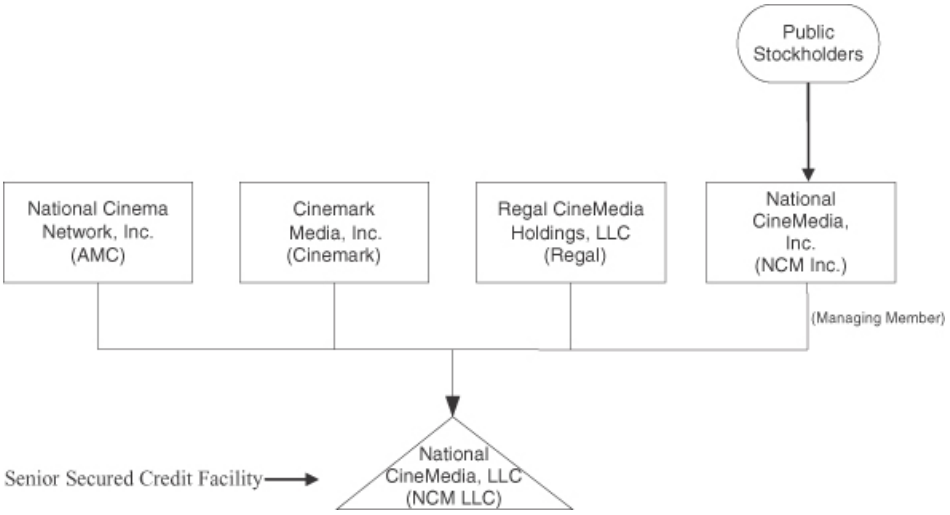
member or any affiliate of any member or any person in which any founding member has taken, or is negotiating to take, a material financial interest, in each case, other than relating to the purchase or sale of products or services in the ordinary course of business of NCM LLC;

- 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 % by NCM Inc., % by AMC, % by Cinemark and % by Regal.[1]

[1] A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus) would result in a decrease of % in the percentage of NCM LLC membership units 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 $ 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 -year, $ million revolving credit facility and an -year, $725 million term loan facility. The amount of the senior secured credit facility is subject to change prior to its closing. The term loan will be due on the anniversary of funding, and will be used to redeem all the preferred membership units of NCM LLC for an aggregate price of $, to repay $ outstanding under NCM LLC's existing revolving credit facility and to pay fees and expenses related to this offering. 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. 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.

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 a variable base rate. The applicable margin for the term loan facility will be % with respect to base rate loans and % with respect to eurodollar loans. The applicable margins for the revolving credit facility will be subject to adjustment from time to time based on the then-current consolidated leverage ratio. Upon the occurrence of any payment default, all outstanding 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 % per annum.

The senior secured credit facility will contain a number of negative covenants that limit NCM LLC and its restricted subsidiaries from, among other things .

The senior secured credit facility will also require the maintenance of certain quarterly financial and operating ratios, including a .

Existing NCM LLC Credit Facility

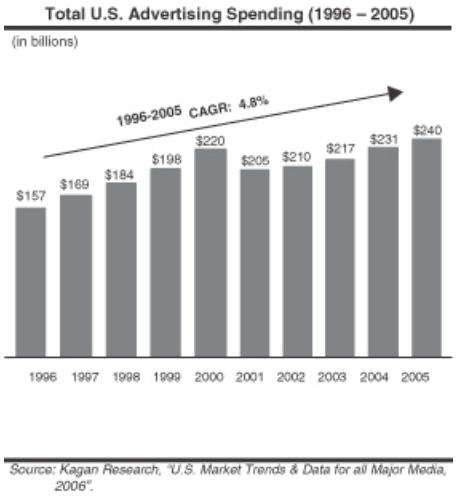
On March 22, 2006, NCM LLC entered into a $20.0 million secured revolving credit facility, with a $2.0 million letter of credit facility, with Citicorp North America, Inc., Citigroup Global Markets, Inc., Bank of America, N.A., Credit Suisse, Cayman Islands Branch and Lehman Commercial Paper Inc. Borrowings 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 also imposes usual and customary affirmative and negative covenants on NCM LLC. The facility matures on March 22, 2008.

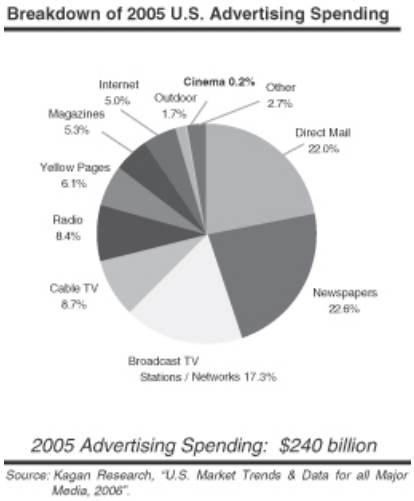
As of September 28, 2006, $10.0 million was outstanding under this facility, including none subject to outstanding letters of credit. This facility will be repaid in full with the proceeds of the financing transaction as discussed above.

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)

	U.S. Advertising Spending			CAGRs	
	1996	2001	2005	1996-2005	2001-2005
(in millions)					
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%
Broadcast TV	33,386	36,669	41,599	2.3%	3.2%
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%
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	**$157,168**	**$205,217**	**$239,949**	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 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.

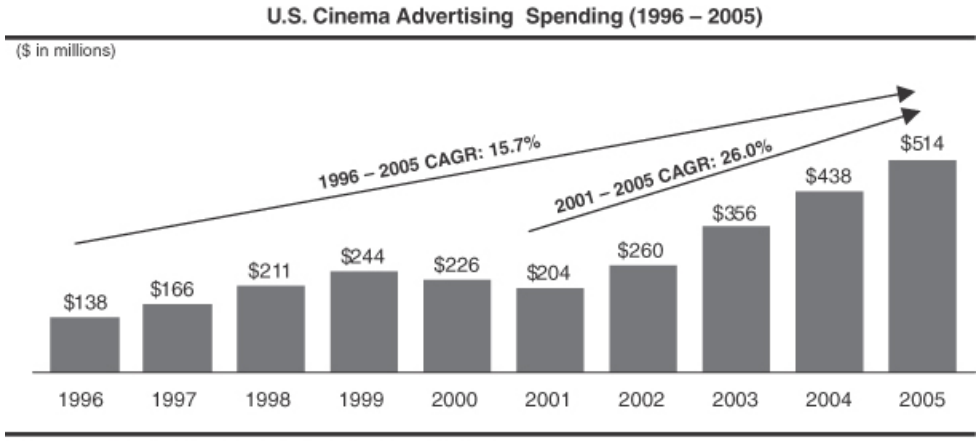
Over the past few years, cinema advertising in the U.S. has undergone significant changes. Companies providing nationwide coverage have emerged. Some companies have deployed digital networks and fostered the development of higher quality pre-feature shows that commingle advertising and entertainment 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. 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

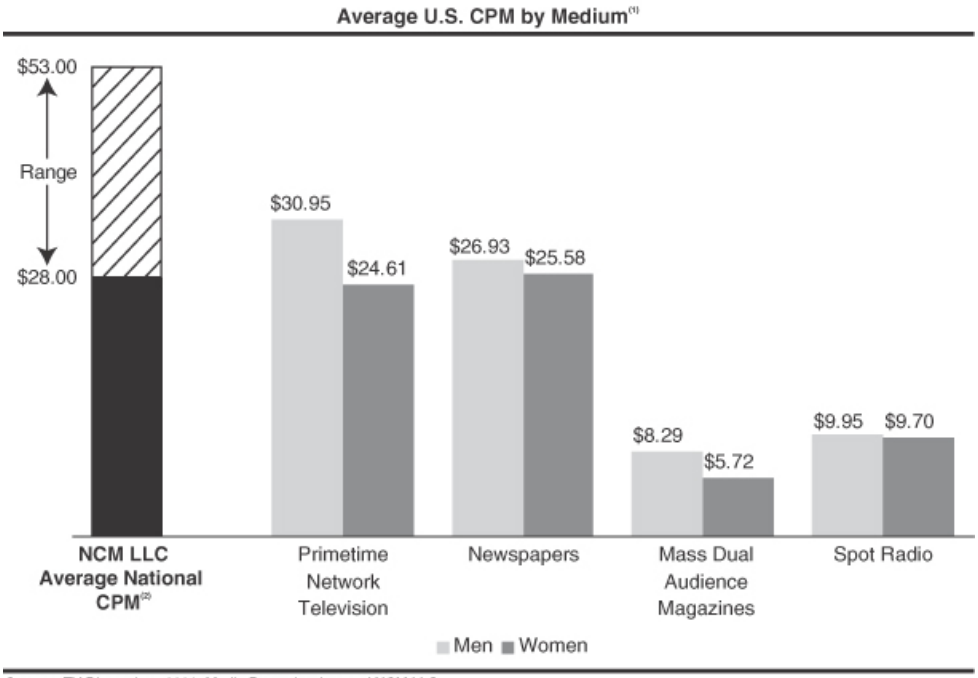
The principal advantages of cinema advertising include the following:

- *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; and well-educated, with 39% having a college or post-graduate degree.
- *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*.

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.

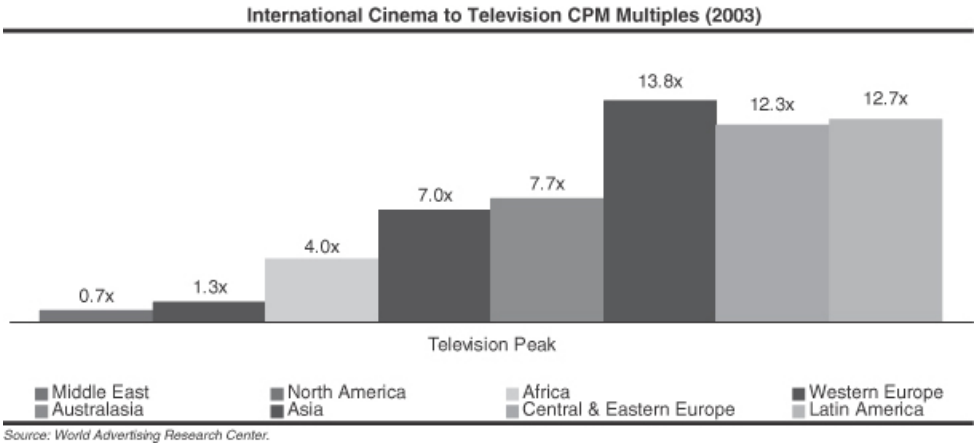


Source: TV Dimensions 2006, Media Dynamics, Inc. and NCM LLC.

(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.

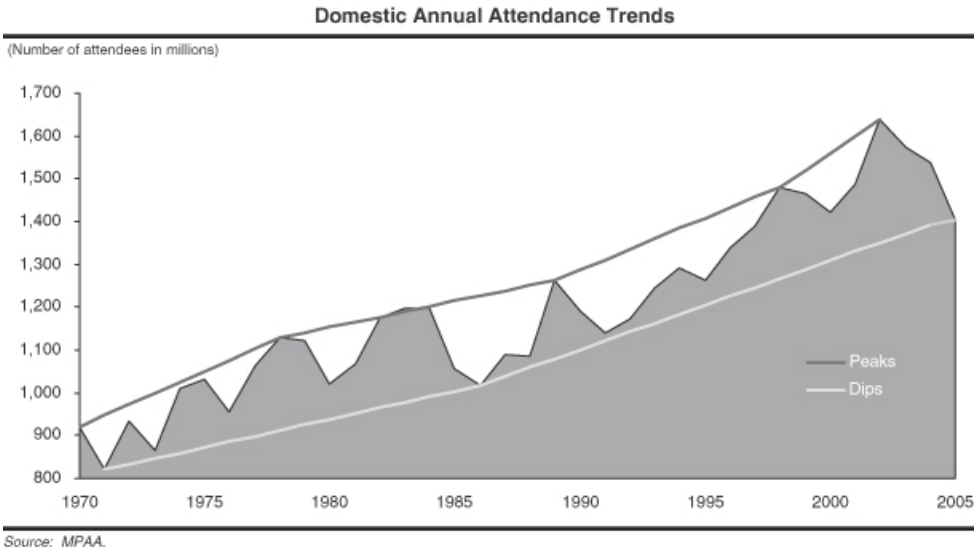
The attractiveness of cinema advertising relative to other media is also evident in international markets. For example, according to *a World Advertising Research Center* study, in 2003 cinema advertising sold at a premium CPM to peak television advertising in world markets other than the U.S., commanding 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.



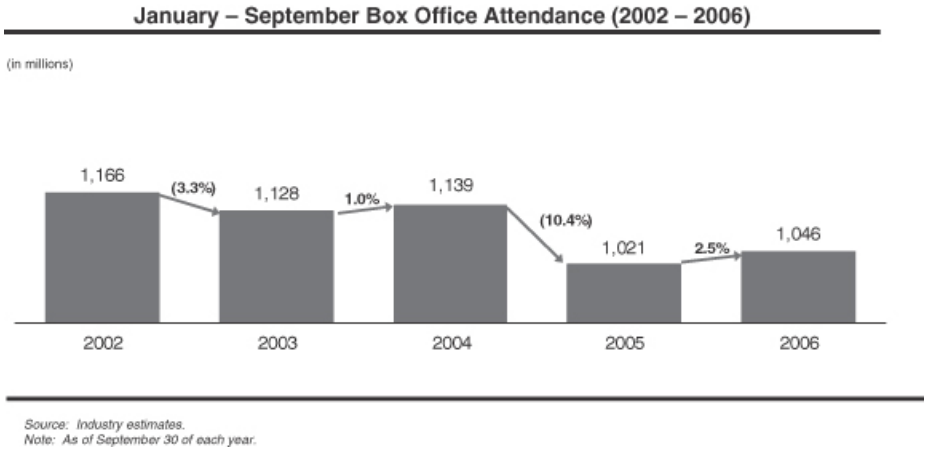
U.S. Film Exhibition Industry

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***: 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 45 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.

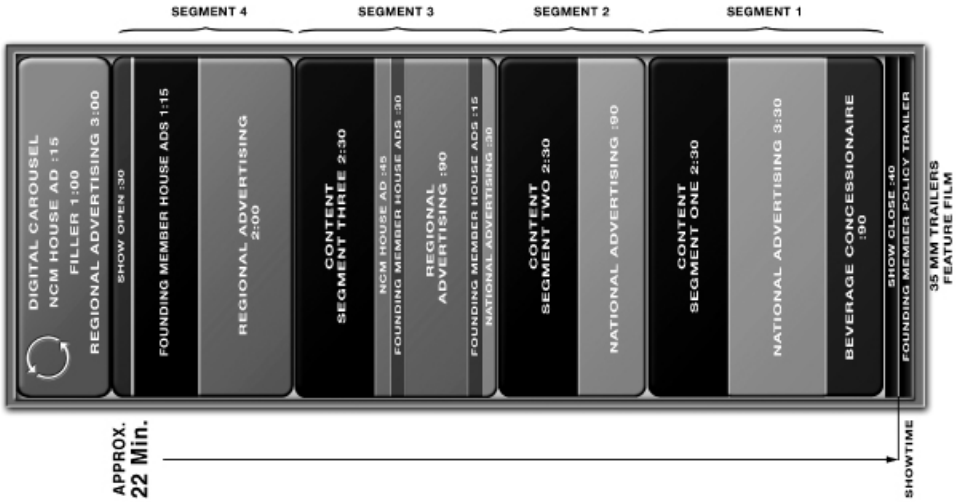
Through our *FirstLook* program, lobby entertainment network and other promotional products, we provide our advertisers with bundled offerings of on-screen and lobby marketing products that provide multiple touch points to interact with theatre patrons. We distribute our programming primarily through 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, $39.2 million and $41.8 million and $188.1 million, $85.5 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. *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 NBC Universal, or NBC; Sony Pictures Entertainment, or Sony; Turner Broadcasting System Inc., or TBS; Twentieth Century Fox, or Fox; 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 40.6% of our advertising 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

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. 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 plan to hold approximately 22 events. 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 45 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 75% 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; and well-educated, 39% having a college or post-graduate degree. 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 a study by *Roper* in 2005, 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 32.1% of our total pro forma revenue in the three months ended September 28, 2006, and 40.6% 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 before distributions to our founding members. We define "free cash flow" as net income (or loss) plus depreciation and amortization and minus capital expenditures. 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 expires December 31, 2006. NCM LLC will have 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 Services Agreement

In connection with the completion of this offering, we anticipate that we will enter into the digital cinema services agreement with a newly-formed 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. Prior to the completion of the offering, we will assign to the newly formed 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 newly formed 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. 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.

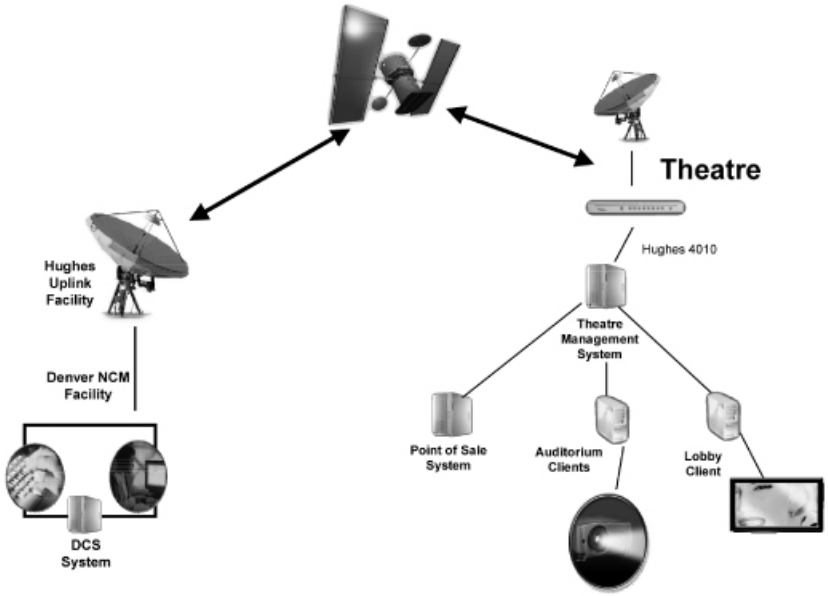
Technology

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 NBC, Sony, Fox, 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. Four out of the five agreements expire 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, Cinema Screen Media 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 a study by *Roper* in 2005, 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 the locations of the screens in our theatre network in the top 50 DMAs®, ranked by DMA® as of September 28, 2006:

NCM's Presence in Top 50 DMAs® (as of September 28, 2006)

Rank	Market	Screens	Share of Total NCM Admissions
1	New York, NY	426	4.8%
2	Los Angeles, CA	1,084	10.2%
3	Chicago, IL	397	2.7%
4	Philadelphia, PA	510	4.6%
5	Boston, MA (Manchester, NH)	209	1.4%
6	San Francisco-Oakland-San Jose, CA	171	1.7%
7	Dallas-Ft. Worth, TX	581	4.7%
8	Washington, DC (Hagerstown, MD)	307	2.7%
9	Atlanta, GA	497	3.6%
10	Houston, TX	375	3.3%
11	Detroit, MI	179	1.5%
12	Tampa-St. Petersburg-(Sarasota), FL	289	2.2%
13	Seattle-Tacoma, WA	297	2.4%
14	Phoenix (Prescott), AZ	209	1.5%
15	Minneapolis-St. Paul, MN	200	1.1%
16	Cleveland-Akron (Canton), OH	303	1.7%
17	Miami-Ft. Lauderdale, FL	331	2.7%
18	Denver, CO	206	1.5%
19	Sacramento-Stockton-Modesto, CA	198	1.6%
20	Orlando-Daytona Beach-Melbourne, FL	242	2.0%
21	St. Louis, MO	59	0.3%
22	Pittsburgh, PA	40	0.2%
23	Portland, OR	241	1.5%
24	Baltimore, MD	114	0.9%
25	Indianapolis, IN	110	0.6%
26	San Diego, CA	213	2.1%
27	Charlotte, NC	171	1.0%
28	Hartford & New Haven, CT	24	0.2%
29	Raleigh-Durham (Fayetteville), NC	44	0.2%
30	Nashville, TN	93	0.5%
31	Kansas City, MO	158	0.9%
32	Columbus, OH	171	1.0%
33	Milwaukee, WI	179	1.0%
34	Cincinnati, OH	20	0.2%
35	Greenville-Spartanburg, SC-Asheville, NC-Anderson, SC	75	0.4%
36	Salt Lake City, UT	123	1.4%
37	San Antonio, TX	153	1.4%
38	West Palm Beach-Ft. Pierce, FL	116	0.8%
39	Grand Rapids-Kalamazoo-Battle Creek, MI	34	0.2%
40	Birmingham (Anniston and Tuscaloosa), AL	46	0.2%
41	Harrisburg-Lancaster-Lebanon-York, PA	68	0.4%
42	Norfolk-Portsmouth-Newport News, VA	135	0.8%
43	New Orleans, LA	68	0.8%
44	Memphis, TN	0	0.0%
45	Oklahoma City, OK	60	0.4%
46	Albuquerque-Santa Fe, NM	68	0.7%
47	Greensboro-High Point-Winston Salem, NC	24	0.1%
48	Las Vegas, NV	118	1.0%
49	Buffalo, NY	72	0.5%
50	Louisville, KY	29	0.2%
	Top 50 DMAs®	**9,837**	**77.9%**

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, coinciding with the attendance patterns within the theatre exhibition industry as well as the timing of marketing expenditures by our clients. Theatrical attendance is highest during the summer and year-end holiday season, and marketing expenditures tend to be higher during the second, third, and fourth quarters, dependent upon the client's products and marketing cycle. As a result, our first quarter typically has less revenue than the later quarters of the year. The results of one quarter are not necessarily indicative of results for the next or any other 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	44	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	52	Director
Lee Roy Mitchell	69	Director

Kurt C. Hall. Mr. Hall was appointed President, Chief Executive Officer and Chairman of NCM LLC in May 2005 and following the completion of this offering, will assume those positions with NCM Inc. He has also served as Chairman 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 May 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 May 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 May 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 will become 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. 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 will consist of Mr. Hall, our Chief Executive Officer, Mr. Brown, Mr. Campbell and Mr. Mitchell and six independent directors who have not been appointed yet. Pursuant to the terms of the director designation agreement, each of our founding members will designate an independent director to our board. The remaining three independent directors will be identified and recommended to our board prior to the completion of this offering by a committee comprised of the four current NCM Inc. directors and three directors from the NCM LLC board.

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 will be appointed promptly following this offering. All of the members of the audit committee will be independent, as determined in accordance with Nasdaq rules and relevant federal securities laws and regulations. We expect our board to have one "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 will be appointed promptly following this offering. All of the members of our compensation committee will be 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 will be appointed promptly following this offering. All of the members of our nominating and corporate governance committee

will be independent as determined in accordance with Nasdaq rules and relevant federal securities laws and regulations. We expect that the nominating and corporate governance committee will have three directors. 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.

Director Compensation

Non-Employee Directors

We anticipate that directors who are not our employees or employees of our founding members will receive a reasonable and customary annual retainer consisting of cash and equity for service on our board of directors, and additional fees per meeting to be paid in cash. All or a portion of the equity awards may be subject to vesting requirements.

We also anticipate that the chairpersons of the audit committee, compensation committee and nominating and corporate governance committee will receive reasonable and customary additional annual equity retainers. No other remuneration will be paid to our board members in their capacity as 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.

Executive Compensation

Summary Compensation Table

The following table sets forth the compensation awarded to, earned by or paid to NCM LLC's chief executive officer and each of the next four highly compensated executive officers during NCM LLC's nine months ended December 29, 2005. We refer to these individuals in this prospectus as named executive officers.

Summary Compensation Table

	Annual Compensation		Long Term Compensation		
Name and Principal Position	Salary($)	Bonus($) (1)	Restricted Stock Awards($)	Securities Underlying Options(#)	All Other Compensation($)
Kurt C. Hall(2) President, Chief Executive Officer and Chairman	$ 447,065	$ 656,250	$ 0	0	$ 7,258(3)
Clifford E. Marks(4) President of Sales and Chief Marketing Officer	$ 391,692	$ 508,750	$ 0	0	$ 6,352(5)
Gary W. Ferrera(6) Executive Vice President and Chief Financial Officer	$ 0	$ 0	$ 0	0	$ 0
Thomas C. Galley(7) Executive Vice President and Chief Technology and Operations Officer	$ 219,327	$ 255,938	$ 0	0	$ 6,212(8)
Ralph E. Hardy(9) Executive Vice President and General Counsel	$ 152,731	$ 109,725	$ 0	0	$ 4,873(10)
David J. Giesler(11) Former Executive Vice President and Chief Financial Officer	$ 153,462	$ 100,371	$ 0	0	$ 4,376(12)

(1) Bonus amounts represent amounts paid in the following fiscal year for bonuses earned in the entire prior fiscal year.

(2) Mr. Hall became NCM LLC's President and Chief Executive Officer on May 25, 2005. Salary includes $90,631 paid by RCM during pay periods covered by a transition services agreement between NCM LLC and RCM.

(3) Includes employer 401(k) contributions ($5,600), group term life insurance imputed income ($739), long-term disability imputed income ($386) and short-term disability imputed income ($533).

(4) Mr. Marks became NCM LLC's President of Sales and Chief Marketing Officer on May 25, 2005. Salary includes $78,769 paid by RCM during pay periods covered by a transition services agreement between NCM LLC and RCM.

(5) Includes employer 401(k) contributions ($5,007), group term life insurance imputed income ($426), long-term disability imputed income ($386) and short-term disability imputed income ($533).

(6) Mr. Ferrera became NCM LLC's Executive Vice President and Chief Financial Officer on May 1, 2006. His annual salary in 2006 will be $275,000.

(7) Mr. Galley became NCM LLC's Executive Vice President and Chief Technology and Operations Officer on May 25, 2005. Salary includes $39,615 paid by RCM during pay periods covered by a transition services agreement between NCM LLC and RCM.

(8) Includes employer 401(k) contributions ($4,788), group term life insurance imputed income ($505), long-term disability imputed income ($386) and short-term disability imputed income ($533).

(9) Mr. Hardy became NCM LLC's Executive Vice President and General Counsel on May 25, 2005. Salary includes $32,154 paid by RCM during pay periods covered by a transition services agreement between NCM LLC and RCM.

(10) Includes employer 401(k) contributions ($3,627), group term life insurance imputed income ($321), long-term disability imputed income ($336) and short-term disability imputed income ($589).
(11) 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. Salary includes $32,308 paid by RCM during pay periods covered by a transition services agreement between NCM LLC and RCM.
(12) Includes employer 401(k) contributions ($3,295), group term life insurance imputed income ($210), long-term disability imputed income ($338) and short-term disability imputed income ($533).

Option Grants in Last Fiscal Year

NCM LLC did not grant any options to our named executive officers during the nine months ended December 29, 2005.

Aggregated Option Exercises in Last Fiscal Year

None of the named executive officers exercised any stock options during the nine months ended December 29, 2005.

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.

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 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, 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. On April 17, 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. 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. 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. 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.

Equity Incentive Plan

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 assist us in attracting, motivating, rewarding and retaining 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, and other equity-based and cash incentive awards to directors, officers, employees, consultants and other individuals (including advisory board members) 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 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 . The maximum dollar amount that may be awarded to a single participant in any calendar year will not exceed $.

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 National CineMedia, LLC 2006 Unit Option Plan that remain outstanding as of the date of

the completion of the offering will be substituted with options granted under this 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 expect to issue options to purchase shares of our common stock under this equity incentive plan in substitution for options previously granted under the National CineMedia, LLC 2006 Unit Option Plan and shares of restricted common stock in substitution for restricted units that will be granted by NCM LLC. See "—Substitution of NCM LLC Options and Restricted Units" below for additional information.

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 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 Equity-Based Awards. The committee may grant other types of equity-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 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 Equity-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 employees of NCM LLC, options to purchase common membership units of NCM LLC. NCM LLC also will issue restricted units to employees of NCM LLC. In connection with the completion of this offering, approximately employees of NCM LLC will be offered employment by and (if they accept the offers) become employed by NCM Inc. Following the reorganization, we anticipate that NCM Inc. will own % of the voting power of all outstanding membership units of NCM LLC. As a result, we anticipate that NCM Inc. will be considered an employer corporation with respect to employees of NCM Inc. and a related corporation with respect to employees of NCM LLC, both within the meaning of Section 424 of the Code. Upon completion of this offering, we anticipate issuing options to holders of outstanding options of NCM LLC in substitution of the NCM LLC options under the following terms and conditions:

- the option holder's rights with respect to the NCM LLC option will be cancelled;
- the excess of the aggregate fair market value of the shares subject to each NCM Inc. option immediately after the substitution over the aggregate option price for the shares (the "spread") will not exceed the spread with respect to each NCM LLC option determined immediately before the substitution (the "spread test"); and
- on a share by share comparison, the ratio of the option price to the fair market value of the NCM Inc. shares subject to the option immediately after the substitution will not be more favorable to the option holder than the ratio of the option price to the fair market value of NCM LLC units before the substitution (the "ratio test").

We will enter into an option substitution agreement with each NCM LLC option holder that sets forth the terms and conditions related to the substitution of the option.

Also upon completion of this offering, we anticipate issuing shares of restricted common stock in substitution for the restricted units that will be granted by NCM LLC. We will enter into a restricted stock

substitution 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.

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. NCM LLC will pay $ 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 % of the outstanding common membership units in NCM LLC, and the founding members collectively will own % 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 %. 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 154.

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] A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus) would result in a decrease of % in the percentage of NCM LLC membership units 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" 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 relating to the average EBITDA per screen in all theatres 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, at its sole discretion, provided the CineMeetings or digital programming business, as applicable, has not had negative EBITDA in two years of the preceding term (in which case, either NCM LLC or the founding member may elect not to extend the term). 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 $ 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. Before the completion of this offering, the founding members will further amend the current LLC agreement to allow for adjustment of the founding members' interests in NCM LLC in connection with the effective integration of the Loews screens.

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 by NCM Inc.

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, the first $ of 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. It further provides that NCM LLC will redeem all of the outstanding preferred units by paying to the holders of the preferred units $ per preferred unit 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." The amount of the credit facility is subject to change prior to its closing. 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."

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 $ million of the proceeds it receives from us 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 $ 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 % 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 % 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 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 all potential tax benefits covered by the agreement have either been utilized by NCM Inc. or have otherwise expired and 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 increase in tax basis attributable to NCM Inc.'s then 100% ownership interest in NCM LLC would be approximately $ billion, which could result in payments under the agreement of up to approximately $ million or more over 30 years or longer (assuming an initial offering price of $, 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 will commit AMC to cause the theatres it acquired from Loews to participate in the exhibitor services agreement. 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 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 commencing on the date of this offering. Prior to the completion of this offering, NCM LLC will re-allocate 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 to be allocated to AMC is 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 beginning at the completion of the offering 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 and certain later developments 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 the object code of any new NCM LLC developments based on licensed technology, for the founding members' internal business 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. 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, unless the developments are jointly developed with NCM LLC, in which case such developments will be owned by NCM LLC.

Indemnification. The license agreement provides that each founding member indemnifies the other founding members with respect to infringement claims between $0.50 million and $5.0 million. NCM LLC indemnifies the founding members with respect to infringement claims without limitation by amount.

Exhibitor Services Agreement Termination by or LLC Withdrawal of Founding Members. Under the license agreement, if a founding member withdraws from the NCM LLC operating agreement or its 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 to the stockholders for election of directors and in the proxy statement prepared by management in connection with soliciting proxies for every meeting of the 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 the 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.

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, common units of NCM LLC, which represents approximately % 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. If the underwriters' over-allotment option is exercised, we will acquire an additional number of units equal to the number of shares sold to the underwriters.

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 , 2007 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 will pay a service fee of $ per . 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 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. See "Management—Equity Incentive Plan—Substitution of NCM LLC Options and Restricted Units" above for additional discussion of the option substitution.

Restricted Stock Substitution Agreement

We intend to enter into restricted stock substitution agreements with holders of outstanding 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.

Transactions with .

Digital Cinema Services 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, we anticipate that we will enter into the digital cinema services agreement with a newly-formed 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. Prior to the completion of the offering, we will also assign to the newly formed 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. The financing arrangements described above are intended to be non-recourse to us.

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.

PRINCIPAL STOCKHOLDERS

The following table presents information concerning the beneficial ownership of the shares of our common stock as of , 2006, 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
- 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 shares of common stock outstanding after the completion of this offering. No shares of common stock subject to options are currently exercisable or exercisable within 60 days of , 2006. 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	Percentage of Voting Power
Five Percent Stockholders			
National Cinema Network, Inc.(2)			
Cinemark Media, Inc.(3)			
Madison Dearborn Capital Partners IV, L.P.(4)			
Regal CineMedia Holdings, LLC(5)			
The Anschutz Company(6)			
Philip F. Anschutz(7)			
Directors and Executive Officers			
Kurt C. Hall			
Clifford E. Marks			
Gary W. Ferrera			
Thomas C. Galley			
Ralph E. Hardy			
Peter C. Brown			
Michael L. Campbell			
Lee Roy Mitchell			
All directors and executive officers as a group (8 persons)			

(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 shares of our common stock, Cinemark would receive shares of our common stock and Regal would receive shares of our common stock. These share amounts would represent %, % and %, 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.
(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.
(7) The address of this stockholder is 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202.

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:

- 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 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 a 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 National CineMedia 2006 Unit Option Plan that remain outstanding as of the date of the completion of the offering will be substituted with options granted under the NCM Inc. 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 shares under our equity incentive plan in substitution for options and shares of restricted stock in substitution for IPO awards in the form of restricted units previously granted under the National CineMedia, LLC 2006 Unit Option Plan to employees of NCM LLC. Upon completion of this offering, options to purchase a total of shares of common stock and 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 common membership units issued and outstanding, of which will be beneficially owned by Regal, of which will be beneficially owned by AMC, of which will be beneficially owned by Cinemark, and 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] A 10% increase in the number of shares of common stock sold, assuming an initial public offering price of $ (the midpoint of the range set forth on the cover page of this prospectus) would result in a decrease of % in the percentage of NCM LLC membership units 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 , New York, New York.

Listing

We have filed an application to list our common stock on the Nasdaq Global Select 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, shares of common stock and NCM LLC common membership units will be outstanding. If the underwriters' over-allotment option is exercised in full, there will be shares of common stock, and NCM LLC common membership units outstanding.

Of the shares of common stock to be outstanding upon completion of this offering, shares of common stock offered pursuant to this offering, or 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 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 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 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.

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 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 -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 shares of common stock outstanding immediately after this offering, as of the date of this prospectus, following substitution of NCM Inc. options for the NCM LLC options and substitution of NCM Inc. restricted common stock for NCM LLC restricted units, there will be outstanding options to purchase shares of our common stock and outstanding shares of restricted common stock. None of the options are currently exercisable.

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 to be filed as an exhibit relating to this prospectus, dated , 2006, 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	
Total	

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 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	$	$	$	$

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 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. 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 Select Market.

In connection with the listing of the common stock on the Nasdaq Global Select 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 $ 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 -year, $ million revolving credit facility and an -year, $725 million term loan facility. The amount of the credit facility is subject to change prior to its closing.

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.

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.

Several of the underwriters have affiliates who own common stock of one or more of our founding members. As of October 10, 2006, an affiliate of J.P. Morgan Securities Inc. owned approximately 20.9% of AMC's common stock and less than 1.0% of Regal's common stock. As of October 10, 2006, an affiliate of Morgan Stanley & Co. Incorporated owned approximately 1.0% of Regal's common stock. As of October 10, 2006, an affiliate of Credit Suisse Securities (USA) LLC owned approximately 1.9% of Regal's common stock, less than 1% of Cinemark's common stock and less than 1% of AMC'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 Select 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.

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.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the common stock in Canada is being made only on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of common stock are made. Any resale of the common stock in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the common stock.

Representations of Purchasers

By purchasing common stock in Canada and accepting a purchase confirmation a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the common stock without the benefit of a prospectus qualified under those securities laws;
- where required by law, that the purchaser is purchasing as principal and not as agent;
- the purchaser has reviewed the text above under “Resale Restrictions;” and
- the purchaser acknowledges and consents to the provision of specified information concerning its purchase of the common stock to the regulatory authority that by law is entitled to collect the information.

Further details concerning the legal authority for this information is available on request.

Rights of Action—Ontario Purchasers Only

Under Ontario securities legislation, certain purchasers who purchase a security offered by this prospectus during the period of distribution will have a statutory right of action for damages, or while still the owner of the common stock, for rescission against us in the event that this prospectus contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the common stock. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the common stock. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the common stock was offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the common stock as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the common stock in their particular circumstances and about the eligibility of the common stock for investment by the purchaser under relevant Canadian legislation.

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 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 *

* National Cinemedia, Inc., the registrant, is a corporation created on October 5, 2006 in contemplation of its initial public offering. As National Cinemedia, Inc. will have no operating assets or activities prior to completion of the offering, and will not be capitalized except upon the completion of the offering, no financial statements of this entity are presented.

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	$
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	
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	
Deposits and other	0.1	0.2	0.2
Total other assets	1.2	3.0	
TOTAL	$ 48.8	$ 72.2	$
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES:			
Accounts payable	$ 5.1	$ 5.0	$ 5.0
Amounts due to Members	24.0	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	
OTHER LIABILITIES			
Unit option plan payable	—	1.1	1.1
Borrowings	—	10.0	
Total other liabilities	—	11.1	
Total liabilities	39.0	70.1	
COMMITMENTS AND CONTINGENCIES (Notes 1, 8 and 12)			
MEMBERS' EQUITY	9.8	2.1	
TOTAL	$ 48.8	$ 72.2	$ —

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 percentage of the total Advertising Circuit Share (as defined below) paid in the previous twelve months which was paid to 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 % 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

(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

(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

(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
Shareholders'/Members' equity	$ 5.1	$ 10.4	$ 9.8

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)

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 $, will be used to acquire an approximate % 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 % 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.
- 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 $ 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 $ 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
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(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
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(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
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(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
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(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

(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
AND DECEMBER 30, 2004, AND FOR THE THREE MONTHS ENDED MARCH 31, 2005
(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 SHEETS
(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
Retained earnings	(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.

* * * * * *

Shares

Common Stock

PROSPECTUS

, 2006

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

***Until , 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	$ 74,900.00
Nasdaq Global Select Market listing fee	105,000.00
National Association of Securities Dealers, Inc. filing fee	70,500.00
Printing fees and expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be completed by amendment.

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.**

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Exhibit No.	Description
10.1	Form of Senior Secured Credit Facility.**
10.2	Form of Common Unit Subscription Agreement between NCM Inc. and NCM LLC.***
10.3	Form of Tax Receivable Agreement between NCM Inc. 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	Form of Digital Cinema Services Agreement between NCM LLC and .**
10.8	Form of Exhibitor Services Agreement between NCM LLC and 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 Loews Screen Integration Agreement.**
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 Agreement.+**
10.14	Form of Restricted Stock Substitution Agreement+**
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.+**
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).**
24.1	Power of attorney.***

* 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 December 20, 2006.

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
*	President, Chief Executive Officer and Chairman	December 20, 2006
Kurt C. Hall	*(Principal Executive Officer)*	
/S/ GARY W. FERRERA	Chief Financial Officer	December 20, 2006
Gary W. Ferrera	*(Principal Financial and Accounting Officer)*	
*	Director	December 20, 2006
Peter C. Brown		
*	Director	December 20, 2006
Michael L. Campbell		
*	Director	December 20, 2006
Lee Roy Mitchell		

* By: /S/ GARY W. FERRERA
Gary W. Ferrera
Attorney in fact

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 _____, which shall be divided into the following classes:

(a) ____ 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 impair the rights of any holder of 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 doing so 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 (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 from treasury stock or repurchase shares of Common Stock unless in connection with any such issuance, transfer or repurchase the Corporation takes 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 from treasury stock or repurchase shares of Preferred Stock unless in connection with any such issuance, transfer 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 common stockholders. 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 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 affirmative vote of the holders of a plurality of the outstanding 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 indebtedness (including the refinancing of any indebtedness) or the repayment of any indebtedness (other than a working capital revolving line of credit) with a fixed term before due;

(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 under 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 the Founding Member's Ultimate Parent or its stockholders, or (B) in which the transferee is Controlled by the Founding Member's Ultimate Parent or its stockholders following the Change of Control).

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 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 of Directors (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 of Directors (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, 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 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, to the extent such power is at the time conferred on them by applicable law, 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, 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 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.

"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.

"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 of the Founding Members or Affiliates of the Founding Members, as each may be amended, supplemented or otherwise modified from time to time.

"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 or Control 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.

“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 a Founding Member's Ultimate Parent 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

Exhibit 3.4

AMENDED AND RESTATED

BYLAWS

OF

NATIONAL CINEMEDIA, INC.

Adopted [_____], 2007

INDEX TO AMENDED AND RESTATED BYLAWS
OF
NATIONAL CINEMEDIA, INC.

AMENDED AND RESTATED BYLAWS

OF

NATIONAL CINEMEDIA, INC.

ARTICLE I

Offices

Section 1.01 Business Offices. National CineMedia, Inc. (the "Corporation") may have such offices, either within or outside Delaware, as the board of directors of the Corporation (the "Board") may from time to time determine or as the business of the Corporation may require.

Section 1.02 Registered Office. The registered office of the Corporation required by the General Corporation Law of the State of Delaware (the "DGCL") to be maintained in Delaware shall be as set forth in the certificate of incorporation of the Corporation (the "Certificate of Incorporation"), unless changed as provided by law.

ARTICLE II

Stockholders

Section 2.01 Annual Meeting. An annual meeting of the stockholders of the Corporation shall be held on such date as may be determined by the Board, for the purpose of electing directors and for the transaction of such other business as may come before such meeting. If the election of directors of the Corporation shall not be held on the day designated for any such meeting, or at any adjournment thereof, the Board shall cause the election to be held at a meeting of the stockholders of the Corporation as soon thereafter as conveniently may be held. Failure to hold an annual meeting of the stockholders of the Corporation as required by these Bylaws shall not invalidate any action taken by the Board or by the officers of the Corporation.

Section 2.02 Special Meetings. Special meetings of the stockholders of the Corporation, for any purpose or purposes, unless otherwise prescribed by law or the Certificate of Incorporation, may be called only by the Board pursuant to a resolution approved by the affirmative vote of a majority of the directors of the Corporation then in office. Such resolution of the Board shall state the purpose or purposes of such proposed meeting. Business transacted at any special meetings of the stockholders shall be limited to the purpose or purposes stated in the notice.

Section 2.03 Place of Meeting. Each meeting of the stockholders of the Corporation shall be held at such place, either within or outside Delaware, as may be designated in the notice of such meeting, or, if no place is designated in such notice, at the principal office of the Corporation. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any time, but may instead be held solely by means of remote communications in accordance with the DGCL.

Section 2.04 Notice of Meetings. Except as otherwise required herein, by the Certificate of Incorporation or by law and whenever stockholders are required or permitted to take any action at a meeting, notice in writing or by electronic transmission of each meeting of the stockholders of the Corporation stating the place, if any, day and hour of such meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting and, in the case of a special meeting of the stockholders of the Corporation, the purpose or purposes for which such meeting is called, shall be given, either personally (including delivery by private courier) or by first class, certified or registered mail, or by electronic transmission, to each stockholder of record entitled to notice of such meeting, not less than 10 nor more than 60 days before the date of such meeting. Such notice shall be deemed to be given, if personally delivered, when delivered to the stockholder, and, if mailed, when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the Corporation, and if by electronic transmission, when posted on an electronic network or directed to the stockholder at an electronic mail address at which the stockholder has consented to receive notice. An affidavit of the secretary or an assistant secretary of the Corporation or of the transfer agent or any other agent of the Corporation that the notice has been given by personal delivery, by mail or by a form of electronic transmission, as applicable, shall, in the absence of fraud, be prima facie evidence of the facts stated therein. If notice of two consecutive annual meetings of the stockholders of the Corporation and all notices of other meetings of the stockholders of the Corporation to any stockholder during the period between such two consecutive annual meetings, or all, and at least two, payments (if sent by first class mail) of dividends or interest on securities of the Corporation during a 12 month period, have been mailed to such person at his address as shown on the records of the Corporation and have been returned undeliverable, the giving of such notice to such person shall not be required until another address for such person is delivered to the Corporation. When a meeting of the stockholders of the Corporation is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At such adjourned meeting the Corporation may transact any business that might have been transacted at the original meeting of the stockholders of the Corporation. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for such adjourned meeting, notice of such adjourned meeting shall be given to each stockholder of record of the Corporation entitled to vote at the meeting in accordance with the foregoing provisions of this Section 2.04.

Section 2.05 Fixing Date for Determination of Stockholders of Record. For the purpose of determining the stockholders of the Corporation entitled to notice of or to vote at any meeting of the stockholders of the Corporation or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of capital stock of the Corporation or for any other lawful action, the Board may fix, in advance, a date as the record date for any such determination of stockholders, which date

shall not precede the date upon which the record date is adopted by the Board, and which shall not be more than 60 nor less than 10 days before the date of such meeting, and not more than 60 days prior to any other action. If no record date is fixed then the record date shall be, for determining the stockholders of the Corporation entitled to notice of or to vote at a meeting of such stockholders, the close of business on the day next preceding the day on which notice is given, or, if notice is waived, the close of business on the day next preceding the day on which such meeting is held, or, for determining stockholders of the Corporation for any other purpose, the close of business on the day on which the Board adopts the resolution relating thereto. A determination of the stockholders of record of the Corporation entitled to notice of or to vote at a meeting of such stockholders shall apply to any adjournment of such meeting; *provided*, *however*, that the Board may fix a new record date for the adjourned meeting.

Section 2.06 Voting List. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare, or cause to be prepared, at least 10 days before every meeting of the stockholders of the Corporation, a complete list of such stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each such stockholder and the number of shares of capital stock of the Corporation registered in the name of each such stockholder. Nothing contained in this Section 2.06 shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder of the Corporation, for any purpose germane to such meeting, for a period of at least 10 days prior to such meeting, either (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of such meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. If the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If such meeting is to be held at a place, the list shall also be produced and kept at the time and place of such meeting during the whole time thereof, and may be inspected by any stockholder of the Corporation who is present. If such meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder of the Corporation during the whole time of such meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of such meeting. Except as otherwise provided by law, the list of stockholders shall be the only evidence as to which stockholders are entitled to examine to determine the stockholders entitled to vote in person or by proxy at any meeting of the stockholders.

Section 2.07 Proxies. Each stockholder of the Corporation entitled to vote at a meeting of stockholders of the Corporation may authorize another person or persons to act for him, her or it by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Except as otherwise provided by law, a proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date.

Section 2.08 Quorum and Manner of Acting. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, at a meeting of stockholders of the Corporation, a majority of the combined voting power of the outstanding shares of capital stock of the Corporation entitled to vote at such meeting, represented in person or by proxy, shall constitute a quorum. If a quorum is present, at all meetings of stockholders for the election of directors, the directors of the Corporation will be elected by the affirmative vote of the holders of a plurality of the outstanding Common Stock (as defined in the Certificate of Incorporation). Unless otherwise provided by the Certificate of Incorporation, these Bylaws, the rules or regulations of any stock exchange applicable to the Corporation or applicable law or pursuant to any regulation applicable to the Corporation or its securities, if a quorum is present, the affirmative vote of a majority of the votes held by such shares represented at such meeting at which a quorum is present and entitled to vote on the subject matter shall be the act of such stockholders. In the absence of a quorum, a majority of the shares of capital stock of the Corporation so represented may adjourn such meeting from time to time in accordance with Section 2.04, until a quorum shall be present or represented.

Section 2.09 Nominations for the Election of Directors. Except as otherwise provided in the Certificate of Incorporation, nominations for election to the Board must be made by the Board or by a committee appointed by the Board for such purpose or by any stockholder of any outstanding shares of capital stock of the Corporation entitled to vote for the election of directors of the Corporation. Except as otherwise provided in the Certificate of Incorporation, nominations by the stockholders of the Corporation must be preceded by timely notice in writing to the secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to the secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting of the stockholders of the Corporation; *provided, however*, 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 the stockholders of the Corporation, 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 by the Corporation. For purposes of the first annual meeting of stockholders of the Corporation held following the date of these Bylaws, the first anniversary of such annual meeting shall be deemed to be the **[first/second/third/fourth] [day of the week]** of **[month]** of the following year. Such stockholder's notice shall set forth:

(a) as to each person whom the stockholder proposes to nominate as a director:

(i) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and

(ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; and

(b) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made:

(i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner,

(ii) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner,

(iii) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose nomination, and

(iv) a representation regarding whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect the nominee and/or (B) otherwise to solicit proxies from stockholders in support of such nomination.

The foregoing notice requirements shall be deemed satisfied by a stockholder if the stockholder has notified the Corporation of his or her intention to present a proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed director nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

The presiding officer of the annual meeting of the stockholders of the Corporation shall have the authority to determine and declare to such meeting that a nomination not preceded by notification made in accordance with the foregoing procedure shall be disregarded.

Section 2.10 Other Stockholder Proposals. For business other than the nomination for election of directors to the Board to be properly brought before any meeting by a stockholder of the Corporation, such stockholder must have given timely notice thereof in writing to the secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to the secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the 90th day

nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting of the stockholders of the Corporation; *provided, however*, 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 the stockholders of the Corporation, 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 by the Corporation. For purposes of the first annual meeting of stockholders of the Corporation held following the date of these Bylaws, the first anniversary of such annual meeting shall be deemed to be the **[first/second/third/fourth] [day of the week]** of **[month]** of the following year. Such stockholder's notice shall set forth:

(a) as to any business that the stockholder proposes to bring before the meeting:

(i) a brief description of the business desired to be brought before the meeting,

(ii) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend these Bylaws, the language of the proposed amendment), and

(iii) the reasons for conducting such business at the meeting; and

(b) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made:

(i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner,

(ii) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner,

(iii) any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made as to each matter such stockholder proposes to bring before such meeting,

(iv) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business, and

(v) a representation regarding whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal and/or (B) otherwise to solicit proxies from stockholders in support of such proposal.

Section 2.11 Stockholder Action by Written Consent Without a Meeting. Except as provided in any preferred stock designation adopted in accordance with the Certificate of Incorporation and the DGCL (a "Preferred Stock Designation"), after the Corporation first has a class of securities registered under Section 12(g) of the Exchange Act 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.

Section 2.12 Conduct of Business. The chairman of each annual and special meeting of stockholders shall be the chairman of the Board or, in the absence (or inability or refusal to act) of the chairman of the Board, the chief executive officer (if he or she shall be a director) or, in the absence (or inability or refusal to act of the chief executive officer or if the chief executive officer is not a director, the president (if he or she shall be a director) or, in the absence (or inability or refusal to act) of the president or if the president is not a director, such other person as shall be appointed by the Board. The secretary of each annual and special meeting of stockholders shall be the secretary or, in the absence (or inability or refusal to act) of the secretary, an assistant secretary so appointed to act by the chairman of the meeting. In the absence (or inability or refusal to act) of the secretary and all assistant secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the presiding officer of the meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with these Bylaws or such rules and regulations as adopted by the Board, the presiding officer of the meeting of stockholders shall have the right and authority to convene the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding officer, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the presiding officer of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding officer of the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding officer should so determine, such presiding officer shall so declare to the meeting, and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 2.13 Inspector of Elections. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation or otherwise serve the Corporation in other capacities, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the Corporation represented at the meeting in person or by proxy and the validity of proxies and ballots, (iii) count all votes and ballots and report the results, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

ARTICLE III

Board of Directors

Section 3.01 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board, except as otherwise provided in the DGCL or the Certificate of Incorporation.

Section 3.02 Number, Tenure and Qualifications. The number of directors of the Corporation, other than those who may be elected by the holders of one or more series of preferred stock of the Corporation ("Preferred Stock") voting separately by class or series, shall not be more than 10. The directors of the Corporation shall be divided as evenly as possible into three classes as provided in the Certificate of Incorporation. At each annual meeting of the stockholders of the Corporation, the successors of that class of directors of the Corporation whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of the stockholders of the Corporation held in the third year following the year of their election. Each director of the Corporation shall hold office until his or her successor shall be qualified and elected, subject, however, to such director's earlier death, resignation, retirement or removal or termination of his or her term as provided in these Bylaws or the Certificate of

Incorporation. Any newly created directorship or vacancy shall be filled as set forth in the Certificate of Incorporation. Directors of the Corporation need not be residents of Delaware or stockholders of the Corporation. 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 3.03 Resignation. Any director of the Corporation may resign at any time by giving notice to the Corporation in writing or by electronic transmission. A director's resignation shall take effect upon receipt or, if a different time of effectiveness is specified therein, at the time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.04 Regular Meetings. Regular meetings of the Board may be held at such time and at such place, if any (either within or outside Delaware), as shall from time to time be determined by the Board.

Section 3.05 Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the chairman of the Board, by the chief executive officer or by a majority of the directors of the Corporation. Any such special meeting may take place at any place either within or outside Delaware.

Section 3.06 Meetings by Telephone. Unless otherwise restricted by the Certificate of Incorporation, the directors of the Corporation may participate in a meeting of the Board by means of conference telephone or other communications equipment by means of which all persons participating in such meeting can hear each other, and such participation in such meeting in such manner shall constitute presence in person at such meeting.

Section 3.07 Notice of Meetings. Notice of each meeting of the Board (except those regular meetings for which notice is not required) stating the place, if any, day and hour of such meeting shall be given to each director of the Corporation at least two days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least one day prior thereto by personal delivery (including delivery by private courier) of written notice or by telephone, telegram, telex, cablegram, electronic transmission (including email) or other similar method, except that in the case of a meeting of the Board to be held pursuant to Section 3.06 notice may be given by telephone at any time prior thereto. The method of notice need not be the same to each director of the Corporation. Notice shall be deemed to be given when deposited in the United States mail, with postage thereon prepaid, addressed to such director at his business or residence address, when delivered or communicated to such director or when the telegram, telex, cablegram, electronic transmission (including email) or other form of notice is personally delivered to such director or delivered to the last address of such director furnished by him to the Corporation for such purpose. Notice may be waived pursuant to Section 7.02 hereof. Neither the business to be transacted at, nor the purpose of, any meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 3.08 Quorum and Manner of Acting. Except as otherwise may be required by law, the Certificate of Incorporation or these Bylaws, a majority of the number of directors of the Corporation fixed in accordance with these Bylaws, present at the meeting, shall constitute a quorum for the transaction of business at any meeting of the Board, and the vote of a majority of the directors of the Corporation present at a meeting of the Board at which a quorum is present shall be the act of the Board. If less than a quorum is present at a meeting of the Board, the directors of the Corporation present may adjourn such meeting from time to time without further notice other than announcement at such meeting, until a quorum shall be present. Subject to the terms of the Certificate of Incorporation, a meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 3.09 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, without prior notice and without a vote, if all members of the Board or committee thereof entitled to vote thereon, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of the proceedings of the Board or committee thereof, as the case may be.

Section 3.10 Executive and Other Committees. The Board may designate by resolution one or more committees of the Board, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any such committee, who may replace any absent or disqualified member at any meeting of such committee, and may dissolve any such committee. In the absence or disqualification of a member of a committee of the Board, the member or members present at any meeting of such committee of the Board and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Except as otherwise provided in the charter of such committee or as otherwise required by the corporation governance rules and listing standards of any national securities exchange or automated quotation system upon which the Corporation's securities are then listed, any such committee shall present its findings and recommendations to the Board, as set forth in the applicable Board resolution. The Board shall delegate certain of its powers and authority to any such committee as set forth in the charters of such committee or by resolution of the Board in the Board's discretion or as otherwise required by the corporation governance rules and listing standards of any national securities exchange or automated quotation system upon which the Corporation's securities are then listed. To the extent the Board does not establish other procedures, and subject to the immediately preceding sentence, each such committee shall be governed by the procedures set forth in Sections 3.04 (except as they relate to an annual meeting), 3.05 through 3.09, 7.01 and 7.02 as if such committee were the Board. Each such committee shall keep regular minutes of its meetings, which shall be reported to the Board when required and submitted to the secretary of the Corporation for inclusion in the corporate records of the Corporation.

Section 3.11 Compensation. Unless otherwise restricted by the Certificate of Incorporation, the Board shall have the authority to fix the compensation of directors of the Corporation. Such directors may be paid their expenses, if any, of attendance at each meeting of the Board and each meeting of any committee of the Board of which he or she is a member and may be paid a fixed sum for attendance at each such meeting or a stated salary or both a fixed sum and a stated salary. No such payment shall preclude any such director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3.12 Removal of Directors; Vacancies. The removal of directors of the Corporation and the filling of vacancies on the Board shall be as provided in the Certificate of Incorporation.

ARTICLE IV

Officers

Section 4.01 Number and Qualifications. The officers of the Corporation shall consist of a chairman of the Board, a chief executive officer, a president, a chief operating officer, a chief financial officer, a secretary and such other officers, including a vice-chairman or vice-chairmen of the Board, one or more vice-presidents, a treasurer and a controller, as may from time to time be elected or appointed by the Board. In addition, the Board or the chief executive officer of the Corporation may elect or appoint such assistant and other subordinate officers, including assistant vice-presidents, assistant secretaries and assistant treasurers, as it or he shall deem necessary or appropriate. Any number of offices of the Corporation may be held by the same person, except that no person may simultaneously hold the offices of president and secretary of the Corporation.

Section 4.02 Election and Term of Office. Except as provided in the Certificate of Incorporation and Sections 4.01 and 4.06 of these Bylaws, the officers of the Corporation shall be elected by the Board. If such election shall not be held as provided herein, such election shall be held as soon thereafter as may be convenient. Each officer of the Corporation shall hold office until his or her successor shall be elected and shall qualify or until the expiration of his or her term in office if elected or appointed for a specified period of time, subject, however, to prior death, resignation, retirement or removal.

Section 4.03 Compensation. Officers of the Corporation shall receive such compensation for their services as may be authorized or ratified by the Board or a compensation committee of the Board, and no such officer shall be prevented from receiving compensation by reason of the fact that he or she is also a director of the Corporation. Election or appointment as an officer of the Corporation shall not of itself create a contract or other right to compensation for services performed by such officer.

Section 4.04 Resignation. Any officer of the Corporation may resign at any time, subject to any rights or obligations under any existing contracts between such officer and the Corporation, by giving notice to the Corporation in writing or by

electronic transmission. Such officer's resignation shall take effect upon receipt or, if a different time of effectiveness is specified therein, at the time stated therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.05 Removal. Unless otherwise provided in the Certificate of Incorporation, any officer of the Corporation may be removed with or without cause at any time by the Board, or, in the case of assistant and other subordinate officers of the Corporation, by the chief executive officer of the Corporation, whenever in its, his or her judgment, as the case may be, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer of the Corporation shall not in itself create contract rights.

Section 4.06 Vacancies. Except as otherwise provided in the Certificate of Incorporation, a vacancy occurring in any office of the Corporation by death, resignation, retirement, removal or otherwise may be filled by the Board.

Section 4.07 Authority and Duties. The officers of the Corporation shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the chief executive officer of the Corporation, the Board or these Bylaws (and in all cases where the duties of any officer of the Corporation are not prescribed by these Bylaws or the Board, such officer shall follow the orders and instructions of the chief executive officer of the Corporation), except that in any event each such officer shall exercise such powers and perform such duties as may be required by law:

(a) Chairman of the Board. The chairman of the Board of the Corporation, who shall be elected from among the directors of the Corporation, shall preside, when present, at all meetings of the Corporation's stockholders and the Board and perform such other duties as may be assigned to him or her from time to time by the Board.

(b) Chief Executive Officer. The chief executive officer of the Corporation shall, subject to the direction and supervision of the Board, (i) have general and active control of the affairs of the Corporation and general supervision of its officers, agents and employees; (ii) in the absence of the chairman of the Board of the Corporation, preside, when present, at all meetings of the Corporation's stockholders and the Board; (iii) see that all orders and resolutions of the Board are carried into effect; and (iv) perform all other duties incident to the office of chief executive officer and as from time to time may be assigned to him or her by the Board.

(c) President. The president of the Corporation shall, subject to the direction and supervision of the Board, perform all duties incident to the office of president and as from time to time may be assigned to him by the Board. At the request of the chief executive officer of the Corporation or in his or her absence or in the event of his or her inability or refusal to act, the president of the Corporation shall perform the

duties of the chief executive officer of the Corporation, and when so acting shall have all the powers and be subject to all the restrictions of the chief executive officer of the Corporation.

(d) Chief Operating Officer. The chief operating officer of the Corporation shall, subject to the direction and supervision of the Board, supervise the day to day operations of the Corporation and perform all other duties incident to the office of chief operating officer as from time to time may be assigned to him or her by the chairman of the Board of the Corporation, the Board or the chief executive officer of the Corporation. At the request of the president of the Corporation, or in his or her absence or inability or refusal to act, the chief operating officer of the Corporation shall perform the duties of the president of the Corporation, and when so acting shall have all the power of and be subject to all the restrictions upon the president of the Corporation.

(e) Chief Financial Officer. The chief financial officer of the Corporation shall: (i) be the principal financial officer and treasurer of the Corporation and have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Corporation and deposit the same in accordance with the instructions of the Board; (ii) receive and give receipts and acquittances for moneys paid in on account of the Corporation, and pay out of the funds on hand all bills, payrolls and other just debts of the Corporation of whatever nature upon maturity; (iii) unless there is a controller of the Corporation, be the principal accounting officer of the Corporation and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns, prescribe and maintain an adequate system of internal audit and prepare and furnish to the chief executive officer of the Corporation and the Board statements of account showing the financial position of the Corporation and the results of its operations; (iv) upon request of the Board, make such reports to it as may be required at any time; and (v) perform all other duties incident to the office of chief financial officer and treasurer and such other duties as from time to time may be assigned to him or her by the Board or by the chief executive officer of the Corporation. Assistant treasurers of the Corporation, if any, shall have the same powers and duties, subject to the supervision by the chief financial officer of the Corporation. If there is no chief financial officer of the Corporation, these duties shall be performed by the secretary or chief executive officer of the Corporation or other person appointed by the Board.

(f) Vice-Presidents. The vice-president of the Corporation, if any (or if there is more than one then each such vice-president), shall assist the chief executive officer of the Corporation and shall perform such duties as may be assigned to him or her by the chief executive officer of the Corporation or the Board. Assistant vice-presidents of the Corporation, if any, shall have such powers and perform such duties as may be assigned to them by the chief executive officer of the Corporation or by the Board.

(g) Secretary. The secretary of the Corporation shall: (i) keep the minutes of the proceedings of the stockholders of the Corporation, the Board and any committees of the Board; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate

records and seal of the Corporation; (iv) keep at the Corporation's registered office or principal place of business within or outside Delaware a record containing the names and addresses of all stockholders of the Corporation and the number and class of shares held by each, unless such a record shall be kept at the office of the Corporation's transfer agent or registrar; (v) have general charge of the stock books of the Corporation, unless the Corporation has a transfer agent; and (vi) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the chief executive officer of the Corporation or the Board. Assistant secretaries of the Corporation, if any, shall have the same duties and powers, subject to supervision by the secretary of the Corporation.

Section 4.08 Surety Bonds. The Board may require any officer or agent of the Corporation to execute to the Corporation a bond in such sums and with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of his or her duties and for the restoration to the Corporation of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

ARTICLE V

Stock

Section 5.01 Issuance of Shares. Except as otherwise may be provided by law or in the Certificate of Incorporation, the issuance or sale by the Corporation of any shares of its authorized capital stock of any class, including treasury shares, shall be made only upon authorization by the Board. Every issuance of shares of authorized capital stock of the Corporation shall be recorded on the books of the Corporation maintained for such purpose by or on behalf of the Corporation.

Section 5.02 Transfer of Shares. Upon presentation and surrender to the Corporation or to a transfer agent of the Corporation of a certificate of stock of the Corporation duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, payment of all transfer taxes, if any, and the satisfaction of any other requirements of law, including inquiry into and discharge of any adverse claims of which the Corporation has notice, the Corporation or its transfer agent shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction on the books maintained for such purpose by or on behalf of the Corporation. No transfer of shares of authorized capital stock of the Corporation shall be effective until it has been entered on such books. The Corporation or its transfer agent may require a signature guaranty or other reasonable evidence that any signature is genuine and effective before making any transfer. Transfers of uncertificated shares of authorized capital stock of the Corporation shall be made in accordance with applicable provisions of law.

Section 5.03 Registered Holders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares of authorized capital stock of the Corporation to inspect for any proper purpose the stock

ledger and the other books and records, to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of such shares, and shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by applicable law.

Section 5.04 Transfer Agents, Registrars and Paying Agents. The Board may at its discretion appoint one or more transfer agents, registrars and agents for making payment upon any class of stock, bond, debenture or other security of the Corporation. Such agents and registrars may be located either within or outside Delaware. They shall have such rights and duties and shall be entitled to such compensation as may be agreed.

Section 5.05 Lost, Stolen or Destroyed Certificates. Except as provided in this Section 5.05, no new certificate representing shares of the Corporation's authorized capital stock shall be issued to replace a previously issued certificate representing such shares unless the previously issued certificate is surrendered to the Corporation and immediately cancelled. The Corporation may issue a new certificate representing shares of its authorized capital stock or uncertificated shares in the place of any certificate theretofore issued by it that is alleged by a stockholder to have been lost, stolen or destroyed, and the Corporation may require such stockholder, or such stockholder's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

ARTICLE VI

Indemnification

Section 6.01 Right to Indemnification. The Corporation shall indemnify and pay the expenses of directors and officers of the Corporation as provided in the Certificate of Incorporation and, if applicable, in any indemnification agreement between the Corporation and the director or officer. The Corporation has the right, but not the obligation, to indemnify and pay the expenses of other persons authorized by a majority of the Board as provided in the Certificate of Incorporation.

Section 6.02 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of any of its affiliates or another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the DGCL.

ARTICLE VII

Miscellaneous

Section 7.01 Notice by Electronic Transmission. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the Certificate of Incorporation or these Bylaws, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom such notice is given. Any such consent shall be revocable by such stockholder by written notice to the Corporation.

(a) Any such consent shall be deemed revoked if:

(i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent; and

(ii) such inability becomes known to the secretary or an assistant secretary of the Corporation or to the transfer agent of the Corporation, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting of the stockholders of the Corporation or other action by the Corporation.

(b) Any notice given pursuant to this Section 7.01 shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder of the Corporation has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder of the Corporation has consented to receive notice;

(iii) if by a posting on an electronic network together with separate notice to the stockholder of the Corporation of such specific posting, upon the later of such posting and the giving of such separate notice; and

(iv) if by any other form of electronic transmission, when directed to the stockholder of the Corporation.

An affidavit of the secretary or an assistant secretary of the Corporation or of the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(c) An “electronic transmission” means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

(d) Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

Section 7.02 Waivers of Notice. Whenever notice is required to be given by law, by the Certificate of Incorporation or by these Bylaws, a written waiver thereof, signed by the person entitled to such notice or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting or (in the case of a stockholder of the Corporation) by proxy shall constitute a waiver of notice of such meeting, except when the person attends such meeting for the express purpose of objecting, at the beginning of such meeting, to the transaction of any business because such meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting need be specified in any written waiver of notice or waiver of notice by electronic transmission unless required by these Bylaws to be included in the notice of such meeting.

Section 7.03 Presumption of Assent. A director or stockholder of the Corporation who is present at a meeting of the Board or stockholders of the Corporation at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of such meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of such meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the Corporation immediately after the adjournment of such meeting. Such right to dissent shall not apply to a director or stockholder of the Corporation who voted in favor of such action.

Section 7.04 Voting of Securities by the Corporation. Unless otherwise provided by resolution of the Board, on behalf of the Corporation the chairman of the Board, chief executive officer, chief operating officer, chief financial officer, president, secretary, treasurer or any vice-president of the Corporation shall attend in person or by substitute appointed by him or her, or shall execute written instruments appointing a proxy or proxies to represent the Corporation at, all meetings of the stockholders of any other corporation, association or other entity in which the Corporation holds any stock or other securities, and may execute written waivers of notice with respect to any such meetings. At all such meetings and otherwise, the chairman of the Board, chief executive officer, chief operating officer, chief financial officer, president, secretary, treasurer or any vice-president of the Corporation, in person or by substitute or proxy as aforesaid, may vote the stock or other securities so held by the Corporation and may execute written consents and any other instruments with respect to such stock or securities and may exercise any and all rights and powers incident to the ownership of said stock or securities, subject, however, to the instructions, if any, of the Board.

Section 7.05 Authorized Signatories. The Board may authorize any officer or officers of the Corporation, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or restricted to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer of the Corporation, no officer, agent or employee of the Corporation shall have any power or authority to bind the Corporation by any contract or to pledge its credit or to render it liable for any purpose or for any amount

Section 7.06 Seal. The corporate seal of the Corporation shall be in such form as adopted by the Board, and any officer of the Corporation may, when and as required, affix or impress the seal, or a facsimile thereof, to or on any instrument or document of the Corporation.

Section 7.07 Fiscal Year. The fiscal year of the Corporation shall be as established by resolution of the Board.

Section 7.08 Amendments. These Bylaws may be amended or repealed only in the manner set forth in the Certificate of Incorporation.

NATIONAL CINEMEDIA, LLC

THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT

DATED AS OF _____ ____, 2007

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THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

NATIONAL CINEMEDIA, LLC

This Third Amended and Restated Limited Liability Company Operating Agreement (this "**Agreement**") of National CineMedia, LLC, a Delaware limited liability company (the "**Company**"), is made and entered into as of _____ ____, 2007, by and among each of the parties hereto and amends and restates in full the Second Amended Agreement.

RECITALS

A. National Cinema Network, Inc., a Delaware corporation ("**NCN**"), and Regal CineMedia Holdings, LLC, a Delaware limited liability company ("**Regal**" or the "**Regal Founding Member**"), formed the Company and entered into the Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of March 29, 2005 (the **"Original Agreement"**).

B. Cinemark Media, Inc., a Delaware corporation ("**Cinemark Media**" or the "**Cinemark Founding Member**"), was admitted as a Founding Member in the Company pursuant to that certain Contribution Agreement, dated as of July 15, 2005 (the "**Contribution Agreement**"), and that certain Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of July 15, 2005 (the "**First Amended Agreement**").

C. NCN merged with and into American Multi-Cinema, Inc., a Missouri Corporation ("**AMC**" or the "**AMC Founding Member**"), with AMC as the surviving entity.

D. The First Amended Agreement has been amended pursuant to the First Amendment to Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of November ____, 2006 (the "**First Amendment"**), and the Second Amendment to Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of _____ ____, 2007 (the "**Second Amendment**", and together with the First Amended Agreement and the First Amendment, the "**Second Amended Agreement**").

E. The Company and National CineMedia, Inc., a Delaware corporation ("**NCM Inc.**"), have entered into a Common Unit Subscription Agreement, dated as of _____ ____, 2007 (the **"Subscription Agreement"**), pursuant to which the Company has agreed to issue Common Units to NCM Inc. as more fully provided therein.

F. AMC, Regal and Cinemark Media desire to amend and restate the Second Amended Agreement to reflect the addition of NCM Inc. as a Member in the Company and its designation as sole Manager of the Company.

G. The respective board of directors and manager of each of AMC, Regal and Cinemark Media, respectively, and the board of directors of NCM Inc. have approved this Agreement.

The parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Defined Terms. The following terms shall have the following meanings in this Agreement:

"**Adjusted Capital Account Balance**" means, with respect to any Member, the balance in such Member's Capital Account after giving effect to the following adjustments: (a) debits to such Capital Account of the items described in Section l.704-1(b)(2)(ii)(d)(4-6) of the Treasury Regulations, and (b) credits to such Capital Account of such Member's share of Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain or of any amount which such Member would be required to restore under this Agreement or otherwise. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Section l.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently therewith.

"**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 Member shall be deemed an Affiliate of the Company, (ii) the Company shall not be deemed an Affiliate of any 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 Member or the Company, (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 Member or the Company, (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 Member or the Company, (vi) no stockholder of NCM Inc. shall be deemed an Affiliate of NCM Inc., and (vii) NCM Inc. shall not be deemed an Affiliate of any stockholder of NCM Inc.

"Agreement" has the meaning set forth in the preamble of this Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**AMC**" has the meaning set forth in the Recitals of this Agreement or its successor.

"**AMC Founding Member**" has the meaning set forth in the Recitals of this Agreement.

"Available Cash" means for a particular period (i) the Company's earnings before interest, taxes, depreciation and amortization (as determined under GAAP), plus (ii) non-cash items of deduction or loss subtracted in determining the Company's earnings under clause

(i), plus (iii) interest income received by the Company to the extent such income is not otherwise included in determining the Company's earnings under clause (i), plus (iv) amounts received by the Company pursuant to the Loews Agreement or other similar agreements to the extent such amounts are not otherwise included in determining the Company's earnings under clause (i), plus (v) net proceeds (after expenses attributable to the sale) from the sale of Company assets to the extent such proceeds are not otherwise included in determining the Company's earnings under clause (i), less (vi) non-cash items of income or gain (other than items related to barter transactions) added in determining the Company's earnings under clause (i), less (vii) amounts paid by the Company pursuant to the Exhibitor Services Agreements, the Management Services Agreement or other similar agreements to the extent such amounts are not otherwise deducted in determining the Company's earnings under clause (i), less (viii) taxes paid by the Company, less (ix) capital expenditures made by the Company, less (x) interest paid by the Company on Funded Indebtedness, less (xi) the first $_____ million of principal payments made by the Company on the Revolving Credit Facility, less (xii) mandatory principal payments made by the Company on the Funded Indebtedness (without duplication for principal payments made on the Revolving Credit Facility under clause (xi)), less (xiii) amounts (other than interest and principal payments) paid by the Company with respect to Funded Indebtedness to the extent such amounts are not otherwise deducted in determining the Company's earnings under clause (i), less (xiv) funds that are restricted pursuant to the terms of Funded Indebtedness; provided, however, that amounts borrowed under, and (except as provided in clause (xi)) optional principal payments made on, the Revolving Credit Facility shall not be taken into account in determining Available Cash.

"**Beneficial Owner**" or "**beneficial owner**" (including, with correlative meanings, the terms "**beneficial ownership**" and "**beneficially owns**") has the meaning attributed to it in Rules 13d-3 and 13d-5 under the Exchange Act, whether or not applicable, except that a Person shall be deemed to have Beneficial Ownership of all Units that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time or is exercisable only upon the occurrence of a subsequent condition.

"**Budget**" means an annual operating and capital budget of the Company, including, among other things, anticipated revenues, expenditures (capital and operating), and cash and capital requirements (including any additional capital contributions) of the Company for the following year.

"**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.

"**Capital Account**" has the meaning set forth in Section 6.3(a) of this Agreement.

"**Capital Contribution**" means the total amount of cash and the agreed fair market value (net of all liabilities secured by such assets that the Company is considered to assume or take subject to under Section 752 of the Code) of all other assets contributed to the Company by a Member.

"**Carrying Value**" means, with respect to any asset of the Company, the asset's adjusted basis for federal income tax purposes, except that the Carrying Values of all assets of

the Company shall be adjusted to equal their respective fair market values, in accordance with the rules, events, and times, set forth in Treasury Regulations Section l.704-l(b)(2)(iv)(f) and otherwise provided for in the rules governing maintenance of Capital Accounts under Treasury Regulations, except as otherwise provided herein; provided, however, that such adjustments shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members. The Carrying Value of any asset of the Company distributed to any Member shall be adjusted immediately prior to such distribution to equal its fair market value and depreciation shall be calculated by reference to Carrying Value, instead of tax basis, once Carrying Value differs from tax basis. The Carrying Value of any asset contributed (or deemed contributed under Treasury Regulations Section l.704-1(b)(1)(iv)) by a Member to the Company will be the fair market value of the asset at the date of its contribution thereto.

"**Cash Equivalents**" means any of the following denominated in U.S. Dollars: (i) marketable direct obligations issued or unconditionally guaranteed by the government of the United States or issued by any agency thereof and backed by the full faith and credit of the United States maturing within one year from the date of acquisition thereof; (ii) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having the highest rating obtainable from any of Standard & Poor's Corporation or any successor rating agency (**"S&P"**) or Moody's Investors Service, Inc. or any successor rating agency (**"Moody's"**); (iii) commercial paper maturing not more than one year from the date of issuance thereof and, at the time of acquisition, having the highest rating obtainable from either S&P or Moody's; (iv) time deposits, certificates of deposit or bankers' acceptances, maturing not more than one year from the date of issuance thereof, of any commercial bank or trust company having capital and surplus in excess of $500,000,000 and the commercial paper of the holding company of which has the highest rating obtainable from either S&P or Moody's; or (v) investments in money market funds complying with the risk limiting conditions of Rule 2a-7 or any successor rule of the Securities and Exchange Commission under the Investment Company Act of 1940, in each case provided in clauses (i), (ii), (iii) and (iv) above, maturing within one year from the date of acquisition.

"**Cash Settlement**" means immediately available funds in an amount equal to the Redeemed Units Equivalent.

"**Certificate**" has the meaning set forth in Section 2.1(a) of this Agreement.

"**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 the Ultimate Parent thereof) 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 or the Ultimate Parent thereof), (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.

"**Cinemark**" means Cinemark Holdings, Inc. or its successor or any Person that wholly-owns Cinemark, directly or indirectly, in the future.

"**Cinemark Founding Member**" has the meaning set forth in the Recitals of this Agreement.

"**Cinemark Media**" has the meaning set forth in the Recitals of this Agreement or its successor.

"**Cinemark USA**" means Cinemark USA, Inc., a Texas corporation, or its successor.

"**Class A Units**" has the meaning set forth in Section 1.1 of the First Amended Agreement

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute and the rules and regulations thereunder in effect from time to time. Any reference herein to a specific provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

"Common Unit" means Units having the rights described in Section 3.4(c) of this Agreement.

"**Common Unit Adjustment Agreement**" means the Common Unit Adjustment Agreement, dated as of _____ ____, 2007, by and among the AMC Founding Member, the Regal Founding Member, Regal Cinemas, the Cinemark Founding Member, Cinemark USA, NCM Inc. and the Company, as the same may be amended, supplemented or otherwise modified from time to time.

"**Common Unit Purchase**" has the meaning set forth in Section 3.4(b) of this Agreement.

"**Company**" has the meaning set forth in the preamble of this Agreement.

"**Confidential Information**" has the meaning set forth in Section 10.3(a) of this Agreement.

"**Contribution Agreement**" has the meaning set forth in the Recitals of this Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**Contribution and Unit Holders Agreement**" means the Contribution and Unit Holders Agreement, dated as of March 29, 2005, by and among the Company, RCM and AMC, as the successor to NCN, as the same may be amended, supplemented or otherwise modified from time to time.

"**Contribution Notice**" has the meaning set forth in Section 9.1(b) of this Agreement

"**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 Equity Interests, as trustee or executor, by contract or otherwise.

"**CPI**" means the monthly index of the U.S. City Average Consumer Price Index for Urban Wage Earners and Clerical Workers (All Items; 1982-84 equals 100) published by the United States Department of Labor, Bureau of Labor Statistics or any successor agency that shall issue such index. In the event that the CPI is discontinued for any reason, the Manager shall use such other index, or comparable statistics, on the cost of living for urban areas of the United States, as shall be computed and published by any agency of the United States or, if no such index is published by any agency of the United States, by a responsible financial periodical of recognized authority.

"**CPI Adjustment**" means the quotient of (i) the CPI for the month of January in the calendar year for which the CPI Adjustment is being determined, divided by (ii) the CPI for January of 2007.

"**DCN**" has the meaning set forth in Section 2.6(a) of this Agreement.

"**Director Designation Agreement**" means the Director Designation Agreement, dated as of _____ ____, 2007, by and among NCM Inc. and all of the Founding Members, as the same may be amended, supplemented or otherwise modified from time to time.

"**Equity Compensation Notice**" has the meaning set forth in Section 3.5(c)(i) of this Agreement.

"**Equity Incentive Plan**" means the National CineMedia, Inc. 2007 Equity Incentive Plan, as the same may be amended, supplemented or otherwise modified from time to time.

"**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.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"**ESA-Related Tax Benefit Payment**" has the meaning set forth in Section 1.01 of the Tax Receivable Agreement.

"**Excess Nonrecourse Liability**" has the meaning set forth in Section 1.752-3(a)(3) of the Treasury Regulations.

"**Exchange Act**" means the Securities and Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"**Exhibitor Services Agreement**" means each separate Exhibitor Services Agreement, dated as of _____ ____, 2007, (i) by and between the Company and AMC, (ii) by and between the Company and Regal Cinemas, and (iii) by and between the Company and Cinemark USA, all as may be amended, supplemented or otherwise modified from time to time.

"First Amended Agreement" has the meaning set forth in the Recitals of this Agreement.

"**First Amendment**" has the meaning set forth in the Recitals of this Agreement.

"**Fiscal Month**" means each fiscal month within the Company's Fiscal Year, as determined by the Manager.

"**Fiscal Period**" means each fiscal quarter which shall consist of three Fiscal Months.

"**Fiscal Year**" means the fiscal year of the Company ending on the first Thursday after December 25th of each year.

"**Founding Member(s)**" means each of the AMC Founding Member, the Cinemark Founding Member and the Regal Founding Member, and which shall include each of such Founding Member's Permitted Transferees so long as they continue to qualify as a Permitted Transferee, if applicable; provided that if a Founding Member and all of such Permitted Transferees cease to own Common Units (e.g., as a result of the surrender of Common Units pursuant to the Common Unit Adjustment Agreement or the redemption of Common Units pursuant to the exercise of the Redemption Right) the Founding Member and its Permitted Transferees shall no longer be treated as a Founding Member under this Agreement notwithstanding that the Founding Member or its Permitted Transferees may subsequently acquire additional Common Units in the Company (e.g., pursuant to the Common Unit Adjustment Agreement, in which event the Founding Member or its Permitted Transferee will be treated as a Member under this Agreement).

"**Founding Member Approval**" means the approval of each Founding Member (in each Founding Member's sole discretion); provided that a Founding Member shall not be entitled to participate in giving Founding Member Approval as provided in Section 4.3(c).

"**Founding Member Representation Letter**" has the meaning set forth in Section 4.1(i) of the Contribution and Unit Holders Agreement.

"**Funded Indebtedness**" means the sum of (i) Indebtedness of the Company under the Senior Credit Facility (including the Preferred Unit Indebtedness and the Revolving Credit Facility), plus (ii) additional Indebtedness, or any refinancing thereof, of the Company as permitted under the terms of the Senior Credit Facility.

"**GAAP**" means generally accepted accounting principles in the United States in effect as of the relevant date on which GAAP is to be determined.

"**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 set forth in Section 13(d)(3) and Rule 13d-5 of the Exchange Act.

"**Indebtedness**" means, with respect to any Person, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments issued by such Person, (iii) all obligations of such Person to pay the deferred purchase price for property or services, except trade accounts payable arising in the ordinary course of business and consistent with past practice, (iv) all reimbursement obligations of such Person in respect of letters of credit or other similar instruments, (v) all Indebtedness of others secured by any lien, encumbrance or mortgage on any asset of such Person, and (vi) all Indebtedness of others guaranteed (whether by virtue of partnership arrangements, by agreement to keep well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain a minimum net worth, financial ratio or similar requirements, or otherwise) by such Person.

"**Indemnitee**" has the meaning set forth in Section 4.14(a) of this Agreement.

"**Independent Directors**" means any director of NCM Inc. that, if the NCM Inc. 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 NCM Inc. common stock is then traded on a different exchange, such term shall mean any director of NCM Inc. that satisfies the definition of independent director according to the rules of such exchange.

"**Initial ESA Modification Payment**" means the payments made by the Company under Section [2.05(a)(i)] of the Exhibitor Services Agreements.

"**Intellectual Property**" means all U.S., state and foreign intellectual property, including but not limited to all (i) (a) patents, inventions, discoveries, processes and designs;

(b) copyrights and works of authorship in any media; (c) trademarks, service marks, trade names, trade dress and other source indicators and the goodwill of the business symbolized thereby; (d) software; and (e) trade secrets and other confidential or proprietary documents, ideas, plans and information; (ii) registrations, applications and recordings related thereto; (iii) rights to obtain renewals, extensions, continuations or similar legal protections related thereto; and (iv) rights to bring an action at law or in equity for the infringement or other impairment thereof

"**Interest**" means a limited liability company interest (other than Preferred Units) in the Company as provided in this Agreement and under the LLC Act and, in addition, any and all rights and benefits to which a Member is entitled under this Agreement, together with all obligations of such Person to comply with, and rights to benefit from, the terms and provisions of this Agreement.

"**Joint Venture Agreements**" means, collectively, this Agreement, the Common Unit Adjustment Agreement, the Contribution Agreement, the Contribution and Unit Holders Agreement (and various related agreements executed simultaneously therewith), the Director Designation Agreement, the Exhibitor Services Agreements, the Founding Member Representation Letter, the Loews Agreement, the Management Services Agreement, the Software License Agreement, the Subscription Agreement and the Tax Receivable Agreement.

"**Joint Venture Purposes**" has the meaning set forth in Section 2.6(c) of this Agreement.

"Liabilities" has the meaning set forth in Section 4.15(a) of this Agreement.

"**Liquidator**" has the meaning set forth in Section 7.2 of this Agreement.

"**LLC Act**" means the Delaware Limited Liability Company Act, 6 Del.C. §§ 18-101, et seq., as it may be amended from time to time, and any successor to such statute.

"**Loews Agreement**" means the Loews Screen Integration Agreement, dated as of _____ ____, 2007, by and among AMC and the Company, as the same may be amended, supplemented or otherwise modified from time to time.

"**Majority Member Vote**" means the affirmative vote by both: (a) holders of Common Units representing a majority of all the Common Units then issued and outstanding and (b) each Founding Member.

"Management Services Agreement" means the Management Services Agreement, dated as of _____ ____, 2007, by and between the Company and NCM Inc., as the same may be amended, supplemented or otherwise modified from time to time.

"Manager" has the meaning set forth in Section 4.1 of this Agreement.

"**Marquee Holdings**" means Marquee Holdings Inc. or its successor or any Person that wholly-owns Marquee Holdings, directly or indirectly, in the future.

"**Member**" means each Person that becomes a member, as contemplated in the LLC Act, of the Company in accordance with the provisions of this Agreement and has not ceased to be a Member as provided in Section 3.1(d) of this Agreement, and each of such Member's transferees, if applicable.

"**Member Information**" has the meaning set forth in Section 10.3(c) of this Agreement.

"NCM Inc." has the meaning set forth in the Recitals of this Agreement.

"**NCM Inc. Excess Capital Contribution**" has the meaning set forth in Section 3.4(d) of this Agreement.

"**NCM Inc. Redemption Price**" means the arithmetic average of the volume weighted average prices for a share of NCM Inc. common stock on the principal United States securities exchange or automated or electronic quotation system on which NCM Inc. common stock trades, as reported by Bloomberg, L.P., or its successor, for each of the three (3) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the NCM Inc. common stock. If the NCM Inc. common stock no longer trades on a securities exchange or automated or electronic quotation system, then a majority of the Independent Directors of NCM Inc. shall determine the NCM Inc. Redemption Price in good faith.

"**NCN**" has the meaning set forth in the Recitals of this Agreement.

"**Net Income**" or "**Net Losses**", as appropriate, means, for any period, the taxable income or tax loss of the Company for such period for federal income tax purposes, as determined in accordance with the accounting method used by the Company for federal income tax purposes, taking into account any separately stated tax items and increased by the amount of any tax-exempt income of the Company during such period and decreased by the amount of any Code Section 705(a)(2)(B) expenditures (within the meaning of Treasury Regulations Section 1.704-1(b)(2)(iv)(i)) of the Company; provided, however, that (i) Net Income or Net Losses of the Company shall be computed without regard to the amount of any items of gross income, gain, loss or deduction that are specifically allocated pursuant to Section 6.4(b), and (ii) in determining Net Income or Net Losses of the Company, any amounts paid under the Management Services Agreement and any amounts paid under the Exhibitor Services Agreements shall be treated as payments to a non-Member under Code Section 707. In the event that the Capital Accounts are adjusted pursuant to an adjustment to the Carrying Value of an asset of the Company or as otherwise provided for in this Agreement, the Net Income or Net Losses of the Company (and the constituent items of income, gain, loss and deduction) realized thereafter shall be computed in accordance with the principles of Treasury Regulations Section 1.704-1(b)(2)(iv)(g). If the Carrying Value of an asset is adjusted, such asset shall be treated as having been sold for its fair market value and any deemed gain or loss shall be taken into account in determining Net Income or Net Losses.

"**Nominating Committee**" has the meaning set forth in Section 1.1 of the Director Designation Agreement.

"**Nonrecourse Debt**" means any Company liability to the extent that no Member or related person bears the economic risk of loss for such Liability under Section 1.752-2 of the Treasury Regulations.

"**Options**" means options, issued under the NCM Inc. Equity Incentive Plan, to acquire common stock or other equity equivalents of NCM Inc.

"**Original Agreement**" has the meaning set forth in the Recitals of this Agreement.

"**Partner Nonrecourse Debt**" means any Company liability to the extent such liability is nonrecourse for purposes of Section 1.1001-2 of the Treasury Regulations with respect to which a Member (or related person within the meaning of Section 1.752-4(b) of the Treasury Regulations) bears the economic risk of loss under Section 1.752-2 of the Treasury Regulations because, for example, the Member or related person is a creditor or guarantor with respect to such liability.

"**Partner Nonrecourse Debt Minimum Gain**" has the meaning set forth in Section l.704-2(i)(2) of the Treasury Regulations and, as provided therein, shall generally be the amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Debt.

"**Partnership Minimum Gain**" has the meaning set forth in Section 1.704-2(b)(2) of the Treasury Regulations and, as provided therein, shall generally be determined by computing, for each Nonrecourse Debt of the Company, any Net Income the Company would realize if it disposed of the property subject to that liability for no consideration other than full satisfaction of the liability and then aggregating the separate amounts of Net Income so computed.

"**Percentage Interest**" means, with respect to any Member at any time, the percentage represented by a fraction, the numerator of which is the number of Common Units owned by such Member, and the denominator of which is the aggregate number of Common Units then outstanding, as shall be adjusted in accordance with Sections 3.4(e), 3.5, and 9.1.

"**Permitted Transferee**" means (i) in the case of any Member and any Permitted Transferee of any Member, an Affiliate of such Member or Permitted Transferee, or (ii) in the case of any Founding Member and any Permitted Transferee of a Founding Member, a non-Affiliate of such Founding Member or 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 or Control 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, Governmental Authority or other entity or organization of any nature whatsoever or any Group of two or more of the foregoing.

"**Preferred Distribution**" has the meaning set forth in Section 3.4(d) of this Agreement.

"Preferred Unit" means Units having the rights described in Section 3.4(d) of this Agreement.

"**Preferred Unit Indebtedness**" has the meaning set forth in Section 3.4(d) of this Agreement.

"**Proprietary Information**" means all Intellectual Property, including but not limited to information of a technological or business nature, whether written or oral and if written, however produced or reproduced, received by or otherwise disclosed to the receiving party from or by the disclosing party that is marked proprietary or confidential or bears a marking of like import, or that the disclosing party states is to be considered proprietary or confidential, or that a reasonable person would consider proprietary or confidential under the circumstances of its disclosure.

"**RCM**" means Regal CineMedia Corporation, a Virginia corporation, or its successor.

"**Recapitalization**" has the meaning set forth in Section 3.4(a) of this Agreement.

"**Redeemed Units**" has the meaning set forth in Section 9.1(a) of this Agreement.

"**Redeemed Units Equivalent**" means the product of (i) the Share Settlement, times (ii) the NCM Inc. Redemption Price.

"**Redeeming Member**" has the meaning set forth in Section 9.1(a) of this Agreement.

"**Redemption Date**" has the meaning set forth in Section 9.1(a) of this Agreement.

"**Redemption Notice**" has the meaning set forth in Section 9.1(a) of this Agreement.

"**Redemption Right**" has the meaning set forth in Section 9.1(a) of this Agreement.

"**REG**" means Regal Entertainment Group or its successor or any Person that wholly-owns REG, directly or indirectly, in the future.

"**Regal**" has the meaning set forth in the Recitals of this Agreement or its successor.

"**Regal Cinemas**" means Regal Cinemas, Inc., a Tennessee corporation, or its successor.

"**Regal Founding Member**" has the meaning set forth in the Recitals of this Agreement.

"**Regulatory Allocations**" has the meaning set forth in Section 6.4(c) of this Agreement.

"**Retraction Notice**" has the meaning set forth in Section 9.1(b) of this Agreement.

"**Revolving Credit Facility**" means [_____], and any refinancing thereof.

"Second Amended Agreement" has the meaning set forth in the Recitals of this Agreement or its successor.

"**Second Amendment**" has the meaning set forth in the Recitals of this Agreement or its successor.

"**Section 704(c) Property**" means any asset of the Company if the Carrying Value of such asset differs from its adjusted tax basis.

"**Senior Credit Facility**" means [_____], and any refinancing thereof.

"**Services**" has the meaning set forth in Article 1 of the Exhibitor Services Agreements.

"**Share Settlement**" means a number of shares of NCM Inc. common stock equal to the number of Redeemed Units.

"**Software License Agreement**" means the [Second] Amended and Restated Software License Agreement, dated of even date herewith, by and among the Company, RCM, AMC and Cinemark USA, as the same may be amended, supplemented or otherwise modified from time to time.

"Subscription Agreement" has the meaning set forth in the Recitals of this Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**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.

"**Tax Distribution Amount**" means the product of (i) [__%], times (ii) the estimated or actual taxable income of the Company, as determined for federal income tax purposes, for the period to which the Tax Distribution Amount relates.

"**Tax Matters Member**" has the meaning set forth in Section 6.2 of this Agreement.

"**Tax Receivable Agreement**" means the Tax Receivable Agreement, dated as of _____, 2007, by and among the Company, NCM Inc., all of the Founding Members, Regal Cinemas and Cinemark USA, as the same may be amended, supplemented or otherwise modified from time to time.

"**Tax Receivable Distribution Amount**" means the sum of (i) the amount that NCM Inc. is obligated to pay to the Founding Members pursuant to Section 3.01 of the Tax Receivable Agreement, plus (ii) the amount that NCM Inc. is obligated to contribute to the Company pursuant to Section 5.1(b) of this Agreement, both for the period to which the Tax Receivable Distribution Amount relates.

"**TEFRA Election**" means the election under Code Section 6231(a)(1)(B)(ii) and Treasury Regulations Section 301.6231(a)(1)-1(b) to have the provisions of subchapter C of chapter 63 of the Code and the corresponding Treasury Regulations apply with respect to the Company.

"**Trading Day**" means a day on which the principal United States securities exchange on which NCM Inc. common stock is listed or admitted to trading, or the NASDAQ Stock Market if NCM Inc. common stock is not listed or admitted to trading on any such securities exchange, as applicable, is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"**Transfer**" (including the terms "**Transferred**" and "**Transferring**") 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 any Member or Permitted Transferee (or any direct or indirect holder of equity in a 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 Equity Interests in the Company or other assets beneficially owned by a Person or any interest in any Equity Interests in the Company or other assets beneficially owned by a Person. Notwithstanding the foregoing: (a) the Change of Control of a Founding Member's Ultimate Parent or its stockholders shall not be deemed to be a Transfer hereunder, and (b) a bona fide pledge of the Units or other Equity Interests in the Company by any Member or its Affiliates shall not be deemed to be a Transfer hereunder.

"**Transferring Member**" has the meaning set forth in Section 8.1(a) of this Agreement.

"**Treasury Regulations**" means the federal income tax regulations, including any temporary regulations, promulgated under the Code, as such Treasury Regulations may be amended from time to time. Any and all references herein to specific provisions of the Treasury Regulations shall be deemed to refer to any corresponding successor provisions.

"**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**" means a fractional share of the Interests (other than Preferred Units) of all Members issued in accordance with the terms of this Agreement. The number of Units outstanding and the holders thereof shall be set forth on Exhibit A, as such may be amended from time to time in accordance with this Agreement.

"**Unvested NCM Inc. Shares**" means shares of NCM Inc. common stock issued pursuant to the Equity Incentive Plan that are not Vested NCM Inc. Shares.

"**Vested NCM Inc. Shares**" has the meaning set forth in Section 3.5(c)(ii) of this Agreement.

"**Wholly Owned Subsidiary**" of any Person means a Subsidiary which is 100% owned directly or indirectly by such Person.

1.2 Other Definitional Provisions; Interpretation.

(a) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole, including the Exhibits and Schedules attached hereto, and not to any particular provision of this Agreement. Articles, section and subsection references are to this Agreement unless otherwise specified.

(b) The words "include" and "including" and words of similar import when used in this Agreement shall be deemed to be followed by the words "without limitation".

(c) The titles and headings in this Agreement are included for convenience of reference only and will not limit or otherwise affect the meaning or interpretation of this Agreement.

(d) The meanings given to capitalized terms defined herein will be equally applicable to both the singular and plural forms of such terms. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

ARTICLE 2

FORMATION

2.1 Formation; Qualification.

(a) A Certificate of Formation of the Company (the "**Certificate**") has been executed by an authorized person and was filed with the Secretary of State of the State of

Delaware on March 29, 2005, to form on such date the Company as a limited liability company pursuant to the LLC Act. The rights, duties and liabilities of the Members shall be as provided in the LLC Act, except as otherwise provided in this Agreement.

(b) The Company shall be qualified or registered under foreign limited liability company statutes or assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company owns property or transacts business to the extent, in the judgment of the Manager, such qualification or registration is necessary or advisable in order to protect the limited liability of the Members or to permit the Company lawfully to own property or transact business. The Manager shall, to the extent necessary in the judgment of the Manager, maintain the Company's good standing in each such jurisdiction.

(c) The Manager and any Person to whom the Manager delegates authority under this Agreement shall be an "authorized person" within the meaning of § 18-204(a) of the LLC Act, and shall have the power and authority to execute, file and publish any certificates, notices, statements or other documents (and any amendments or restatements thereof) necessary to permit the Company to conduct business as a limited liability company in each jurisdiction where the Company elects to do business.

2.2 Name. The name of the limited liability company formed by the filing of the Certificate is "National CineMedia, LLC." However, the business of the Company may be conducted upon compliance with all applicable laws under any other name designated by the Manager.

2.3 Term . The term of the Company has commenced as of the date of filing the Certificate and will continue in perpetuity; provided that the Company may be dissolved in accordance with the provisions of this Agreement or by the LLC Act.

2.4 Headquarters Office. The Company's headquarters office shall initially be located in Centennial, Colorado. The Manager may determine to open, close or move any office at any time in its absolute discretion.

2.5 Registered Agent and Office. The address of the Company's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of the Company's registered agent at such address is Corporation Trust Company. The Manager may at any time designate another registered agent or registered office or both.

2.6 Purposes. The purpose of the Company is to:

(a) operate and maintain a digital content network ("**DCN**") that is able to distribute advertising, marketing, promotional and other digital content for display on theatre screens and video display monitors in theatres on a worldwide basis and that, among other things, will compete with all areas and forms of media (including cable and television broadcasters), advertising, marketing, promotional and/or any distribution of digital content via any media format on a worldwide basis;

(b) provide advertising, marketing and promotional activities on behalf of any Person involved in the business of exhibiting theatrical motion pictures, including, but not limited to, the Founding Members and their Affiliates (including the Services as set forth in the Exhibitor Services Agreements) whether displayed over the DCN, as non-digital content for display on non-digital theatre screens, through lobby or other in-theatre promotions, or through sponsorships of special events; and

(c) engage in all activities and transactions in furtherance of the foregoing purposes (collectively, the "**Joint Venture Purposes**").

2.7 Powers. The Company shall have the power and authority to take any and all actions necessary, appropriate, desirable, advisable, incidental or convenient to, or for the furtherance of, the Joint Venture Purposes, alone or with other Persons.

ARTICLE 3

MEMBERS AND INTERESTS

3.1 Members.

(a) AMC, Regal and Cinemark were previously admitted as Members to the Company subject to the Second Amended Agreement. Upon the execution of this Agreement, NCM Inc. shall be admitted to the Company as a Member. Following the Recapitalization and Common Unit Purchase, each Person named as a Member on Exhibit A hereto on the date hereof shall be deemed to own the number of Common Units and Preferred Units specified in Exhibit A.

(b) Exhibit A hereto contains the name, address and number of Common Units and Preferred Units owned by each Member as of the date hereof following the Recapitalization and Common Unit Purchase and immediately prior to the Preferred Distribution. The Company shall revise Exhibit A (i) from time to time to reflect the issuance, conversion or Transfer of Units in accordance with the terms of this Agreement and other modifications to or changes in the information set forth therein, and (ii) in accordance with Sections 3.4(e), 3.5 and 9.1. Any amendment or revision to Exhibit A or to the Company's records as contemplated by this Agreement to reflect information regarding Members or under Section 3.4(e), 3.5 or 9.1 shall be deemed to amend this Agreement, but shall not require the approval of the Manager or any Member.

(c) One or more additional Persons may be admitted as a Member of the Company only upon (i) an issuance of Units pursuant to Section 3.4(e) or 3.5 or a Transfer of Units pursuant to Article 8, and (ii) the execution and delivery by such Person of a counterpart to this Agreement or other written agreement, in a form satisfactory to the Manager, to be bound by all the terms and conditions of this Agreement. Upon such execution, the Company shall amend Exhibit A and shall amend this Agreement as the Manager may reasonably determine is necessary, to reflect the admission of such Person as a Member and such other information of such Person as indicated in Exhibit A. Unless admitted to the Company as a Member as provided in this Section 3.1 or Section 8.2, no Person is, or will be considered to be, a Member.

(d) Subject to the other provisions of this Section 3.1 and Section 8.2, each Person that holds one or more Units in compliance with the terms of this Agreement shall be a Member. A Member will cease to be a Member when such Person ceases to own any Units in the Company, in which case Exhibit A shall be amended to reflect that such Person is no longer a Member.

(e) Except as provided in the LLC Act, in no event shall any Member (or any former Member), by reason of its status as a Member (or former Member), have any liability for (i) the debts, duties or any other obligations of the Company, (ii) the repayment of any Capital Contribution of any other Member or (iii) any act or omission of any other Member.

(f) If a Founding Member and one or more of its Permitted Transferees hold Common Units in the Company at the same time, such Founding Member and Permitted Transferees shall designate one of them to act on behalf of all of them and vote all of their Common Units with respect to any matter requiring Founding Member Approval or a Majority Member Vote.

3.2 Meeting of Members.

(a) Annual Meeting. Subject to Section 3.2(g), an annual meeting of Members shall be held on such date and at such time as (i) shall be designated from time to time by the Manager, but no less often than once during each calendar year, and (ii) stated in the notice of the meeting, at which meeting the Members entitled to vote shall transact such business as may properly be brought before the meeting. At each annual meeting of the Members (i) the Manager shall discuss the matters and affairs of the Company, and (ii) the Members shall address such other matters as may be raised at the meeting by the Members or Manager.

(b) Special Meetings. A special meeting of Members, for any purpose or purposes, may be called by the Manager and shall be called by the Manager upon the receipt by the Manager of the written request of any Member. Such request shall state the purpose or purposes of the proposed meeting.

(c) Place and Conduct of Meetings. Meetings of the Members shall be held at such time and place, either within or without the State of Delaware, as shall be designated from time to time by the Manager and stated in the notice of the meeting or in a duly executed waiver of notice thereof. All meetings shall be conducted by such Person as the Manager may appoint pursuant to such rules for the conduct of the meeting as the Manager or such other Person deems appropriate. Such meetings may be held in person, by teleconference or by any other reasonable means, in each case at the discretion of the Manager.

(d) Notice of Meetings. Written notice of an annual meeting or special meeting stating the place, date, and hour of the meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than five calendar days nor more than 60 calendar days before the date of the meeting to each Member entitled to vote at such meeting, unless waived by each such Member.

(e) Quorum. The presence of both (a) the holders of a majority of all the Common Units then issued and outstanding and entitled to vote thereat and (b) each Founding

Member, whether in person or represented by a valid written proxy, shall constitute a quorum at all meetings of the Members for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

(f) Voting. All matters submitted to the vote of the Members shall be decided by a Majority Member Vote. Such votes may be cast in person or by valid written proxy, but no proxy shall be voted after three years from its date, unless such proxy provides for a longer period.

(g) Action by Consent. Any consent required herein or action required to be taken at any annual or special meeting of Members, or any action which may be taken at any annual or special meeting of such Members, may be taken without a meeting, without a vote, and with a consent in writing signed by Members who are holders of outstanding Common Units having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Common Units entitled to vote thereon were present and voted. Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to those Members who are holders of Common Units and who have not consented in writing; provided that the failure to give any such notice shall not affect the validity of the action taken by such written consent.

3.3 Certain Duties and Obligations of the Members. The Company shall be a partnership only for income tax purposes and this Agreement shall not be deemed to create a partnership, joint venture, agency or other relationship among the Members creating fiduciary or quasi-fiduciary duties or similar duties and obligations or to subject the Members to joint and several or vicarious liability or to impose any duty, obligation or liability that would arise therefrom with respect to any or all of the Members or their Affiliates. Except as otherwise provided in this Agreement, no Member shall have any authority to act for, bind, commit or assume any obligation or responsibility on behalf of the Company, its properties or any other Member. No Member, in its capacity as a Member under this Agreement, shall be responsible or liable for any Indebtedness or obligation of another Member. The Company shall not be responsible or liable for any Indebtedness or obligation of any Member, incurred either before or after the execution and delivery of this Agreement by such Member, except as to those responsibilities, liabilities, Indebtedness or obligations incurred pursuant to and as limited by the terms of this Agreement, the Contribution and Unit Holders Agreement, the Contribution Agreement and the LLC Act.

3.4 Units.

(a) Recapitalization. All of the Company's Class A Units that were issued and outstanding under the Second Amended Agreement have been recapitalized into Common Units and Preferred Units. Accordingly, immediately prior to the Common Unit Purchase and NCM Inc.'s admission as a Member in the Company under this Agreement (i) each Founding Member transferred and surrendered to the Company, and the Company cancelled, all of the Class A Units that had been issued to such Founding Member under the Second Amended

Agreement, and (ii) in exchange for the transfer, surrender and cancellation of all of the Class A Units that had been issued to each Founding Member, the Company has issued to each Founding Member the number of Common Units and Preferred Units set forth opposite such Founding Member's name on Exhibit A hereto (collectively, the "**Recapitalization**").

(b) Common Unit Purchase. Immediately following the Recapitalization (i) NCM Inc. made its required Capital Contribution to the Company as set forth in the Subscription Agreement, and (ii) in exchange for NCM Inc.'s Capital Contribution, the Company has issued to NCM Inc. the number of Common Units set forth opposite NCM Inc.'s name on Exhibit A hereto (collectively, the "**Common Unit Purchase**").

(c) Common Units. The Common Units shall consist of equal whole, fractional units into which Interests in the Company shall be divided. The Common Units shall be entitled to share in distributions and allocations as provided in Sections 5.4, 6.4 and 7.3, and as otherwise provided in this Agreement. The total number of authorized Common Units that the Company is entitled to issue is .

(d) Preferred Units; Preferred Distribution. In connection with the execution of this Agreement and immediately following the Common Unit Purchase and the Company's payment of the Initial ESA Modification Payment, the Company shall incur $ of Indebtedness pursuant to the Senior Credit Facility (the "**Preferred Unit Indebtedness**") and pay the proceeds from the Preferred Unit Indebtedness in redemption of the Preferred Units and complete satisfaction of the amount to which the Preferred Units are entitled under this Section 3.4(d) (the "**Preferred Distribution**"). The Preferred Units shall be entitled to $ per whole Preferred Unit (or a proportionate share of such amount in the case of a fraction of a Preferred Unit); provided that: (i) if part of the proceeds from the Preferred Unit Indebtedness are used to pay part of the Initial ESA Modification Payment, the amount to which each Preferred Unit is entitled shall be reduced by (a) the amount of Indebtedness proceeds used to pay the Initial ESA Modification Payment, divided by (b) the total number of issued and outstanding Preferred Units; and (ii) if the Capital Contribution made by NCM Inc. to the Company as set forth in the Subscription Agreement exceeds the Initial ESA Modification Payment (the "**NCM Inc. Excess Capital Contribution**"), the amount to which each Preferred Unit is entitled shall be increased by (a) the NCM Inc. Excess Capital Contribution, divided by (b) the total number of issued and outstanding Preferred Units. In the Preferred Distribution, each Founding Member shall receive an amount equal to the product of (x) the amount to which the Preferred Units are entitled under this Section 3.4(d), times (y) the number of Preferred Units held by such Founding Member. All of the issued and outstanding Preferred Units shall automatically terminate and cease to be outstanding on completion of the Preferred Distribution.

(e) Adjustment of Common Units. The Common Units of the Founding Members and their Affiliates shall be adjusted from time to time as provided in the Common Unit Adjustment Agreement, which is incorporated herein by reference.

(f) Unit Splits, Ratios and Other Unit Adjustments. The Company shall undertake all actions, including, without limitation, a reclassification, distribution, division or recapitalization, with respect to the Common Units, to maintain at all times a one-to-one ratio between the number of Common Units owned by NCM Inc. and the number of outstanding

shares of NCM Inc. common stock, disregarding, for purposes of maintaining the one-to-one ratio, Unvested NCM Inc. Shares, treasury stock, preferred stock or other securities of NCM Inc. that are not convertible into or exercisable or exchangeable for common stock of NCM Inc. In the event NCM Inc. issues, transfers from treasury stock or repurchases NCM Inc. common stock in a transaction not contemplated in this Agreement, the Manager shall have the authority to take all actions such that, after giving effect to all such issuances, transfers or repurchases, the number of outstanding Common Units owned by NCM Inc. will equal on a one-for-one basis the number of outstanding shares of NCM Inc. common stock. In the event NCM Inc. issues, transfers from treasury stock or repurchases NCM Inc. preferred stock in a transaction not contemplated in this Agreement, the Manager shall have the authority to take all actions such that, after giving effect to all such issuances, transfers or repurchases, NCM Inc. holds mirror equity interests in the Company which (in the good faith determination by the Manager) are in the aggregate substantially equivalent to the outstanding NCM Inc. preferred stock. The Company shall not undertake any subdivision (by any Unit split, Unit distribution, reclassification, recapitalization or similar event) or combination (by reverse Unit split, reclassification, recapitalization or similar event) of the Units that is not accompanied by an identical subdivision or combination of the NCM Inc. common stock to maintain at all times a one-to-one ratio between the number of Common Units owned by NCM Inc. and the number of outstanding shares of NCM Inc. common stock, unless such action is necessary to maintain at all times a one-to-one ratio between the number of Common Units owned by NCM Inc. and the number of outstanding shares of NCM Inc. common stock as contemplated by the first sentence of this Section 3.4(f).

(g) Certificates; Transfer. Common Units shall be evidenced by a certificate issued by the Company to the holder thereof and substantially in the form of Exhibit B attached hereto. Such certificates shall be entered in the books of the Company as they are issued, and shall be signed by a duly designated officer of the Company and may be sealed with the Company's seal or a facsimile thereof. Upon any Transfer permitted under this Agreement (i) the Transferring Member shall surrender to the Company a certificate or certificates representing at least the number of Common Units being Transferred, and (ii) the Company shall issue (x) to the transferee a certificate for the number of Common Units Transferred, and (y) to the Transferring Member a certificate representing the remaining number of Common Units equal to the difference (if any) between the number of Common Units evidenced by the certificate or certificates surrendered pursuant to clause (i) and the number of Common Units Transferred. No Transfer of Common Units shall be valid as against the Company except upon surrender to and cancellation of the appropriate certificate or certificates, accompanied by an assignment or Transfer by the Member, subject to any restrictions on Transfer contained in this Agreement. The Company may issue a new certificate for Common Units in place of any certificate or certificates previously issued by it, alleged to have been lost or destroyed, upon the making of an affidavit of that fact, and providing an indemnity in form and substance reasonable satisfactory to the Manager, by the Person claiming the certificate or certificates to be lost or destroyed.

3.5 Authorization and Issuance of Additional Units.

(a) In General. The Company shall only be permitted to issue additional Units or other Equity Interests in the Company to the Persons and on the terms and conditions

provided for in Section 3.4 and this Section 3.5. The Manager may cause the Company to issue additional Common Units authorized under this Agreement at such times and upon such terms as the Manager shall determine. The Manager shall amend this Agreement as necessary in connection with the issuance of additional Common Units and admission of additional Members under this Section 3.5.

(b) Exercise of Redemption Right. In connection with the exercise of a Redeeming Member's Redemption Rights under Section 9.1(a), NCM Inc. shall contribute to the Company the consideration the Redeeming Member is entitled to receive under Section 9.1(b). NCM Inc., at its option, shall determine whether to contribute, pursuant to Section 9.1(b), the Share Settlement or the Cash Settlement. Unless the Redeeming Member has timely delivered a Retraction Notice as provided in Section 9.1(b), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) NCM Inc. shall make its capital contribution to the Company (in the form of the Share Settlement or the Cash Settlement) required under this Section 3.5(b), and (ii) the Company shall issue to NCM Inc. a number of Common Units equal to the number of Redeemed Units surrendered by the Redeeming Member. The timely delivery of a Retraction Notice shall terminate all of the Company's and NCM Inc.'s rights and obligations under this Section 3.5(b) arising from the Redemption Notice.

(c) Equity Compensation Issued by NCM Inc.

(i) In connection with the exercise of Options, NCM Inc. shall have the right to acquire additional Common Units from the Company. NCM Inc. shall exercise its rights under this Section 3.5(c)(i) by giving written notice (the "**Equity Compensation Notice**") to the Company and all Members within [ ] Business Days of the date on which the Options are exercised. The Equity Compensation Notice shall specify the net number of shares of NCM Inc. common stock issued by NCM Inc. pursuant to exercise of the Options. The Company shall issue the Common Units to which NCM Inc. is entitled under Section 3.5(c)(i) on the date that is [ ] Business Days after delivery of the Equity Compensation Notice (to be effective immediately prior to the close of business on such date). The number of additional Common Units that NCM Inc. shall be entitled to receive under this Section 3.5(c)(i) shall be equal to the net number of shares of NCM Inc. common stock issued by NCM Inc. pursuant to the exercise of the Options. The net number of shares of NCM Inc. common stock issued by NCM Inc. pursuant to exercise of the Options shall be equal to (i) the number of shares of NCM Inc. common stock with respect to which the Options were exercised, less (ii) any shares of NCM Inc. common stock transferred to or withheld by NCM Inc. (e.g., in connection with a stock swap or otherwise) in satisfaction of the exercise price or taxes payable as a result of the exercise of the Options. In consideration of the Common Units issued by the Company to NCM Inc. under this Section 3.5(c)(i), NCM Inc. shall contribute to the Company the cash consideration, if any, received by NCM Inc. in exchange for the net shares of NCM Inc. common stock issued pursuant to exercise of the Options. NCM Inc. shall contribute any cash consideration to which the Company is entitled under this Section 3.5(c)(i) on the same date (and to be effective as of the same time) that the Company issues the Common Units to NCM Inc.

(ii) In connection with the grant of NCM Inc. common stock pursuant to the Equity Incentive Plan (including, without limitation, the issuance of restricted and non-

restricted NCM Inc. common stock, the payment of bonuses in NCM Inc. common stock, the issuance of NCM Inc. common stock in settlement of stock appreciation rights or otherwise), other than through the exercise of Options as contemplated in Section 3.5(c)(i), NCM Inc. shall deliver an Equity Compensation Notice to the Company and all Members within [ ] Business days of the date on which shares of such NCM Inc. common stock are vested under applicable law ("**Vested NCM Inc. Shares**"). The Equity Compensation Notice shall specify the number of Vested NCM Inc. Shares. On the date that is [ ] Business Days after delivery of the Equity Compensation Notice (to be effective immediately prior to the close of business on such date) (i) the Company shall (x) issue to NCM Inc. a number of Common Units equal to the number of Vested NCM Inc. Shares, and (y) make a special distribution to NCM Inc. from Available Cash in respect of such Common Units in an amount equal to any dividends paid or payable by NCM Inc. in respect of such Vested NCM Inc. Shares, and (ii) NCM Inc. shall contribute to the Company any cash consideration received by NCM Inc. in respect of such Vested NCM Inc. Shares.

3.6 Business Opportunities; Non-Competition. Except as provided in this Agreement and as may be otherwise provided in any written agreement with the Company to which a Member or its Affiliates is a party (including Section 12.07 of the Exhibitor Services Agreements), each Member and their Affiliates may have other business interests or may engage in other business ventures of any nature or description whatsoever regardless of whether they compete with the business and purpose of the Company set forth in Section 2.6.

ARTICLE 4

MANAGEMENT AND OPERATIONS

4.1 Manager. The Company shall be managed by one manager (the **"Manager"**) that shall be NCM Inc. NCM Inc. may not be removed as a Manager except as provided in Section 4.7. Any Manager that is properly removed pursuant to Section 4.7 shall be replaced in the manner provided in Section 4.8. Except to the extent deemed appropriate by NCM Inc. in connection with its status under the Investment Company Act of 1940, so long as NCM Inc. is the Manager, NCM Inc. shall not, without Founding Member Approval, directly or indirectly enter into or conduct any business other than (i) in connection with the ownership, acquisition or disposition of Units as a Member, (ii) the management of the business of the Company as provided herein, (iii) NCM Inc.'s operation as a public reporting company with a class of securities registered under the Exchange Act, and (iv) such other activities that are incidental to the foregoing.

4.2 Management Authority. Except as provided in Section 4.3, the Manager shall have authority on behalf of the Company to make all decisions with respect to the Company's business without the approval of the Members. In connection with the implementation, consummation or administration of any matter within the scope of the Manager's authority, the Manager is authorized, without the approval of the Members, to execute and deliver on behalf of the Company contracts, instruments, conveyances, checks, drafts and other documents of any kind or character to the extent the Manager deems it necessary or desirable. The Manager may delegate to officers, employees, agents or representatives of the Company or the Manager any or

all of the foregoing powers by written authorization identifying specifically or generally the powers delegated or acts authorized.

4.3 Founding Member Approval Rights

(a) The Manager shall not take, or cause the Company to take, action with respect to the matters provided for in Section 4.3(b) without Founding Member Approval if an individual designated by a Founding Member pursuant to the Director Designation Agreement (i) is not nominated or appointed to the board of directors of NCM Inc. under circumstances constituting a breach of the Director Designation Agreement, or (ii) such designee (or if the designee is not elected in circumstances under which the Founding Member can designate a successor, such successor designee) is not elected to the board of directors of NCM Inc. after being designated in accordance with the Director Designation Agreement. Upon the occurrence of a condition giving rise to Founding Member Approval rights, the Founding Member Approval rights shall continue until the earlier of (x) the date on which the conditions that gave rise to Founding Member Approval rights no longer exist, or (y) the delivery of written notice waiving the Founding Member Approval rights by the Founding Members whose designees or successor designees were not nominated, appointed or elected to the board of directors of NCM Inc. A Founding Member that designated an individual who is either not nominated, appointed or elected to the board of directors of NCM Inc. under circumstances giving rise to the Founding Member Approval rights under this Section 4.3, may waive the Founding Member Approval rights by delivering written notice to the Company and the other Founding Members. Any waiver by a Founding Member of its Founding Member Approval rights shall only serve as a waiver with respect to the specific conditions that gave rise to the Founding Member Approval rights being waived and shall not constitute a waiver with respect to any other rights under this Agreement and any Founding Member Approval rights that the Founding Member may have in the future as a result of the existence of a condition giving rise to Founding Member Approval rights subsequent to such waiver.

(b) The matters provided for in this Section 4.3(b) are not intended to modify the Manager's responsibilities for managing the day-to-day business and affairs of the Company. Subject to the foregoing and notwithstanding anything to the contrary in this Agreement, the Company shall not take, cause to be taken, or agree to take or authorize any of the following actions without Founding Member Approval during the periods of time provided for in Section 4.3(a):

(i) the approval of any Budget or any amendment or modification of the Budget;

(ii) the incurrence of any Indebtedness or entering into or consummating any other financing transaction, in either case for an amount that is not provided for in the Budget;

(iii) the entering into or consummation of any agreements or arrangements involving annual payments by the Company (including the fair market value of any barter) in excess of $5 million (as adjusted by the CPI Adjustment), except as otherwise

provided for in the Budget, or any material modification of any such agreements or arrangements;

(iv) the entering into or consummation of any agreements or arrangements involving annual receipts (including the fair market value of any barter) in excess of $20 million (as adjusted by the CPI Adjustment), or any material modification of any such agreements or arrangements;

(v) except as contemplated herein, the declaration, setting aside or payment of any redemption of, dividends on, or the making of any other distributions in respect of, any of its Units or other Equity Interests in the Company, 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;

(vi) the amendment of any provision of this Agreement to authorize, and the issuance of, any additional Units or classes of Units or other Equity Interests and the designations, preferences and relative, participating or other rights, powers duties thereof;

(vii) the hiring or termination of employment of the chief executive officer, chief financial officer, chief technology officer or chief sales and marking officer of the Company, or the entering into, amendment or termination of any employment, severance, change of control or other contract with any employee that has a written employment agreement with the Company;

(viii) any change in the Joint Venture Purposes, or the provision by the Company of any services beyond the scope of the Services or Services outside of the United States or Canada;

(ix) the entering into of any agreement with respect to or the taking of any material steps to facilitate a transaction that constitutes a Change of Control of the Company or a proposal for such a transaction;

(x) the 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 (as adjusted by the CPI Adjustment), taken as a whole, or (y) to which the revenues or the profits attributable exceed $10 million (as adjusted by the CPI Adjustment), 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 the Company;

(xi) the entering into of any agreement with respect to or consummation of any acquisition of any business or assets that has or have a fair market value in excess of $10 million (as adjusted by the CPI Adjustment) taken as a whole, in any one transaction or series of related transactions, whether by purchase and sale, merger, consolidation, restructuring, recapitalization or otherwise;

(xii) the settlement of claims or suits in which the Company is a party for an amount that exceeds the relevant provision(s) in the Budget by more than $1 million (as

adjusted by the CPI Adjustment) or where equitable or injunctive relief is included as part of such settlement;

(xiii) the entering into, modification or termination of any material contract or transaction or series of related transactions (including by way of barter) between (x) the Company or any of its Subsidiaries and (y)(1) any Member or any Affiliate of any Member, or (2) 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 the Company;

(xiv) the entering into of any agreement for the Company to provide to any new Member or Affiliate of any new Member any services similar to those set forth in the Exhibitor Services Agreements, or the admission to the Company of any new Member;

(xv) the entering into, or the modification or termination of, any agreement for the Company 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 (as adjusted by the CPI Adjustment) annually;

(xvi) the dissolution of the Company; the adoption of a plan of liquidation of the Company; any action by the Company to commence any suit, case, proceeding or other action (x) 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 the Company, or seeking to adjudicate the Company as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to the Company, or (y) seeking appointment of a receiver, trustee, custodian or other similar official for the Company, or for all or any material portion of the assets of the Company, or making a general assignment for the benefit of the creditors of the Company;

(xvii) approval of any tax matter pursuant to Section 6.2;

(xviii) valuation determinations pursuant to Section 5.5;

(xix) any amendment or change to any provision in this Section 4.3 or Article 8; and

(xx) any expenditure by the Company to replace, upgrade or modify any equipment or software owned by any of the Founding Members or their Affiliates.

(c) A Founding Member shall permanently cease to be entitled to participate in giving Founding Member Approval if at any time the Founding Member owns less than five percent of the then issued and outstanding Common Units, including Common Units acquired from another Founding Member or an Affiliate of another Founding Member (which, for purposes of this Section 4.3(c), shall be calculated to include (i) all shares of NCM Inc. common stock beneficially owned by such Founding Member as of the date of determination as a result of the exercise of the Founding Member's Redemption Right, (ii) any shares of NCM Inc. common stock issued in connection with any dividend or distribution on NCM Inc. common stock so

received as a result of the exercise of the Founding Member's Redemption Right, and (iii) any shares of NCM Inc. common stock acquired from another Founding Member provided that such other Founding Member acquired such shares of NCM Inc. common stock in a transaction described in clause (i) or (ii) above, but excluding (x) any shares of NCM Inc. common stock otherwise acquired by the Founding Members, and (y) any Common Units issued to NCM Inc. by the Company pursuant to Section 3.5(b) in connection with the exercise of a Founding Member's Redemption Right (unless the Founding Member has disposed of any of the shares of NCM Inc. common stock received in connection with the exercise of the Founding Member's Redemption Right (other than to another Founding Member in a transaction described in clause (iii) above), in which case a number of Common Units issued to NCM Inc. by the Company pursuant to Section 3.5(b) in connection with such exercise of the Founding Member's Redemption Right equal to the number of shares of NCM Inc. common stock disposed of by such Founding Member shall be included in determining such Founding Member's ownership interest)).

(d) Except for the matters provided for in Section 4.3(b), the Founding Member Approval rights shall not affect the Manager's right to conduct the Company's business under this Agreement.

4.4 Duties. The Manager shall carry out its duties in good faith, in a manner that it believes to be in the best interests of the Company. The Manager shall devote such time to the business and affairs of the Company as it may determine, in its reasonable discretion, is necessary for the efficient carrying on of the Company's business.

4.5 Reliance by Third Parties. No third party dealing with the Company shall be required to ascertain whether the Manager is acting in accordance with the provisions of this Agreement. All third parties may rely on a document executed by the Manager as binding the Company. The foregoing provisions shall not apply to third parties who are Affiliates of a Member or a Manager. If the Manager acts without authority it shall be liable to the Members for any damages arising out of its unauthorized actions.

4.6 Resignation. The Manager may resign at any time by giving written notice to the Members. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Members, and the acceptance of the resignation shall not be necessary to make it effective.

4.7 Removal. The Manager may only be removed by NCM Inc.

4.8 Vacancies. Vacancies in the position of Manager occurring for any reason shall be filled by NCM Inc.

4.9 Information Relating to the Company. Upon request, the Manager shall supply to a Member (i) any information required to be available to the Members under the LLC Act, and (ii) any other information requested by such Member regarding the Company or its activities, provided that obtaining the information described in this clause (ii) is not unduly burdensome to the Manager. During ordinary business hours, each Member and its authorized representative

shall have access to all books, records and materials in the Company's offices regarding the Company or its activities.

4.10 Insurance. The Company shall maintain or cause to be maintained in force at all times, for the protection of the Company and the Members to the extent of their insurable interests, such insurance as the Manager believes is warranted for the operations being conducted.

4.11 Transactions Between Company and Manager. The Manager may cause the Company to contract and deal with the Manager, or any Affiliate of the Manager, provided such contracts and dealings are on terms comparable to and competitive with those available to the Company from others dealing at arm's length or are approved by a Majority Member Vote. The Members hereby approve the Common Unit Adjustment Agreement, the Management Services Agreement, the Subscription Agreement and the Tax Receivable Agreement.

4.12 Officers.

(a) The Manager may, from time to time, designate one or more Persons to fill one or more officer positions of the Company. Any officers so designated shall have such titles and authority and perform such duties as the Manager may, from time to time, delegate to them. If the title given to a particular officer is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made to such officer, or restrictions placed thereon, by the Manager. Each officer shall hold office until his or her successor is duly designated, until his or her death or until he or she resigns or is removed in the manner hereinafter provided. Any number of offices may be held by the same Person. The salaries or other compensation, if any, of the officers of the Company shall be fixed from time to time by the Manager.

(b) Any officer of the Company may resign at any time by giving written notice thereof to the Manager. Any officer may be removed, either with or without cause, by the Manager whenever in its judgment the best interests of the Company will be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the Person so removed. Designation of an officer shall not, by itself, create contract rights.

4.13 Management Fee; Reimbursement of Expenses. Except as provided in the Management Services Agreement, the Manager shall not be entitled to compensation for performance of its duties hereunder unless such compensation has been approved by a Majority Member Vote. The Manager shall be reimbursed by the Company for any reasonable out-of-pocket expenses incurred on behalf of the Company.

4.14 Limitation of Liability; Exculpation.

(a) No Manager, Member or officer of the Company, nor any of their respective Subsidiaries or Affiliates (including any stockholder of REG, Marquee Holdings, Cinemark or NCM Inc. that would be deemed an Affiliate but for the exception set forth in subsections (iii), (iv), (v) or (vi) of the definition of Affiliate herein, or any of such stockholder's Affiliates) nor any of their respective direct or indirect officers, directors, trustees, members,

partners, equity holders, employees or agents, nor any of their heirs, executors, successors and assigns (individually, an "**Indemnitee**"), shall be liable to the Company or any Member for any act or omission by such Indemnitee in connection with the conduct of affairs of the Company or otherwise incurred in connection with the Company or this Agreement or the matters contemplated herein, in each case unless such act or omission was the result of gross negligence or willful misconduct or constitutes a breach of, or a failure to comply with, any agreement between (x) such Indemnitee and (y) the Company or its Subsidiaries and Affiliates.

(b) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement a Manager, Member or officer of the Company is permitted or required to make a decision (i) in its "sole discretion" or "discretion," with "complete discretion" or under a grant of similar authority or latitude, such Manager, Member or officer shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable law, have no duty or obligation to give any consideration to any interest of or factors affecting the Company or the Members, or (ii) in its "good faith" or under another expressed standard, such Manager, Member or officer shall act under such express standard and shall not be subject to any other or different standards.

(c) Any Manager, Member, Liquidator or officer of the Company may consult with legal counsel and accountants selected by it at its expense or with legal counsel and accountants for the Company at the Company's expense. Each Manager, Member, Liquidator and officer of the Company shall be fully protected in relying in good faith upon the records of the Company and upon information, opinions, reports, or statements presented by another Manager, Member, Liquidator or officer, or employee of the Company, or committees of the Company, Manager or Members, or by any other Person (including, without limitation, legal counsel and public accountants) as to matters that the Manager, Member, Liquidator or officer reasonably believes are within such other Person's professional or expert competence, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, Net Income or Net Losses of the Company, or the value and amount of assets or reserves or contracts, agreements or other undertakings that would be sufficient to pay claims and obligations of the Company or to make reasonable provision to pay such claims and obligations, or any other facts pertinent to the existence and amount of assets from which distributions to Members or creditors might properly be paid.

4.15 Indemnification

(a) Indemnification Rights. The Company shall indemnify and hold harmless each Indemnitee from and against any and all losses, claims, demands, costs, damages, liabilities, expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements (whether on an individual or joint and several basis) and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative, arbitral or investigative, in which the Indemnitee was involved or may be involved, or threatened to be involved, as a party or otherwise, arising out of or in connection with the business of the Company, this Agreement, any Person's status as a Manager, Member or officer of the Company or any action taken by any Manager, Member or officer of the Company or under this Agreement or otherwise on behalf of the Company (collectively, "**Liabilities**"),

regardless of whether the Indemnitee continues to be a Manager, Member or officer of the Company, or an Affiliate, officer, director, employee, trustee, member or partner or agent of a Manager, Member or officer of the Company, to the fullest extent permitted by the LLC Act and all other applicable laws; provided that an Indemnitee shall be entitled to indemnification hereunder only to the extent that such Indemnitee's conduct did not result from gross negligence or willful misconduct. The termination of any proceeding by settlement, judgment order, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that such Indemnitee's conduct resulted from gross negligence or willful misconduct.

(b) Expenses. Expenses incurred by an Indemnitee in defending against any Liability or potential Liability subject to this Section 4.15 shall, from time to time, be advanced by the Company prior to the final disposition of such Liability upon receipt by the Company of an undertaking reasonably acceptable in form and substance to the Manager by or on behalf of the Indemnitee to repay such amount if it shall be determined that such Person is not entitled to be indemnified as authorized in this Section 4.15.

(c) Indemnification Rights Non-Exclusive; Rights of Indemnified Parties. The indemnification provided by this Section 4.15 shall be in addition to any other rights to which those indemnified may be entitled under any agreement, by a Majority Member Vote, as a matter of law or equity, or otherwise. Such indemnification shall continue with respect to an Indemnitee even though it has ceased to serve in any particular capacity and shall inure to the benefit of its heirs, executors, successors, assigns and other legal representatives.

(d) Assets of the Company. Any indemnification under this Section 4.15 shall be satisfied solely out of the assets of the Company, and no Member shall be subject to personal liability or required to fund or cause to be funded any obligation by reason of these indemnification provisions.

(e) Other Liability Insurance. The Company may purchase and maintain insurance, at the Company's expense, on behalf of such Persons as the Manager shall reasonably determine, against any liability that may be asserted against, or any expense that may be incurred by, such Person in connection with the activities of the Company and its Subsidiaries or Affiliates regardless of whether the Company would have the obligation to indemnify such Person against such liability under the provisions of this Agreement.

4.16 Title to Assets. Unless specifically licensed or leased to the Company, title to the assets of the Company, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Company as an entity, and no Members, individually or collectively, shall have any ownership interest in such assets (other than licensed or leased assets) or any portion thereof.

ARTICLE 5

CAPITAL CONTRIBUTIONS; DISTRIBUTIONS

5.1 Capital Contributions.

(a) The AMC Founding Member, as the successor to NCN, and the Regal Founding Member have made their required Capital Contributions to the Company as set forth in the Contribution and Unit Holders Agreement, Cinemark Media has made its required Capital Contribution to the Company as set forth in the Contribution Agreement and NCM Inc. has made its required Capital Contribution to the Company as set forth in the Subscription Agreement. Except as provided in Sections 3.5(b), 3.5(c), 5.1(b) and otherwise in this Agreement, no Member shall be required to make any other capital contribution to, or provide credit support for, the Company.

(b) In addition to the Capital Contributions that NCM Inc. has made as provided in Section 5.1(a), NCM Inc. shall make the following additional Capital Contributions to the Company:

(i) On or before the due date of the Company's obligation to make a payment under Section 3.02(a) of the Tax Receivable Agreement, NCM Inc. shall contribute to the Company an amount equal to any ESA-Related Tax Benefit Payment; and

(ii) On or before the due date of the Company's obligation to make a payment under Section 3.02(b) of the Tax Receivable Agreement, NCM Inc. shall contribute to the Company an amount equal to any increase in any ESA-Related Tax Benefit Payment.

(c) Except as provided in Article 9 of this Agreement, no Member shall be entitled to withdraw, or demand the return of, any part its Capital Contributions or Capital Account. No Member shall be entitled to interest on or with respect to any Capital Contribution or Capital Account.

(d) Except as otherwise provided in this Agreement, no Person shall have any preemptive, preferential or similar right to subscribe for or to acquire any Units.

5.2 Loans from Members. Loans by Members to the Company shall not be considered contributions to the capital of the Company hereunder. If any Member shall advance funds to the Company in excess of the amounts required to be contributed to the capital of the Company, the making of such advances shall not result in any increase in the amount of the Capital Account of such Member and shall be payable or collectible in accordance with the terms and conditions upon which advances are made; provided that the terms of any such loan shall not be less favorable to the Company, taken as a whole, than would be available to the Company from unrelated lenders and such loan shall be approved by the Manager (or a Majority Member Vote in the event the Manager is making the loan to the Company).

5.3 Loans from Third Parties. The Company may incur Indebtedness, or enter into other similar credit, guarantee, financing or refinancing arrangements for any purpose with any Person upon such terms as the Manager determines appropriate; provided that the Company shall

not incur any Indebtedness that is recourse to any Member, except to the extent otherwise agreed to in writing by the applicable Member in its sole discretion.

5.4 Distributions. Except as provided in Section 3.5(c)(ii), all distributions made by the Company, if any, shall be made in accordance with this Section 5.4.

(a) Nonliquidating Distributions. The Manager will cause the Company to make distributions of Available Cash in the following manner:

(i) Within [_____] Business Days following the last day of each Fiscal Period, the Company shall make a distribution in an amount equal to the Company's Available Cash as of the last day of such Fiscal Period.

(ii) Except as provided in Section 5.4(b), all distributions shall be made among the Members pro rata in accordance with their Percentage Interests; provided that if (i) the Company is in default under any Funded Indebtedness, (ii) the distribution of Available Cash would cause the Company to default under any Funded Indebtedness, or (iii) restrictions imposed on the Company's funds pursuant to any Funded Indebtedness, cause the product of (x) Available Cash times NCM Inc.'s Percentage interest, to be less than the sum of (y) the product of the Tax Distribution Amount times NCM Inc.'s Percentage Interest, plus (z) the Tax Receivable Distribution Amount, then the Company shall distribute the Tax Distribution Amount among the Members pro rata in accordance with their Percentage Interests and distribute the Tax Receivable Distribution Amount to NCM Inc.

(b) Liquidating Distributions. All distributions made in connection with the sale, exchange or other disposition of all or substantially all of the Company's assets, or with respect to the winding up and liquidation of the Company, shall be made among the Members in accordance with Section 5.4(a)(ii).

(c) Sole Discretion of the Manager. Except as specified in Sections 4.3, 5.4(a), 5.4(b) or 7.3, (i) the Company shall have no obligation to distribute any cash or other property of the Company to the Members, (ii) the Manager shall have sole discretion in determining whether to distribute any cash or other property of the Company, when available, and in determining the timing, kind and amount of any and all distributions, and (iii) no Member is entitled to receive any distribution unless and until declared by the Manager.

(d) Distributions in Kind. No Member has any right to demand or receive property other than cash. However, the Manager may, in its sole discretion, elect to make distributions, entirely or in part, in property of the Company other than cash. Property distributed in kind shall be deemed to have been sold for their valuation determined in accordance with Section 5.5.

(e) Limitations on Distributions. Notwithstanding anything in this Agreement to the contrary, no distribution shall be made in violation of the LLC Act.

(f) Exculpation. The Members hereby consent and agree that, except as expressly provided herein or required by applicable law and except for distributions not made in compliance with this Agreement, no Member shall have an obligation to return cash or other

property paid or distributed to such Member by the Company, whether such obligation would have arisen under § 18-502(b) of the LLC Act or otherwise.

5.5 Valuation. All valuation determinations to be made under this Agreement shall be made pursuant to the terms of this Section, which determinations shall be conclusive and binding on the Company, all Members, former Members, their successors, assigns, legal representatives and any other Person, except for computational errors or fraud, and to the fullest extent permitted by law, no such Person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto except for computational errors or fraud. Valuations shall be determined by a reasonable method of valuation determined by the Manager, which may include an independent appraisal, a reasonable estimate by the Manager or some other reasonable method of valuation. Distributions of property in kind shall be valued at fair market value; provided that any valuation under this Section shall be determined by an independent appraiser selected by the Manager if so requested by any Founding Member.

ARTICLE 6

BOOKS AND RECORDS; TAX; CAPITAL ACCOUNTS; ALLOCATIONS

6.1 General Accounting Matters.

(a) Allocations of Net Income or Net Loss pursuant to Section 6.4 shall be made at the end of each Fiscal Period, at such times as the Carrying Value of Company assets is adjusted pursuant to the definition thereof and at such other times as required by this Agreement.

(b) Each Member shall be supplied with the information of the Company necessary to enable such Member to prepare in a timely manner (and in any event within 120 days after the end of the Company Fiscal Year) its federal, state and local income tax returns and such other financial or other statements and reports that the Manager deems appropriate.

(c) The Manager shall keep or cause to be kept books and records pertaining to the Company's business showing all of its assets and liabilities, receipts and disbursements, Net Income and Net Losses, Members' Capital Accounts and all transactions entered into by the Company. Such books and records of the Company shall be kept at the office of the Company and the Members and their representatives shall at all reasonable times have free access thereto for the purpose of inspecting or copying the same.

(d) The Company's books of account shall be kept on an accrual basis or as otherwise provided by the Manager and otherwise in accordance with GAAP, except that for income tax purposes such books shall be kept in accordance with applicable tax accounting principles.

(e) The Company shall, and shall cause each of its Subsidiaries to, (i) maintain accurate books and records reflecting its assets and liabilities and maintain proper and adequate "internal control over financial reporting" (as such term is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act, and as such rules may be amended and supplemented from time to time); and (ii) deliver to any Member, immediately upon request, certifications and statements with respect to the Company and its Subsidiaries satisfying the

requirements of Rule 13a-l4(a) or 15d-14(a) under the Exchange Act, and 18 U.S.C. § 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).

(f) Subject to the confidentiality provisions of this Agreement, the Company will permit representatives of a Member and its Affiliates, at their expense, to obtain all books and accounts, documents and other information (other than documents and information relating to pricing or other proprietary information of any Member or its Affiliates collected pursuant to any Exhibitor Services Agreement) in the possession of the Company and its Subsidiaries, if any, as may reasonably be requested in order to enable such Member to monitor its investment in the Company and to exercise its rights under this Agreement and, to the extent applicable, to provide such other access and information as may be reasonably required to enable such Member to account for the investment in the Company and otherwise comply with the requirements of applicable laws, generally accepted accounting principles and requirements of any Governmental Authority.

6.2 Certain Tax Matters. The Company shall make the TEFRA Election for all taxable years of the Company. The "tax matters partner" for purposes of Section 6231(a)(7) of the Code shall be NCM Inc. (the "**Tax Matters Member**"). The Tax Matters Member shall have all the rights, duties, powers and obligations provided for in Sections 6221 through 6232 of the Code with respect to the Company. The Tax Matters Member shall inform each other Member of all significant matters that may come to its attention in its capacity as such by giving notice thereof within ten days after becoming aware thereof and, within such time, shall forward to each other Member copies of all significant written communications it may receive in such capacity. This provision is not intended to authorize the Tax Matters Member to take any action left to the determination of an individual Member under Sections 6222 through 6231 of the Code.

6.3 Capital Accounts.

(a) The Company shall maintain for each Member on the books of the Company a capital account (a "**Capital Account**"). Each Member's Capital Account shall be maintained in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv) and the provisions of this Agreement.

(b) The Capital Account of a Member shall be credited with the amount of all Capital Contributions by such Member to the Company. The Capital Account of a Member shall be increased by the amount of any Net Income (or items of gross income) allocated to such Member pursuant to this Article 6, and decreased by (i) the amount of any Net Loss (or items of loss or deduction) allocated to such Member pursuant to this Article 6 and (ii) the amount of any cash distributed to such Member and (iii) the fair market value of any asset distributed in kind to such Member (net of all liabilities secured by such asset that such Member is considered to assume or take subject to under Section 752 of the Code). The Capital Account of the Member also shall be adjusted appropriately to reflect any other adjustment required pursuant to Treasury Regulations Section 1.704-1 or 1.704-2.

(c) In the event that any Interest in the Company is Transferred, the transferee of such Interest shall succeed to the portion of the transferor's Capital Account attributable to such Interest.

(d) For purposes of this Article 6, the Manager may apply any reasonable convention in determining the date during the same month on which any Member is admitted to the Company.

6.4 Allocations.

(a) General. Except as provided in Section 6.4(b) and as otherwise provided in this Agreement, Net Income and Net Loss, and, to the extent necessary, individual items of Company income, gain, loss and deduction, shall be allocated to the Members in such amounts, to the maximum extent possible, to make the Adjusted Capital Account Balances of the Members (after the application of this Section 6.4(a)) to be in proportion to the Members' Percentage Interests.

(b) Special Allocations.

(i) Qualified Income Offset. If any Member receives an unexpected adjustment, allocation, or distribution described in Section l.704-l(b)(2)(ii)(d)(4-6) of the Treasury Regulations in any Fiscal Year or other period which would cause such Member to have a deficit Adjusted Capital Account Balance as of the end of such Fiscal Year or other period, items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income and gain) shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the deficit in such Member's Adjusted Capital Account Balance as quickly as possible. This Section 6.4(b)(i) is intended to comply with the qualified income offset provision in Section l.704-l(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently therewith.

(ii) Gross Income Allocation. If any Member would otherwise have a deficit Adjusted Capital Account Balance as of the last day of any Fiscal Year or other period, individual items of income and gain of the Company shall be specifically allocated to such Member (in the manner specified in Section 6.4(b)(i)) so as to eliminate such deficit as quickly as possible.

(iii) Partnership Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain during a Fiscal Year or other period, each Member shall be allocated items of Company gross income and gain for such Fiscal Year or other period (and, if necessary, or subsequent Fiscal Years or periods) in proportion to, and to the extent of, such Member's share of such net decrease, except to the extent such allocation would not be required by Section 1.704-2(f) of the Treasury Regulations. The amounts referred to in this Section 6.4(b)(iii), and the items to be so allocated shall be determined in accordance with Section 1.704-2 of the Treasury Regulations. This Section 6.4(b)(iii) is intended to constitute a "minimum gain chargeback" provision as described in Section 1.704-2(f) or 1.704-2(j)(2) of the Treasury Regulations and shall be interpreted consistently therewith.

(iv) Partner Nonrecourse Debt Minimum Gain Chargeback. If there is a net decrease in Partner Nonrecourse Debt Minimum Gain during a Fiscal Year or other period, then each Member shall be allocated items of Company gross income or gain equal to such Member's share of such net decrease, except to the extent such allocation would not be required under Section l.704-2(i)(4) or 1.704-2(j)(2) of the Treasury Regulations. The amounts referred to in this Section 6.4(b)(iv) and the items to be so allocated shall be determined in accordance with Section 1.704-2 of the Treasury Regulations. This Section 6.4(b)(iv) is intended to comply with the minimum gain chargeback requirement contained in Section 1.704-2(i)(4) of the Treasury Regulations and shall be interpreted consistently therewith.

(v) Limitations on Net Loss Allocations. With respect to any Member, notwithstanding the provisions of Section 6.4(a), the amount of Net Loss for any Fiscal Year or other period that would otherwise be allocated to a Member under Section 6.4(a) shall not cause or increase a deficit Adjusted Capital Account Balance. Any Net Loss in excess of the limitation set forth in this Section 6.4(b)(v) shall be allocated among the Members, pro rata, to the extent each, respectively, is liable or exposed with respect to any debt or other obligations of the Company.

(vi) Partner Nonrecourse Deductions. Partner nonrecourse Deductions for any Fiscal Year or other period shall be specifically allocated to the Members who bear the economic risk of loss with respect to Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Section 1.704-2(i)(1) of the Treasury Regulations.

(vii) Nonrecourse Deductions. Nonrecourse Deductions (as described in Section 1.704-2(b) of the Treasury Regulations) for any Fiscal Year shall be allocated to the Founding Members in accordance with their relative Percentage Interests.

(viii) Excess Nonrecourse Liabilities. If the built-in gain in Company assets subject to Nonrecourse Debts exceeds the gain described in Section 1.752-3(a)(2) of the Treasury Regulations, the Excess Nonrecourse Liabilities shall be allocated (i) first, among the Founding Members up to the amount of built-in gain that is allocable to the Founding Members on Section 704(c) Property, (ii) second, among the Members other than the Founding Members up to the amount of built-in gain that is allocable to such other Members on Section 704(c) Property, and (iii) last, any remaining Excess Nonrecourse Liabilities shall be allocated among the Members in accordance with their relative Percentage Interests.

(ix) Ordering Rules. Anything contained in this Agreement to the contrary notwithstanding, allocations for any Fiscal Period or other period of Nonrecourse Deductions or Partner Nonrecourse Deductions, or of items required to be allocated pursuant to the minimum gain chargeback requirements contained in Sections 6.4(b)(iii) and 6.4(b)(iv), shall be made before any other allocations hereunder.

(x) Special Allocation. If, for federal income tax purposes, the Company is deemed to have made a deductible payment to a Member that is not actually paid, then notwithstanding Section 6.4(a), the deduction attributable to such payment shall be specially allocated to such Member.

(c) Curative Provisions. The allocations set forth in Section 6.4(b)(i)-(viii) (the "**Regulatory Allocations**") are intended to comply with certain requirements of Section 1.704-1(b) and 1.704-2 of the Treasury Regulations. The Regulatory Allocations may not be consistent with the manner in which the Members intend to allocate Net Income and Net Loss or make Company contributions. Accordingly, notwithstanding the other provisions of this Agreement, but subject to the Regulatory Allocations, Members shall reallocate items of income, gain, deductions and loss among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Members to be in the amounts (or as close thereto as possible) they would have been if Net Income and Net Loss (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this will be accomplished by specially allocating other Net Income and Net Loss (and such other items of income, gain, deduction and loss) among the Members so that the net amount of the Regulatory Allocations and such special allocations to each such Member is zero. In addition, if in any Fiscal Year or other period there is a decrease in Partnership Minimum Gain, or in Partner Nonrecourse Debt Minimum Gain, and application of the minimum gain chargeback requirements set forth in this Section 6.4 would cause a distortion in the economic arrangement among the Members, the Members may, if they do not expect that the Company will have sufficient other income to correct such distortion, request the Internal Revenue Service to waive either or both of such minimum gain chargeback requirements. If such request is granted, this Agreement shall be applied in such instance as if it did not contain such minimum gain chargeback requirements.

6.5 Allocations of Net Income and Net Losses for Federal Income Tax Purposes. The Company's ordinary income and losses and capital gains and losses as determined for federal income tax purposes (and each item of income, gain, loss or deduction entering into the computation thereof) shall be allocated to the Members in the same proportions as the corresponding "book" items are allocated pursuant to Section 6.4 of this Agreement. Notwithstanding the foregoing sentence, federal income tax items relating to any Section 704(c) Property shall be allocated among the Members in accordance with Section 704(c) of the Code and Treasury Regulations Section 1.704-1(b)(2)(iv)(g) to take into account the difference between the fair market value and the tax basis of such Section 704(c) Property using any method approved by the Manager and prescribed under Treasury Regulations corresponding to Section 704(c) of the Code. Items described in this Section 6.5 shall neither be credited nor charged to the Members' Capital Accounts.

6.6 Elections. Except as otherwise expressly provided herein, all elections required or permitted to be made by the Company under the Code or other applicable tax law, and all decisions with respect to the calculation of its taxable income or tax loss under the Code or other applicable tax law, shall be made in such manner as may be reasonably determined by the Manager; provided that the Company shall make (i) the election to amortize organizational expenses pursuant to Section 709 of the Code and the regulations promulgated thereunder, and (ii) the TEFRA Election as provided in Section 6.2.

6.7 Tax Year. The taxable year of the Company shall be the same as its Fiscal Year.

6.8 Withholding Requirements. Notwithstanding any provision herein to the contrary, the Manager is authorized to take any and all actions that it determines to be necessary

or appropriate to insure that the Company satisfies any and all withholding and tax payment obligations under Section 1441, 1445, 1446 or any other provision of the Code or other applicable law. Without limiting the generality of the foregoing, the Manager may withhold from distributions the amount that it determines is required to be withheld from the amount otherwise distributable to any Member pursuant to Article 5; provided, however, that such amount shall be deemed to have been distributed to such Member for purposes of applying Article 5 and this Article 6. The Manager will not withhold any amounts from cash or other property distributable to any Member to satisfy any withholding and tax payment obligations to the extent that such Member demonstrates to the Manager's satisfaction that such Member is not subject to such withholding and tax payment obligation. In the event that the Manager withholds or pays tax in respect of any Member for any period in excess of the amount of cash or other property otherwise distributable to such Member for such period (or there is a determination by any taxing authority that the Company should have withheld or paid any tax for any period in excess of the tax, if any, that it actually withheld or paid for such period), such excess amount (or such additional amount) shall be treated as a recourse loan to such Member that shall bear interest at the rate of ten percent per annum and be payable on demand.

6.9 Reports to Members.

(a) The books of account and records of the Company shall be audited as of the end of each Fiscal Year by the Company's independent public accountants.

(b) Within 25 days after the end of each Fiscal Period of each Fiscal Year of the Company, the Company shall send to each Person who was a Member during such period an unaudited report setting forth the following as of the end of such Fiscal Period:

(i) unless such Fiscal Period is the last Fiscal Period of the Fiscal Year, an unaudited balance sheet as of the end of such period;

(ii) unless such Fiscal Period is the last Fiscal Period of the Fiscal Year, an unaudited income statement of the Company for such period;

(iii) a statement of each Member's Capital Account;

(iv) a summary of the Company's activities during such period; and

(v) a cash flow statement.

(c) Within 60 days after the end of each Fiscal Year of the Company, the Company shall send to each Person who was a Member during such period an audited report setting forth the following as of the end of such Fiscal Year:

(i) an audited balance sheet as of the end of such Fiscal Year;

(ii) an audited income statement of the Company for such Fiscal Year;

(iii) a statement of each Member's Capital Account; and

(iv) a cash flow statement.

(d) The Company shall provide each Member with monthly "flash reports."

(e) With reasonable promptness, the Manager will deliver such other information available to the Manager, including financial statements and computations, as any Member may from time to time reasonably request in order to comply with regulatory requirements, including reporting requirements, to which such Member is subject.

6.10 Auditors. The auditors of the Company shall be Deloitte & Touche LLP, unless otherwise determined by the Manager.

6.11 Transfers During Year. In order to avoid an interim closing of the Company's books, the allocation of Net Income and Net Losses under this Article 6 between a Member who Transfers part or all of its Interest in the Company during the Company's Fiscal Year and such Member's transferee, or to a Member whose Percentage Interest varies during the course of the Company's Fiscal Year, may be determined pursuant to any method chosen by the Manager.

6.12 Code Section 754 Election. Pursuant to the Tax Receivable Agreement, the Company shall make the election provided for under Code Section 754.

ARTICLE 7

DISSOLUTION

7.1 Dissolution.

(a) The Company shall be dissolved and subsequently terminated upon the occurrence of the first of the following events:

(i) the unanimous decision of the Members that then hold Common Units to dissolve the Company; or

(ii) the entry of a decree of judicial dissolution of the Company pursuant to Section 18-802 of the LLC Act.

(b) Upon the occurrence of any event that causes the last remaining Member of the Company to cease to be a Member of the Company (other than upon continuation of the Company without dissolution upon an assignment by the Member of all of its Interest in the Company and the admission of the transferee as a Member pursuant to Section 8.2), to the fullest extent permitted by law, the personal representative of such Member is hereby authorized to, and shall, within 90 days after the occurrence of the event that terminated the continued membership of such Member in the Company, agree in writing (i) to continue the Company and (ii) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute Member of the Company, effective as of the occurrence of the event that terminated the continued membership of such Member in the Company.

(c) Notwithstanding any other provision of this Agreement, the bankruptcy of a Member shall not cause the Member to cease to be a Member of the Company and upon the occurrence of such an event, the Company shall continue without dissolution.

7.2 Winding-Up. When the Company is dissolved, the business and property of the Company shall be wound up in an orderly manner by the Manager or by a liquidating trustee as may be appointed by the Manager (the Manager or such liquidating trustee, as the case may be, the "**Liquidator**"). If the Members are unable to agree with respect to the distribution of any Company assets, then the Liquidator shall use its reasonable best efforts to reduce to cash and Cash Equivalents such assets of the Company as the Liquidator shall deem it advisable to sell, subject to obtaining fair market value for such assets and any tax or other legal considerations. No Member shall take any action (with respect to the Company) that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs.

7.3 Final Distribution.

(a) As soon as reasonable following the event that caused the dissolution of the Company, the assets of the Company shall be distributed in the following manner and order:

(i) to pay the expenses of the winding-up, liquidation and dissolution of the Company, and all creditors of the Company, other than Members, either by actual payment or by making a reasonable provision therefor, in the manner, and in the order of priority, set forth in § 18-804 of the LLC Act;

(ii) to pay, in accordance with the provisions of this Agreement, on a pro rata basis, the debts payable to all creditors of the Company that are Members, either by actual payment or by making a reasonable provision therefor; and

(iii) to distribute the remaining assets of the Company to the Members in accordance with Section 5.4(b), taking into account all adjustments to Capital Accounts or offsets required under this Agreement through the date of distribution.

(b) If any Member has a deficit balance in its Capital Account in excess of any unpaid Capital Contributions (if any), such Member shall have no obligation to make any Capital Contribution to the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever.

(c) Each Member shall look solely to the assets of the Company for the amounts distributable to it hereunder and shall have no right or power to demand or receive property therefor from any other Member.

(d) The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company shall have been distributed to the Member in the manner provided for in this Agreement, and (ii) the Certificate shall have been canceled in the manner required by the LLC Act.

ARTICLE 8

TRANSFER; SUBSTITUTION; ADJUSTMENTS

8.1 Restrictions on Transfer.

(a) Notwithstanding anything contained herein to the contrary, each Member may, subject to Section 8.1(b), Transfer any or all of its Units. It is a condition to any Transfer by a Member (the "**Transferring Member**") otherwise permitted hereunder that the transferee (i) agrees to become a party to, and be bound by the terms of, this Agreement to the same extent as the Transferring Member, and (ii) assumes by operation of law or express agreement all of the obligations of the Transferring Member under this Agreement or to which such Transferring Member is a party with respect to such Transferred Units or other Equity Interests in the Company. Notwithstanding the foregoing, any transferee of any Transferred Units or other Equity Interests in the Company shall be subject to any and all ownership limitations contained in this Agreement or any other agreement with the Company to which such Transferring Member is a party. Any transferee, whether or not admitted as a Member, shall take subject to the obligations of the transferor hereunder.

(b) In addition to any other restrictions on Transfer herein contained, including, without limitation, the provisions of this Article 8, any purported Transfer or assignment of a Unit or other Equity Interests in the Company by any Member made in the following events shall be void ab initio:

(i) to any Person who lacks the legal right, power or capacity to own Units;

(ii) if such Transfer would cause the Company to become, with respect to any employee benefit plan subject to Title I of ERISA, a "party-in-interest" (as defined in Section 3(14) of ERISA) or a "disqualified person" (as defined in Section 4975(c) of the Code);

(iii) if such Transfer would, in the opinion of counsel to the Company, cause any portion of the assets of the Company to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.3-101;

(iv) if such Transfer requires the registration of such Units pursuant to any applicable federal, state or foreign securities laws or would otherwise violate any federal, state or foreign securities laws or regulations applicable to the Company or the Units;

(v) if such Transfer is effectuated through an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code or such Transfer would result in a materially increased risk that the Company would he treated as a "publicly traded partnership," as such term is defined in Sections 469(k)(2) or 7704(b) of the Code;

(vi) if such Transfer subjects the Company to be regulated under the Investment Company Act of 1940, the Investment Advisors Act of 1940 or ERISA, each as amended;

(vii) if such Transfer may cause the Company to cease to be classified as a partnership for federal or state income tax purposes;

(viii) if such Transfer violates any applicable laws; or

(ix) if the Company does not receive written instruments (including without limitation, copies of any instruments of Transfer and such assignee's consent to be bound by this Agreement as an assignee) that are in a form satisfactory to the Manager (in its sole and absolute discretion).

8.2 Substituted Members.

(a) No Member shall have the right to substitute a transferee as a Member in his or her place with respect to any Units or other Equity Interests in the Company so Transferred (including any transferee permitted by Section 8.1) unless (i) such Transfer is made in compliance with the terms of this Agreement and any other agreements with the Company or other Members to which such transferor Member is a party and (ii) such transferee assumes, by written instrument satisfactory to the Company pursuant to Section 8.l(b)(ix) above, all the rights and powers and is subject to all the restrictions and liabilities that were applicable to the transferor by virtue of the transferor's ownership of the Units or other Equity Interests in the Company being Transferred.

(b) Except as provided in Section 8.2(c) and otherwise in this Agreement, a transferee who has been admitted as a Member in accordance with Section 8.2(a) shall have all the rights and powers and be subject to all the restrictions and liabilities of a Member under this Agreement holding the same Units or other Equity Interests in the Company. The admission of any transferee as a Member shall be subject to the provisions of Section 3.1.

(c) In the event of a Transfer by a Founding Member, the transferee shall not have the rights and powers of a Founding Member under this Agreement unless (i) the transferee is a Permitted Transferee of the Founding Member following the Transfer, or (ii) in the case of a direct or indirect Change of Control of the Founding Member, or any direct or indirect holder of equity in the Founding Member, the transferee is Controlled by the Founding Member's Ultimate Parent or its stockholders following the Transfer.

8.3 Effect of Void Transfers. No Transfer of any Units owned by a Member in violation hereof shall be made or recorded on the books of the Company, and any such purported Transfer shall be void and of no effect.

ARTICLE 9

REDEMPTION RIGHT OF MEMBER

9.1 Redemption Right of a Member.

(a) Each Member (other than NCM Inc.) shall be entitled to cause the Company to redeem its Common Units (the "**Redemption Right**") from time-to-time. A Member desiring to exercise its Redemption Right (the "**Redeeming Member**") shall exercise

such right by giving written notice (the "**Redemption Notice**") to the Company (with a copy to NCM Inc.). The Redemption Notice shall specify the number of Common Units (the "**Redeemed Units**") that the Redeeming Member intends to have the Company redeem and a date, which is not less than seven (7) Business Days nor more than 10 Business Days after delivery of the Redemption Notice, on which exercise of the Redemption Right shall be completed (the "**Redemption Date**"). Unless the Redeeming Member has timely delivered a Retraction Notice as provided in Section 9.1(b), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) the Redeeming Member shall transfer and surrender the Redeemed Units to the Company, free and clear of all liens and encumbrances, and (ii) the Company shall (x) cancel the Redeemed Units, (y) transfer to the Redeeming Member the consideration to which the Redeeming Member is entitled under Section 9.1(b), and (z) issue to the Redeeming Member pursuant to Section 3.4(g) a certificate for a number of Common Units equal to the difference (if any) between the number of Common Units evidenced by the certificate surrendered by the Redeeming Member pursuant to clause (i) of this Section 9.1(a) and the Redeemed Units.

(b) In exercising its Redemption Right, a Redeeming Member, at NCM Inc.'s option as provided in Section 3.5(b) and subject to Section 9.1(d), shall be entitled to receive the Share Settlement or the Cash Settlement. Within three (3) Business Days of delivery of the Redemption Notice, NCM Inc. shall give written notice (the "**Contribution Notice**") to the Company (with a copy to the Redeeming Member) of its intended settlement method; provided that if NCM Inc. does not timely deliver a Contribution Notice, NCM Inc. shall be deemed to have elected the Share Settlement method. If NCM Inc. elects the Cash Settlement, the Redeeming Member may retract its Redemption Notice by giving written notice (the "**Retraction Notice**") to the Company (with a copy to NCM Inc.) within two (2) Business Days of delivery of the Contribution Notice. The timely delivery of a Retraction Notice shall terminate all of the Redeeming Member's, Company's and NCM Inc.'s rights and obligations under this Section 9.1 arising from the Redemption Notice.

(c) The number of shares of NCM Inc. common stock and the Redeemed Unit Equivalent that a Redeeming Member is entitled to receive under Section 9.1(b) (whether through a Share Settlement or Cash Settlement) shall not be adjusted on account of any distributions previously made with respect to the Redeemed Units or dividends previously paid with respect to NCM Inc. common stock; provided, however, that if a Redeeming Member causes the Company to redeem Redeemed Units and the Redemption Date occurs subsequent to the record date for any distribution with respect to the Redeemed Units but prior to payment of such distribution, the Redeeming Member shall be entitled to receive such distribution with respect to the Redeemed Units on the date that it is made notwithstanding that the Redeeming Member transferred and surrendered the Redeemed Units to the Company prior to such date.

(d) In the event of a reclassification or other similar transaction as a result of which the shares of NCM Inc. common stock are converted into another security, then in exercising it Redemption Right a Redeeming Member shall be entitled to receive the amount of such security that the Redeeming Member would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date of such reclassification or other similar transaction.

(e) The provisions of this Section 9.1 and Section 3.5(b) shall be interpreted and applied in a manner consistent with the corresponding provisions of NCM Inc.'s certificate of incorporation.

9.2 Effect of Exercise of Redemption Right. This Agreement shall continue notwithstanding the exercise of a Redeeming Member's Redemption Right and all governance or other rights set forth herein shall be exercised by the remaining Members and the Redeeming Member (to the extent of such Redeeming Member's remaining Interest in the Company). No exercise of a Redeeming Member's Redemption Right shall relieve such Redeeming Member of any prior breach of this Agreement. Notwithstanding the exercise of a Redeeming Member's Redemption Right, the Exhibitor Services Agreement executed between such Redeeming Member's Affiliate (if such Redeeming Member is a Founding Member) and the Company shall remain in full force and effect in accordance with the terms of such Exhibitor Services Agreement. The Redeeming Member (if a Founding Member) and its Affiliates shall retain all ownership and rights with respect to its theatres and other assets that are not Contributed Assets (as defined in Section 2.5 of the Contribution and Unit Holders Agreement). All Contributed Assets of such Member shall remain the sole and exclusive property of the Company.

ARTICLE 10

MISCELLANEOUS

10.1 Agreement to Cooperate; Further Assurances. In case at any time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and Managers of the Company and each Member and their respective Affiliates shall execute such further documents (including assignments, acknowledgments and consents and other instruments of Transfer) and shall take such further action as shall be necessary or desirable to effect such Transfer and to otherwise carry out the purposes of this Agreement, in each case to the extent not inconsistent with applicable law.

10.2 Amendments. Except as otherwise expressly provided in this Agreement (including as provided in Section 4.3(b)(v)), amendments to this Agreement shall require a Majority Member Vote; provided, however, that (i) this Agreement may not be amended so as to materially impair the voting power or economic rights of any outstanding Common Units in relation to any other outstanding Units or of any Member in relation to the other Members, in either case, without the consent of each Member and the holders representing a majority of the then issued and outstanding Units or the affected Member, as the case may be, and (ii) Article 8 may only be amended with the approval of the Manager and a Majority Member Vote.

10.3 Confidentiality. For a period of three years after the earlier of (x) the dissolution of the Company and the termination of this Agreement or (y) the date upon which such Member ceases to be a Member of the Company:

(a) (i) Each Member shall use and cause its Affiliates to use the same degree of care it uses to safeguard its own Confidential Information (as defined below) and to cause its and its Affiliates' directors, officers, employees, agents and representatives to keep

confidential all Confidential Information, including but not limited to Intellectual Property and other Proprietary Information of the other Members and the Company, and

(ii) Each Member shall hold and shall cause its Affiliates to hold and shall cause its and its Affiliates' directors, officers, employees, agents and representatives to hold in confidence, unless compelled to disclose by judicial or administrative process or, in the opinion of counsel, by the requirements of law, all documents and information concerning any other party hereto furnished it by such other party or its representatives in connection with the transactions contemplated by this Agreement (together with the information referred to in clause (i) above, the "**Confidential Information**")), except to the extent that any such information can be shown to have been (A) previously known by the party to which it is furnished lawfully and without breaching or having breached an obligation of such party or the disclosing party to keep such documents and information confidential, (B) in the public domain through no fault of the disclosing party, or (C) independently developed by the disclosing party without using or having used the Confidential Information.

(b) Each Member agrees that the Confidential Information of the Company shall only be disclosed in secrecy and confidence, and is to be maintained by them in secrecy and confidence subject to the terms hereof Each Member shall (i) not, directly or indirectly, use the Confidential Information of the Company, except as necessary in the ordinary course of the Company's business, or disclose the Confidential Information of the Company to any third party and (ii) inform all of its employees to whom the Confidential Information of the Company is entrusted or exposed of the requirements of this Section and of their obligations relating thereto.

(c) The Company shall preserve the confidentiality of all Confidential Information supplied by the Members and their Affiliates ("**Member Information**") to the same extent that a Member must preserve the confidentiality of Confidential Information pursuant to Sections 10.3(a) and (b).

(d) Member Information shall not be supplied by the Company or its Subsidiaries to any Person who is not an employee of the Company, including any employee of a Member or any Manager who is not an employee of the Company. Notwithstanding the foregoing, Member Information may be disclosed to authorized third-party contractors of the Company if the Company determines that such disclosure is reasonably necessary to further the business of the Company, and if such contractor executes a non-disclosure agreement preventing such contractor from disclosing such Member Information for the benefit of each provider of Member Information in a form reasonably acceptable to the Founding Members. Member Information disclosed by any Member to the Company shall not be shared with any other Member without the disclosing Member's written consent.

10.4 Injunctive Relief. The Company and each Member acknowledge and agree that a violation of any of the terms of this Agreement will cause the other Members and the Company, as the case may be, irreparable injury for which an adequate remedy at law is not available. Accordingly, it is agreed that each of the Members and the Company will be entitled to an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction, in addition to any other remedy to which they may be entitled at law or,

equity. Nothing stated herein shall limit any other remedies provided under this Agreement or available to the parties at law or in equity.

10.5 Successors, Assigns and Transferees. The provisions of this Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective successors and Permitted Transferees, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including but not limited to any creditor of the Company or its Subsidiaries, any right, benefit, or remedy of any nature by reason of this Agreement. An assignment of the rights, interests or obligations hereunder, including but not limited to an assignment by operation of law, shall be null and void unless a provision of this Agreement specifically provides otherwise or the Company gives its prior written consent therefor.

10.6 Notices. All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall 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. Notices to the Company or any Member shall be delivered to the Company or such Member as set forth in Exhibit A, as it may be revised from time to time. Any party to this Agreement may change its address or fax number 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 10.6.

10.7 Integration. This Agreement, together with the other Joint Venture Agreements and the documents referred to herein or therein, or delivered pursuant hereto or thereto, contain the exclusive entire and final understanding of the parties with respect to the subject matter hereof and thereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof and thereof other than those expressly set forth herein and therein. Except as expressly set forth herein, this Agreement together with the other Joint Venture Agreements supersede all other prior agreements, discussions, negotiations, communications and understandings between the parties with respect to such subject matter hereof and thereof. No party has relied on any statement, representation, warranty, or promise not expressly contained in this Agreement or another Joint Venture Agreement in connection with this transaction.

10.8 Severability. If one or more of the provisions, paragraphs, words, clauses, phrases or sentences contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, then such provision, paragraph, word, clause, phrase or sentence shall be deemed restated to reflect the original intention of the parties as nearly as possible in accordance with applicable law and the remainder of this Agreement. The legality and enforceability of any such provision, paragraph, word, clause, phrase or sentence in every other respect and of the remaining provisions, paragraphs, words, clauses, phrases or sentences hereof will not be in any way impaired, it being intended that all obligations, rights, powers and privileges of the Company and the Members will be enforceable to the fullest extent permitted by law. Upon such determination of invalidity, illegality or unenforceability, the Company and the Members shall negotiate in good faith to amend this Agreement to effect the original intent of the Members.

10.9 Counterparts. This Agreement may be executed in one or more counterparts and by different parties on separate counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. The parties agree that this Agreement shall be legally binding upon the electronic transmission, including by facsimile or email, by each party of a signed signature page hereof to the other party.

10.10 Governing Law; Submission to Jurisdiction.

(a) This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

(b) Each party hereto agrees that any legal action or other legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced exclusively in any state or federal court located in Delaware or in New York, New York. Subject to the preceding sentence, each party thereto:

(i) expressly and irrevocably consents and submits to the jurisdiction of each state and federal court located in Delaware or New York, New York (and each appellate court located in Delaware or the State of New York) in connection with any such legal proceeding, including to enforce any settlement, order or award;

(ii) consents to service of process in any such proceeding in any manner permitted by the applicable laws of Delaware or the State of New York, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 10.6 is reasonably calculated to give actual notice, to the extent permitted by applicable law;

(iii) agrees that each state and federal court located in Delaware or New York, New York shall be deemed to be a convenient forum;

(iv) waives and agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in any state or federal court located in Delaware or New York, New York, any claim that such party is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court; and

(v) agrees to the entry of an order to enforce any resolution, settlement, order or award made pursuant to this Section by the state and federal courts located in Delaware or New York, New York and in connection therewith hereby waives, and agrees not to assert by way of motion, as a defense, or otherwise, any claim that such resolution, settlement, order or award is inconsistent with or violative of the laws or public policy of the laws of Delaware or the State of New York or any other jurisdiction.

(c) In the event of any action or other proceeding relating to this Agreement or the enforcement of any provision of this Agreement, the prevailing party (as determined by

the court) shall be entitled to payment by the non-prevailing party of all costs and expenses (including reasonable attorneys' fees) incurred by the prevailing party, including any costs and expenses incurred in connection with any challenge to the jurisdiction or the convenience or propriety of venue of proceedings before any state or federal court located in Delaware or New York, New York.

[Signature Page to Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement or caused this Agreement to be executed on its behalf as of the date first written above.

AMERICAN MULTI-CINEMA, INC.

By: _____
Name: Kevin M. Connor
Title: Senior Vice President

CINEMARK MEDIA, INC.

By: _____
Name: Michael Cavalier
Title: Senior Vice President-General Counsel

REGAL CINEMEDIA HOLDINGS, LLC

By: _____
Name: Michael L. Campbell
Title: Chief Executive Officer

NATIONAL CINEMEDIA, INC.

By: _____
Name:
Title:

Exhibit A

Members and Units

Names and Addresses	Common Units	Preferred Units
AMC Founding Member: **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	**____ Common Units**	**____ Preferred Units**
Cinemark Founding Member: **Cinemark Media, Inc.** c/o Cinemark Holdings, Inc. 3900 Dallas Parkway Suite 500 Plano, TX 75093 Attention: Robert Copple Fax: (974) 665-1003 *with a copy to:* Cinemark Holdings, Inc. 3900 Dallas Parkway Suite 500 Plano, TX 75093 Attention: Michael Cavalier Fax: (974) 665-1003	**____ Common Units**	**____ Preferred Units**

Regal Founding Member: **____ Common Units** **____ Preferred Units**
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

National CineMedia, Inc. **____ Common Units** **No Preferred Units**
9100 East Nichols Avenue
Suite 200
Centennial, CO 80112-3405
Attention: [To be inserted]
Fax: [To be inserted]

with a copy to:
Holme Roberts & Owen LLP
1700 Lincoln Street
Suite 4100
Denver, CO 80203
Attention: W. Dean Salter
Fax: (303) 866-0200

Exhibit B

Form of Common Unit Certificate

Exhibit 10.4

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is entered into as of [_____], 2007 by and among National CineMedia, Inc., a Delaware corporation (the "Company"), American Multi-Cinema, Inc., a Missouri corporation, Regal CineMedia Holdings, LLC, a Delaware limited liability company, and Cinemark Media, Inc., a Delaware corporation (each, including any Affiliate or Permitted Transferee thereof who is a subsequent holder of any Registrable Securities, a "Founding Member" and collectively the "Founding Members"). The Company and the Founding Members are parties to the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC ("NCM LLC"), dated [_____ __], 2007 (the "Operating Agreement").

The parties agree as follows:

1. Defined Terms; Interpretation.

(a) Defined Terms. The following terms shall have the following meanings in this Agreement:

"Adverse Effect" has the meaning set forth in Section 2(a)(vi) of this Agreement.

"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 Member shall be deemed an Affiliate of NCM LLC , (ii) NCM LLC shall not be deemed an Affiliate of any 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 Member or NCM LLC, (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 Member or NCM LLC, and (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 Member or NCM LLC, (vi) no stockholder of the Company shall be deemed an Affiliate of the Company, and the Company shall not be deemed an Affiliate of any stockholder of the Company.

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Board" means the Board of Directors of the Company.

"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.

"CEO" means the Chief Executive Officer of the Company.

"CFO" means the Chief Financial Officer of the Company.

"Cinemark" means Cinemark Holdings, Inc. or its successor or any Person that wholly-owns Cinemark Holdings, Inc., directly or indirectly, in the future.

"Common Stock" shall mean the Company's common stock, par value $0.01 per share, and any securities into which such shares may hereinafter be reclassified.

"Company" has the meaning set forth in the preamble of this Agreement.

"Control" (including the terms "Controlling," "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.

"Demand Party" has the meaning set forth in Section 2(a)(i) of this Agreement.

"Demand Registrable Securities" has the meaning set forth in Section 2(a)(i)(1) of this Agreement.

"Director" means a member of the Board.

"Equity Interests" means, with respect to the Company, any and all shares of capital stock in the Company or securities convertible into, or exchangeable or exercisable for, such shares, and options, warrants or other rights to acquire such shares.

"Exchange Act" means the Securities and Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Founding Member(s)" has the meaning set forth in the preamble of this Agreement.

"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 set forth in Section 13(d)(3) of the Exchange Act.

"IPO" means an initial primary sale by the Company of shares of Common Stock to the public in an offering pursuant to an effective registration statement (other than a registration statement on Form S-4 or S-8 or any similar or successor form) filed under the Securities Act, so that after giving effect to such offering, such shares of Common Stock are listed on one or more nationally recognized exchanges or quoted on one or more automated quotation systems, including the NYSE or NASDAQ, respectively.

"LLC Act" means the Delaware Limited Liability Company Act, 6 Del.C. §§ 18-101, et seq., as it may be amended from time to time, and any successor to such statute.

"Losses" has the meaning set forth in Section 2(g)(i) of this Agreement.

"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 the Founding Members and each Person that becomes a member, as contemplated in the LLC Act, of NCM LLC in accordance with the provisions of the Operating Agreement and that has not ceased to be a Member as provided in Section 3.1(d) of the Operating Agreement, and each of such Member's Permitted Transferees, if applicable.

"Member Registrable Securities" has the meaning set forth in Section 2(a)(i)(2) of this Agreement.

"NASDAQ" has the meaning set forth in Section 2(d)(viii) of this Agreement.

"NYSE" has the meaning set forth in Section 2(d)(viii) of this Agreement.

"Officer" means a person designated as an officer of the Company by the Board or the CEO.

"Operating Agreement" has the meaning set forth in the preamble of this Agreement.

"Other Holder Registrable Securities" has the meaning set forth in Section 2(a)(i)(4) of this Agreement.

"Permitted Transferee" means in the case of any Member and any Permitted Transferee of any Member, (i) an Affiliate of such Member or Permitted Transferee, or (ii) a non-Affiliate of such Member or Permitted Transferee that is owned at least 50% directly or indirectly through one or more entities that are the same entities that own or Control Cinemark, Marquee Holdings or REG, as applicable.

"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.

"REG" means Regal Entertainment Group or its successor or any Person that wholly-owns Regal Entertainment Group, directly or indirectly, in the future.

"Registrable Securities" means the Shares and any other securities issued or issuable with respect to or in exchange for the Shares. As to any particular Registrable Securities, such Shares and any other securities issued or issuable with respect to or in exchange for the Shares shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such Shares and any other securities issued or issuable with respect to or in exchange for the Shares shall have become effective under the Securities Act and such Shares and any other securities issued or issuable with respect to or in exchange for the Shares shall have been disposed of in accordance with such registration statement, (ii) such Shares and any other securities issued or issuable with respect to or in exchange for the Shares shall have been distributed to the public pursuant to Rule 144, or (iii) such Shares and any other securities issued or issuable with respect to or in exchange for the Shares shall have ceased to be outstanding.

"Registration Expenses" means any and all expenses incident to performance of or compliance with Sections 2(a), 2(b), 2(c) and 2(d), including (i) all SEC and stock exchange or automated quotation system or NASD, Inc. registration, filing and listing fees, (ii) all fees and expenses of complying with state securities or blue sky laws (including fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities), (iii) all printing, word processing, duplication, messenger and delivery expenses, (iv) all fees and expenses incurred in connection with the listing of the Registrable Securities on any stock exchange or automated quotation system pursuant to this Agreement, (v) the fees and

disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or "cold comfort" letters or both required by or incident to such performance and compliance, (vi) the reasonable fees and disbursements of one counsel for all Members, selected by Members participating in such registration and reasonably satisfactory to the Company, (vii) any reasonable fees and disbursements of underwriters and their counsel customarily paid by the issuers or sellers of securities, including liability insurance if the Company so desires or if the underwriters so require, and the reasonable fees and expenses of any special experts retained in connection with any registration, but excluding underwriting discounts and commissions and transfer taxes, if any, and (viii) all reasonable expenses incurred in connection with any road shows (including the reasonable expenses of any applicable selling Member).

"Registration Indemnified Parties" has the meaning set forth in Section 2(g)(i) of this Agreement.

"Rule 144" means Rule 144 (or any successor provision), as the same may be amended from time to time, under the Securities Act.

"SEC" means the U.S. Securities and Exchange Commission or any other federal agency then administering the Securities Act or the Exchange Act and other federal securities law.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Senior Officers" means the CEO and CFO, collectively.

"Shares" means the shares of Common Stock issued and issuable to any Founding Member pursuant to the exercise by one or more Founding Members of their Redemption Right (as defined in the Operating Agreement) and their conversion or exchange rights as set forth in the Company's Certificate of Incorporation.

"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.

"Third Party Registrant" has the meaning set forth in Section 2(b)(i) of this Agreement.

"Transaction Delay Notice" has the meaning set forth in Section 2(a)(vii)(1) of this Agreement.

"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 upon the foreclosure under any pledge or hypothecation permitted below that results in a change in title), any Equity Interests in the Company or other assets beneficially owned by a Person or any interest in any Equity Interests in the Company or other assets beneficially owned by a Person. Notwithstanding the foregoing: a bona fide pledge of the Shares or other Equity Interests by any Member or its Affiliates shall not be deemed to be a Transfer hereunder.

(b) Other Definitional Provisions; Interpretation.

(i) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole, including the Exhibits and Schedules attached hereto, and not to any particular provision of this Agreement. Articles, section and subsection references are to this Agreement unless otherwise specified.

(ii) The words "include" and "including" and words of similar import when used in this Agreement shall be deemed to be followed by the words "without limitation".

(iii) The titles and headings in this Agreement are included for convenience of reference only and will not limit or otherwise affect the meaning or interpretation of this Agreement.

(iv) The meanings given to capitalized terms defined herein will be equally applicable to both the singular and plural forms of such terms, Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

2. Registration Rights and Procedures.

(a) Registration on Request of Founding Members

(i) Request. At any time commencing 90 days prior to the expiration of any underwriter lock-up period applicable to the Founding Members in connection with the IPO through the one year anniversary of the closing of the IPO and subject to Section 2(a)(ii), a Founding Member (the "Demand Party") may request in writing that the Company effect the registration for resale under the Securities Act of all or part of such Demand Party's Demand Registrable Securities on a resale registration statement on Form S-1. Any such request will specify (a) the number of Registrable Securities proposed to be sold and (b) the intended method of disposition thereof. Subject to the other provisions of this Section 2(a), the Company shall promptly give written notice of such requested registration to all other Founding Members, and thereupon will, as expeditiously as possible, use its reasonable best efforts to effect the registration under the Securities Act , but in no event prior to the expiration of such underwriter lock up period, of:

(1) the Registrable Securities which the Company has been so requested to register by the Demand Party ("Demand Registrable Securities")

(2) all other Registrable Securities of the same class(es) or series as the Demand Registrable Securities and which the Company has been requested to register by any other Founding Member thereof on a pro rata basis by written request given to the Company within 15 days after the giving of such written notice by the Company (which request shall specify the amount and intended method of disposition of such Registrable Securities), all to the extent necessary to permit the disposition (in accordance with the intended method thereof as aforesaid) of the Registrable Securities so to be registered ("Member Registrable Securities");

(3) all Registrable Securities of the same class(es) or series as the Demand Registrable Securities which have been requested to be included by the Company in such registration ("Company Registrable Securities"); and

(4) all Registrable Securities of the same class(es) or series as the Demand Registrable Securities which have been requested to be included by holders of Registrable Securities other than the Founding Members ("Other Holder Registrable Securities").

(ii) Limits on Registration Requests. Notwithstanding Section 2(a)(i), (A) in no event shall the Company be required to effect more than three registrations on Form S-1 pursuant to this Section 2(a), and (B) the Company shall not be obligated to file a registration statement relating to any registration request under this Section 2(a) (other than any post-effective amendment to any earlier effective registration statement to include any prospectus required by Section 10(a)(3) of the Securities Act) within a period of 60 days after the effective date of any other registration statement relating to any registration request under this Section 2(a) or to any registration effected under Section 2(b). Each Founding Member shall be entitled to request no more than one registration on Form S-1 pursuant to Section 2(a)(i).

(iii) Expenses. The Company will pay all Registration Expenses in connection with registrations pursuant to this Section 2(a).

(iv) Effective Registration Statement. A registration requested pursuant to this Section 2(a) will not be deemed to have been effected:

(1) unless a registration statement with respect thereto has become effective and remained effective in compliance with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such registration statement until the earlier of (x) such time as all of such Registrable Securities have been disposed of in accordance with the intended methods of disposition thereof set forth in such registration statement or (y) 180 days after the effective date of such registration statement, except with respect to any registration statement filed pursuant to Rule 415 under the Securities Act, in which case the Company shall use its reasonable best efforts to keep such registration statement effective until such time as all of the Registrable Securities covered thereby cease to be Registrable Securities; provided, however, that if the failure of any such registration statement to become or remain effective in compliance with this Section 2(a)(iv)(1) is due solely to acts or omissions of the applicable Demand Party, such registration requested pursuant to this Section 2(a) will be deemed to have been effected;

(2) if after it has become effective, the registration statement is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or authority and is not thereafter effective; or

(3) if the conditions to closing specified in the underwriting agreement, if any, entered into in connection with such registration are not satisfied or waived, other than by: (A) reason of a failure on the part of the Demand Party; or (B) if the Registrable Securities covered by such registration cannot be sold within a price range acceptable to the Demand Party.

(v) Underwritten Offering. At the election of the Demand Party, a requested registration pursuant to this Section 2(a) may involve an underwritten offering, and, in such case, the investment bankers, underwriters and managers for such registration shall be selected by the Demand Party in consultation with other holders of Registrable Securities being included in such registration pursuant to Section 2(a); provided, however, that such investment bankers, underwriters and managers shall be reasonably satisfactory to the Company.

(vi) Priority in Requested Registrations. If a requested registration pursuant to this Section 2(a) involves an underwritten offering and the managing underwriter advises the Company in writing that, in its opinion, the number of securities to be included in such registration would be likely to have an adverse effect on the price, timing or distribution of the securities to be offered in such offering as contemplated by the Founding Members (an "Adverse Effect"), then the Company shall include in such registration all Registrable Securities that the managing underwriter believes can be sold in such offering without having an Adverse Effect allocated in the following order of priority: (a) first, all Demand Registrable Securities and Member Registrable Securities held by Founding Members (on a pro rata basis specified in this Section 2(a)(vi)); (b) second, all Member Registrable Securities held by any other Members; (c) third, all Company Registrable Securities; and (d) fourth, all Other Holder Registrable Securities. If such managing underwriter advises the Company that only a portion of the Registrable Securities in any of clauses (a) through (d) above may be included in such registration without such Adverse Effect, the Company shall include the Registrable Securities from the holders of Registrable Securities in such clause on a pro rata basis based on the relative amount of Registrable Securities then held by each such holder who has requested that securities owned by them be so including in a registration (provided that any such amount thereby allocated to any such holder that exceeds such holder's request shall be reallocated among the remaining requesting holders in a like manner). Without limiting the foregoing, if the managing underwriter of any underwritten offering shall advise the Demand Party that the Registrable Securities covered by the registration statement cannot be sold in such offering within a price range acceptable to the Demand Party, then the Demand Party may determine that the registration statement should be abandoned or withdrawn, and upon notice thereof to the Company, the Company shall abandon or withdraw such registration statement. If the Demand Party is not allowed to register all of the Registrable Securities requested to be included by such Demand Party because of allocations required by this section, such Demand Party shall not be deemed to have exercised a registration for purposes of Section 2(a).

(vii) Postponements in Requested Registrations.

(1) If upon receipt of a registration request, the Company shall furnish to the Demand Party a certificate signed by the CEO or any other Senior Officer stating that the Company has pending or in process a material transaction (the "Transaction Delay Notice"), the disclosure of which would, in the good faith judgment of the Board, after consultation with its outside counsel, materially and adversely affect such transaction and that the filing of a registration statement would require disclosure of such material transaction within 48 hours of such receipt of such request, the Company shall not be required to comply with its obligations under Section 2(a)(i) until 60 days after the Demand Party's receipt of such notice.

(2) Notwithstanding the foregoing provisions of this Section 2(a)(vii), the Company shall be entitled to serve only one Transaction Delay Notice within any period of 365 consecutive days.

(viii) Suspension of Registration Statement. If, at any time when a registration statement effected pursuant to Section 2(a)(i) hereunder relating to Registrable Securities is effective and a prospectus relating thereto is required to be delivered under the Securities Act within the appropriate period mentioned in Section 2(d)(ii) hereunder, the Company becomes aware that the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, to the extent that the amendment or supplement to such prospectus are necessary to correct such untrue statement of a material fact or omission to state a material fact would require disclosure of material information which the Company has a bona fide business purpose for preserving as confidential and the Company provides the Demand Party written notice thereof promptly after the Company makes such determination, the Demand Party shall suspend sales of Registrable Securities pursuant to such registration statement and the Company shall not be required to comply with its obligations under Section 2(d)(vi) until the earlier of (a) the date upon which such material information is disclosed to the public or ceases to be material or (b) 60 days after the Demand Party's receipt of such written notice. If the Demand Party's disposition of Registrable Securities is discontinued pursuant to the foregoing sentence, unless the Company thereafter extends the effectiveness of the registration statement for so long as necessary to permit the dispositions of all Registrable Securities covered thereby, the registration statement shall not be counted for purposes of determining the number of registrations permitted under Section 2(a)(ii) hereof.

(ix) Additional Rights. The Company shall not, at any time, grant to any other holders of Shares (or securities that are convertible, exchangeable or exercisable into Shares or other Equity Interests) any rights to request the Company to effect the registration under the Securities Act of any such Shares (or any such securities) on terms more favorable to such holders than the terms set forth in this Section 2(a).

(b) Incidental Registrations.

(i) Right to Piggyback. If the Company or any other Person that has demand registration rights (a "Third Party Registrant") at any time during the period from the expiration of any underwriter lock-up period applicable to the IPO through the one year anniversary of the closing of the IPO proposes to register equity securities under the Securities Act (other than a registration on Form S-4 or S-8, or any successor or other forms promulgated for similar purposes), whether or not for sale for its own account, in a manner which would permit registration of Registrable Securities for

sale to the public under the Securities Act, the Company will, at each such time, give prompt written notice to the Founding Members of its intention to do so and of the Founding Members' rights under this Agreement. Upon the written request of any Founding Member made within 15 days after the receipt of any such notice (which request shall specify the Registrable Securities intended to be disposed of by such Founding Member), the Company will use its reasonable best efforts to effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register by the Founding Members; provided, however, that (a) if, at any time after giving written notice of its intention to register any securities and prior to the effective date of the registration statement filed in connection with such registration, the Company or such Third Party Registrant shall determine for any reason not to proceed with the proposed registration of the securities to be sold by it, the Company may, at its election, give written notice of such determination to each Founding Member and, thereupon, shall be relieved of its obligation to register any Registrable Securities in connection with such terminated registration (but not from its obligation to pay the Registration Expenses in connection therewith), and (b) if such registration involves an underwritten offering, all Founding Members requesting to be included in the Company's or such Third Party Registrant's registration shall enter into an agreement with the underwriters to sell their Registrable Securities to the underwriters selected by the Company or such Third Party Registrant on substantially the same terms and conditions as apply to the Company or such Third Party Registrant, with such differences, including any with respect to indemnification and liability insurance, as may be customary or appropriate in combined primary and secondary offerings. Notwithstanding the foregoing, if a registration requested pursuant to this Section 2(b) involves an underwritten public offering, any Founding Member requesting to be included in such registration may elect, in writing prior to the effective date of the registration statement filed in connection with such registration, not to register all or any part of its Registrable Securities in connection with such registration. The registrations provided for in this Section 2(b) are in addition to, and not in lieu of, registrations made in accordance with Section 2(a).

(ii) Expenses. The Company will pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 2(b).

(iii) Priority in Incidental Registrations. If a registration pursuant to this Section 2(b) involves an underwritten offering and the managing underwriter advises the Company in writing that, in its opinion, the number of Registrable Securities requested to be included in such registration would be likely to have an Adverse Effect on such offering, then the Company shall include in such registration: (a) first, 100% of the securities which the Company or the Third Party Registrant proposes to sell; (b) second, the amount of Registrable Securities which the Founding Members have requested to be included in such registration; (c) third, the

amount of Registrable Securities which any other Members have requested to be included in such registration; and (d) fourth, the amount of Registrable Securities which the other holders of Registrable Securities have requested to be included in the registration. If such managing underwriter advises the Company that only a portion of such Registrable Securities in any of clauses (b), (c) and (d) may be included in such registration without such Adverse Effect, the Company shall include Registrable Securities from the holders of Registrable Securities in such clauses on a pro rata basis based on the relative amount of Registrable Securities then held by each such holder (provided, that any such amount thereby allocated to any such holder that exceeds such holder's request shall be reallocated among the remaining requesting holders in like manner).

(c) Mandatory Registration.

(i) Company Registration. On the first Business Day following the one year anniversary of the closing of the IPO, the Company shall file with the SEC a resale registration statement on any registration statement form that is available to the Company at such time, for the registration under the Securities Act of the resale of all outstanding Registrable Securities held by the Founding Members that have not been previously and then registered. Additionally, the Company shall file, within 20 days after the issuance of additional Registrable Securities to any Founding Member, in the future with the SEC a resale registration statement on any registration statement form that is available to the Company at such time for the registration under the Securities Act of the resale of such newly issued Registrable Securities.

(ii) Expenses. The Company will pay all Registration Expenses in connection with the registration of Registrable Securities pursuant to this Section 2(c).

(iii) Effective Registration Statement. The Company shall use its reasonable best efforts to cause the registration statement required to be filed pursuant to this Section 2(c) to become effective and remain effective in compliance with the provisions of the Securities Act with respect to the disposition of all Registrable Securities or registration statements with respect to Registrable Securities issued to each Founding Member in the future covered by such registration statement until the earlier of (x) such time as all such Registrable Securities have been disposed of in accordance with the intended methods of disposition thereof set forth in such registration statement or (y) such time as all Registrable Securities held by the Founding Members are eligible to be sold pursuant to Rule 144(k) promulgated under the Securities Act.

(d) Registration Procedures. If and whenever the Company is required to use its reasonable best efforts to cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company will, as expeditiously as possible:

(i) (A) with respect to any registration under Section 2(a), prepare and, in any event within 20 days of the date on which the Company first received a request from a Demand Party pursuant to Section 2(a)(i), file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective within 90 days of the initial filing, and (B) with respect to any registration under Section 2(b) and subject to the Company's rights set forth in Section 2(b), use its reasonable best efforts to file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective within 90 days of the initial filing, and (C) with respect to any registration under Section 2(c), use its reasonable best efforts to file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective within 90 days of the initial filing; provided, however, that before filing a registration statement or prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference) the Company will furnish to the holders holding Registrable Securities covered by such registration statement, counsel for the holders of the Registrable Securities being registered and the managing underwriters, if any, copies of all such documents proposed to be filed, which documents will be subject to the review of such holders, such special counsel and such underwriters, and the Company will not file any such registration statement or amendment thereto or any prospectus or any supplement thereto (excluding such documents that, upon filing, will be incorporated or deemed to be incorporated by reference therein) to which the holders of a majority of the Registrable Securities covered by such registration statement or the managing underwriter, if any, shall reasonably object;

(ii) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective in accordance with Section 2(a) and to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement; provided, however, that before filing a registration statement or prospectus, or any amendments or supplements thereto in accordance with Section 2(d)(i) or this Section 2(d)(ii), the Company will furnish to counsel for the holders of the Registrable Securities being registered copies of all documents proposed to be filed, which documents will be subject to the review of such counsel;

(iii) furnish to each holder of Registrable Securities being registered such number of copies of such registration statement and of each amendment and supplement thereto (in each case including all exhibits filed therewith, including any documents incorporated by reference), such number of copies of the prospectus included

in such registration statement (including each preliminary prospectus and summary prospectus), in conformity with the requirements of the Securities Act, and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities by such holder;

(iv) use its reasonable efforts to register or qualify such Registrable Securities covered by such registration in such jurisdictions as each holder of Registrable Securities being registered shall reasonably request, and do any and all other acts and things which may be reasonably necessary or advisable to enable such holder to consummate the disposition in such jurisdictions of the Registrable Securities owned by such holder, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction where, but for the requirements of this Section 2(d)(iv), it would not be obligated to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(v) use its reasonable best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other Governmental Authorities as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities;

(vi) notify each holder of any such Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the Company's becoming aware that the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such holder, prepare and furnish to such holder a reasonable number of copies of an amended or supplemental prospectus as may be necessary so that, as thereafter delivered to the holders of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(vii) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the SEC and make available to its security holders, as soon as reasonably practicable (but not more than 18 months) after the effective date of the registration statement, an earnings statement which shall satisfy the provisions of Section 11(a) of the Securities Act;

(viii) use its reasonable best efforts to cause all Registrable Securities covered by such registration statement to be (a) listed on each stock exchange or automated quotation system, if any, on which securities issued by the Company of the

same class are then listed or, if no such securities issued by the Company are then so listed, on the New York Stock Exchange (the "NYSE") or another nationally stock exchange, if the securities qualify to be so listed or (b) on the Nasdaq Stock Market of the Nasdaq National Market ("NASDAQ") or another nationally recognized automated quotation system, if the securities qualify to be so quoted;

(ix) as needed, (a) engage an appropriate transfer agent and provide the transfer agent with printed certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company and (b) provide a CUSIP number for the Registrable Securities;

(x) enter into such customary agreements (including an underwriting agreement in customary form), which may include indemnification provisions in favor of underwriters and other Persons in addition to or in substitution for the provisions of Section 2(g) hereof, and take such other actions as sellers of a majority of shares of such Registrable Securities or the underwriters, if any, reasonably requested in order to expedite or facilitate the disposition of such Registrable Securities;

(xi) obtain a "cold comfort" letter or letters from the Company's independent public accountants in customary form and covering matters of the type customarily covered by "cold comfort" letters as the holders of a majority of shares of such Registrable Securities shall reasonably request;

(xii) make available for inspection by any holder of such Registrable Securities covered by such registration statement, by any underwriter participating in any disposition to be effected pursuant to such registration statement and by any attorney, accountant or other agent retained by any such holder or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(xiii) notify counsel for the holders of Registrable Securities included in such registration statement and the managing underwriter or agent, immediately, and confirm the notice in writing (a) when the registration statement, or any post-effective amendment to the registration statement, shall have become effective, or any supplement to the prospectus or any amendment to the prospectus shall have been filed, (b) of the receipt of any comments from the SEC, (c) of any request of the SEC to amend the registration statement or amend or supplement the prospectus or for additional information, and (d) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any prospectus, or of the suspension of the qualification of the registration statement for offering or sale in any jurisdiction, or of the institution or threatening of any proceedings for any of such purposes;

(xiv) make every reasonable effort to prevent the issuance of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any prospectus and, if any such order is issued, to obtain the withdrawal of any such order at the earliest possible moment;

(xv) if requested by the managing underwriter or agent or any holder of Registrable Securities covered by the registration statement, promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or agent or such holder reasonably requests to be included therein, including, with respect to the number of Registrable Securities being sold by such holder to such underwriter or agent, the purchase price being paid therefor by such underwriter or agent and with respect to any other terms of the underwritten offering of the Registrable Securities to be sold in such offering; and make all required filings of such prospectus supplement or post-effective amendment as soon as practicable after being notified of the matters incorporated in such prospectus supplement or post-effective amendment;

(xvi) cooperate with the holders of Registrable Securities covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or agent, if any, or such holders may request;

(xvii) use its reasonable best efforts to obtain for delivery to the holders of Registrable Securities being registered and to the underwriter or agent an opinion or opinions from counsel for the Company in customary form and in form, substance and scope reasonably satisfactory to such holders, underwriters or agents and their counsel; and

(xviii) cooperate with each holder of Registrable Securities being registered and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the NYSE, NASDAQ or any other stock exchange or automated quotation system and the NASD.

(e) Information Supplied. The Company may require each holder of Registrable Securities being registered to furnish the Company with such information regarding such holder and pertinent to the disclosure requirements relating to the registration and the distribution of such securities as the Company may from time to time reasonably request in writing.

(f) Restrictions on Disposition. Each Founding Member agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2(d)(vi), such Founding Member will forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such Founding Member's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2(d)(vi), and, if so directed by the Company, such Founding Member will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Founding Member's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company shall give any such notice, the period mentioned in Section 2(a)(iv) shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 2(d)(vi) and to and including the date when each seller of Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 2(d)(vi).

(g) Indemnification.

(i) In the event of any registration of any securities of the Company under the Securities Act pursuant to this Section 2, the Company shall indemnify and hold harmless the holder of any Registrable Securities covered by such registration statement, each Affiliate of such holder and their respective directors, officers, employees and stockholders or members or general and limited partners (and any director, officer, Affiliate, employee, stockholder and Controlling Person of any of the foregoing), each Person who participates as an underwriter in the offering or sale of such securities and each other Person, if any, who Controls such holder or any such underwriter within the meaning of the Securities Act (collectively, the "Registration Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) in respect thereof and expenses (including reasonable attorney's fees and reasonable expenses of investigation) to which such Registration Indemnified Party may become subject under the Securities Act ("Losses"), state law or otherwise, insofar as such Losses arise out of, relate to or are based upon (a) any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such securities were registered under the Securities Act, any preliminary, final or summary prospectus contained therein, or any amendment or supplement thereto, or (b) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in light of the circumstances under which they were made) not misleading, or (c) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation

promulgated under the Securities Act, the Exchange Act or any state securities law; provided, that the Company shall not be liable to any Registration Indemnified Party in any such case to the extent, but only to the extent, that any such Losses or expenses arise out of, relate to or are based upon any untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement or amendment or supplement thereto or in any such preliminary, final or summary prospectus in reliance upon and in conformity with written information furnished to the Company by or on behalf of such holder specifically for use in the preparation thereof; and, provided, further, that the Company will not be liable in any such case to the extent, but only to the extent, that the foregoing indemnity with respect to any untrue statement contained in or omitted from a registration statement or the prospectus shall not inure to the benefit of any party (or any Person Controlling such party) who is obligated to deliver a prospectus in transactions in a security as to which a registration statement has been filed pursuant to the Securities Act and from whom the Person asserting any such Losses purchased any of the Registrable Securities to the extent that it is finally judicially determined that Losses resulted from the fact that such party sold Registrable Securities to a Person to whom there was not sent or given, at or prior to the written confirmation of such sale, a copy of the registration statement or the prospectus, as amended or supplemented, and (x) the Company shall have previously and timely furnished sufficient copies of the registration statement or prospectus, as so amended or supplemented if required under the Securities Act, to such party in accordance with this Agreement and (y) the registration statement or prospectus, as so amended or supplemented, would have corrected such untrue statement or omission of a material fact. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of any Registration Indemnified Party and shall survive the Transfer of securities by any holder.

(ii) The Company may require, as a condition to including any Registrable Securities in any registration statement filed in accordance with Sections 2(a), 2(b) or 2(c) herein, that it shall have received an undertaking reasonably satisfactory to it from the selling holder of such Registrable Securities or any underwriter to indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 2(g)(i)) the Company and all other selling holders or any underwriter, as the case may be, with respect to any untrue statement or alleged untrue statement in or omission or alleged omission from such registration statement, any preliminary, final or summary prospectus contained therein, or any amendment or supplement thereto, if 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 by or on behalf of such selling holder specifically for inclusion in such registration statement, preliminary, final or summary prospectus or amendment or supplement, or a document incorporated by reference into any of the foregoing. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company or any of the selling holders, or any of their respective Affiliates, directors, officers or Controlling Persons and shall survive the Transfer of securities by any holder. In no event shall the liability

of any selling holder of Registrable Securities hereunder be greater in amount than the dollar amount of the net proceeds (before taxes) received by such holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(iii) Promptly after receipt by a Registration Indemnified Party hereunder of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 2(g), such Registration Indemnified Party will, if a claim in respect thereof is to be made against the Company, give written notice to the Company of the commencement of such action or proceeding; provided, however, that the failure of the Registration Indemnified Party to give notice as provided herein shall not relieve the Company of its obligations under this Section 2(g), except to the extent that the Company is materially prejudiced by such failure to give notice. In case any such action or proceeding is brought against a Registration Indemnified Party, unless in such Registration Indemnified Party's reasonable judgment (after consultation with legal counsel) a bona fide conflict of interest between such Registration Indemnified Party and the Company may exist in respect of such action or proceeding, the Company will be entitled to participate in and to assume the defense thereof (at its expense) with counsel reasonably satisfactory to such Registration Indemnified Party, and after notice from the Company to such Registration Indemnified Party of its election so to assume the defense thereof, the Company will not be liable to such Registration Indemnified Party for any legal or other expenses subsequently incurred by the Registration Indemnified Party in connection with the defense thereof other than reasonable costs of investigation; provided, however, in the event the Company declines or fails to assume the defense of the action or proceeding or to employ counsel reasonably satisfactory to the Registration Indemnified Party, in either case within a 30-day period, or if a court of competent jurisdiction determines that the Company is not vigorously defending such action or proceeding, or if there is a bona fide conflict of interest between the Company and the Registration Indemnified Party, then such Registration Indemnified Party may employ counsel to represent or defend it in any such action or proceeding and the Company shall pay the reasonable fees and disbursements of such counsel or other representative as incurred; provided, further, however, that the Company shall not be required to pay the fees and disbursements of more than one counsel for all Registration Indemnified Parties in any jurisdiction in any single action or proceeding. The Company will not settle any such action or proceeding or consent to the entry of any judgment without the prior written consent of the Registration Indemnified Party, unless such settlement or judgment (a) includes as an unconditional term thereof the giving by the claimant or plaintiff of a release to such Registration Indemnified Party from all liability in respect of such action or proceeding and (b) does not involve the imposition of equitable remedies or the imposition of any obligations on such Registration Indemnified Party and does not otherwise adversely affect such Registration Indemnified Party, other than as a result of the imposition of financial obligations for which such Registration Indemnified Party will be indemnified hereunder. No Registration Indemnified Party will settle any such action or proceeding or consent to the entry of any judgment without the prior written consent of the Company (such consent not to be unreasonably withheld).

(iv) (1) If the indemnification provided for in this Section 2(g) from the Company is unavailable to a Registration Indemnified Party hereunder in respect of any Losses or expenses referred to herein, then the Company, in lieu of indemnifying such Registration Indemnified Party, shall contribute to the amount paid or payable by such Registration Indemnified Party as a result of such Losses or expenses in such proportion as is appropriate to reflect the relative fault of the Company and Registration Indemnified Party in connection with the actions or proceedings which resulted in such Losses or expenses, as well as any other relevant equitable considerations. The relative fault of the Company and Registration Indemnified Party shall be determined by reference to, among other things, whether any action or proceeding in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, the Company or Registration Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action or proceeding. The amount paid or payable by a party under this Section 2(g)(iv) as a result of the Losses and expenses referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any action or proceeding.

(2) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2(g)(iv) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in Section 2(g)(iv)(1). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of similar fraudulent misrepresentation.

(v) Indemnification similar to that specified in this Section 2(g) (with appropriate modifications) shall be given by the Company with respect to any required registration or other qualification of securities under any law or with any Governmental Authority other than as required by the Securities Act.

(vi) The obligations of the parties under this Section 2(g) shall be in addition to any liability which any party may otherwise have to any other party and shall survive until the expiration of the applicable statutes of limitations (including any waivers or extensions thereof) with respect to any such registrations made hereunder.

(h) Required Reports. The Company covenants that it will timely file the reports required to be filed by it under the Securities Act and the Exchange Act, and it will take such further action as any Founding Member may reasonably request, all to the

extent required from time to time to enable such Founding Member to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144, or (b) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Founding Member, the Company will deliver to such Founding Member a written statement as to whether it has complied with such requirements.

(i) Holdback Agreement. If any registration under Sections 2(a), 2(b), or 2(c) hereof or any sale of securities in connection with a registration under Section 2(a) hereof shall be in connection with an underwritten public offering, each holder of Registrable Securities included in such registration agrees not to effect any public sale or distribution, including any sale pursuant to Rule 144, of any Equity Interests of the Company (in each case, other than as part of such underwritten public offering), within 30 days before, or 90 days (or such lesser period as the managing underwriters may permit or such longer periods as required by applicable law, provided that in any such case the Founding Members are similarly so released or subject to a longer period pro rata based upon the relative number of Registrable Securities owned at such time) after, the effective date of any such registration pursuant to Sections 2(a), 2(b) or 2(c) (except as part of any such registration or sale), and the Company hereby also so agrees and agrees to cause each other holder of Shares or other Equity Interests purchased from the Company (at any time other than in a public offering) to so agree.

(j) Termination of Rights, Except for indemnification rights provided in Section 2(g) which shall be governed in accordance with Section 2(g)(vi), the rights granted to the Founding Members in this Section 2 shall terminate and forthwith become null and void in full on the earliest date on which each Founding Member and its respective Affiliates cease to beneficially own in the aggregate at least five percent of the Shares or other Equity Interests then outstanding, and with respect to a particular Founding Member on the date that such Founding Member no longer beneficially owns, or has a contractual right to acquire, any Shares or other Equity Interests, or options, warrants or other rights to obtain such Shares or other Equity Interests (unless such securities are reacquired by a Founding Member).

(k) No Inconsistent Agreement. The Company shall not enter into, or cause or permit any of its Subsidiaries to enter into, any agreement which conflicts with or limits or prohibits the exercise of the rights granted to the Founding Members in this Section 2.

3. Miscellaneous.

(a) Agreement to Cooperate; Further Assurances. In case at any time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and directors and each Founding Member and their respective

Affiliates shall execute such further documents and shall take such further action as shall be necessary or desirable to carry out the purposes of this Agreement, in each case to the extent not inconsistent with applicable law.

(b) Amendments. Except as otherwise expressly provided in this Agreement, amendments to this Agreement shall require approval of the Company and each Founding Member.

(c) Injunctive Relief. The Company and each Founding Member acknowledge and agree that a violation of any of the terms of this Agreement may cause the other Founding Members and the Company, as the case may be, irreparable injury for which an adequate remedy at law is not available. Accordingly, it is agreed that each of the Founding Members and the Company will be entitled to seek an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction, in addition to any other remedy to which they may be entitled at law or, equity. Nothing stated herein shall limit any other remedies provided under this Agreement or available to the parties at law or in equity.

(d) Successors, Assigns and Transferees. The provisions of this Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective successors and Permitted Transferees, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including but not limited to any creditor of the Company or its Subsidiaries, any right, benefit, or remedy of any nature by reason of this Agreement. An assignment of the rights, interests or obligations hereunder, including but not limited to an assignment by operation of law, shall be null and void unless a provision of this Agreement specifically provides otherwise or the Company gives its prior written consent therefor.

(e) Notices. Any written notice required or permitted to be delivered pursuant to this Agreement shall be in writing and shall be deemed delivered: (a) upon delivery if delivered in person; (b) upon transmission if sent via telecopier, with electronic confirmation of receipt; (c) one Business Day after deposit with a nationally recognized courier service, provided that confirmation of such overnight delivery is received by the sender; and (d) upon transmission if sent via e-mail, with a confirmation copy sent via telecopier on the same day with electronic confirmation of receipt. Notices to the Company or any Founding Member shall be delivered to the Company or such Founding Member as set forth in Exhibit A, as it may be revised from time to time. Any party may change its address for notices by giving written notice of the new address to the other parties in accordance with this section, but any element of such party's address that is not newly provided in such notice shall be deemed not to have changed.

(f) Integration. This Agreement contains the exclusive, entire and final understanding of the parties with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein. Except as expressly set forth herein, this Agreement supersedes all other prior agreements, discussions, negotiations, communications and understandings between the parties with respect to such subject matter hereof. No party has relied on any statement, representation, warranty, or promise not expressly contained in this Agreement in connection with this transaction.

(g) Severability. If one or more of the provisions, paragraphs, words, clauses, phrases or sentences contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, then such provision, paragraph, word, clause, phrase or sentence shall be deemed restated to reflect the original intention of the parties as nearly as possible in accordance with applicable law and the remainder of this Agreement. The legality and enforceability of any such provision, paragraph, word, clause, phrase or sentence in every other respect and of the remaining provisions, paragraphs, words, clauses, phrases or sentences hereof will not be in any way impaired, it being intended that all obligations, rights, powers and privileges of the Company and the Founding Members will be enforceable to the fullest extent permitted by law. Upon such determination of invalidity, illegality or unenforceability, the Company and the Founding Members shall negotiate in good faith to amend this Agreement to effect the original intent of the Founding Members.

(h) Counterparts. This Agreement may be executed in one or more counterparts and by different parties on separate counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. The parties agree that this Agreement shall be legally binding upon the electronic transmission, including by facsimile or email, by each party of a signed signature page hereof to the other party.

(i) Governing Law; Submission to Jurisdiction.

(i) This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

(ii) Each party hereto agrees that any legal action or other legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced exclusively in any state or federal court located in Delaware or in New York, New York. Subject to the preceding sentence, each party thereto:

(1) expressly and irrevocably consents and submits to the jurisdiction of each state and federal court located in New York, New York (and each appellate court located in the State of New York) in connection with any such legal proceeding, including to enforce any settlement, order or award;

(2) consents to service of process in any such proceeding in any manner permitted by the laws of the State of New York, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 3(e) is reasonably calculated to give actual notice;

(3) agrees that each state and federal court located in New York, New York shall be deemed to be a convenient forum;

(4) waives and agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in any state or federal court located in New York, New York, any claim that such party is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court; and

(5) agrees to the entry of an order to enforce any resolution, settlement, order or award made pursuant to this Section 3(i) by the state and federal courts located in New York, New York and in connection therewith hereby waives, and agrees not to assert by way of motion, as a defense, or otherwise, any claim that such resolution, settlement, order or award is inconsistent with or violative of the laws or public policy of the laws of the State of New York or any other jurisdiction.

(iii) In the event of any action or other proceeding relating to this Agreement or the enforcement of any provision of this Agreement, the prevailing party (as determined by the court) shall be entitled to payment by the non-prevailing party of all costs and expenses (including reasonable attorneys' fees) incurred by the prevailing party, including any costs and expenses incurred in connection with any challenge to the jurisdiction or the convenience or propriety of venue of proceedings before any state or federal court located in New York, New York.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement or caused this Agreement to be executed on its behalf as of the date first written above.

The Company:

NATIONAL CINEMEDIA, INC.

By: _____
Name: _____
Title: _____

The Founding Members:

American Multi-Cinema, Inc.

By: _____
Name: _____
Title: _____

Cinemark Media, Inc.

By: _____
Name: _____
Title: _____

Regal CineMedia Holdings, LLC

By: _____
Name: _____
Title: _____

Exhibit A

Members

Company:
National CineMedia, Inc.
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

Cinemark Media:
Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway
Plano, Texas 75093
Attn: Robert Capple
Fax: (974) 665-1003

with a copy to:
Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway
Plano, Texas 75093
Attn: Michael Cavalier
Fax: (974) 665-1003

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

Regal:
Regal CineMedia Holdings, LLC
c/o Regal Entertainment Group
7132 Regal Lane
Knoxville, Tennessee 37918
Attn: General Counsel
Fax: (865) 922-6085

with a copy to:
Hogan & Hartson LLP
One Tabor Center
1200 Seventeenth Street
Suite 1500
Denver, Colorado 80202
Attn: Christopher J. Walsh
Fax: (303) 899-7333

Exhibit 10.5

DIRECTOR DESIGNATION AGREEMENT

THIS DIRECTOR DESIGNATION AGREEMENT dated as of _____, 2007 (this "Agreement"), is among National CineMedia, Inc., a Delaware corporation ("NCM Inc."), American Multi-Cinema, Inc., a Missouri corporation ("AMC"), Cinemark Media, Inc., a Delaware corporation ("Cinemark Media"), and Regal CineMedia Holdings, LLC, a Delaware limited liability company ("Regal," and together with AMC and Cinemark Media, including any Affiliate or Permitted Transferee thereof, so long as any Permitted Transferee continues to qualify as a Permitted Transferee, the "Founding Members"). Certain terms used in this Agreement are defined in Section 1.1.

RECITALS

A. The Founding Members own all of the outstanding common membership units (the "Membership Units") 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. Pursuant to the terms of a Common Unit Subscription Agreement dated as of _____, 2007 (the "Subscription Agreement"), between NCM LLC and NCM Inc., it is contemplated that NCM Inc. will use the proceeds of the IPO to purchase from NCM LLC a number of Membership Units equal to the number of shares of Common Stock sold in the IPO.

D. Upon consummation of the transactions contemplated by the Subscription Agreement, it is contemplated that NCM Inc. will be admitted as a member, and appointed as the manager, of NCM LLC.

E. In order to induce the Founding Members to approve the sale and issuance of Membership Units by NCM LLC to NCM Inc. and the appointment of NCM Inc. as the manager of NCM LLC, NCM Inc. has agreed to permit each of the Founding Members to designate up to two persons for nomination for election to the board of directors of NCM Inc. (the "Board") on the terms and conditions set forth herein.

F. The Certificate of Incorporation of NCM Inc. (the "Charter") provides that NCM Inc. shall have a staggered Board that consists of three classes of directors and that the term of one class of directors will expire at each annual meeting of the stockholders of NCM Inc.

G. Under the terms of the NCM LLC Operating Agreement and the Charter, each Founding Member will have the right to cause NCM LLC to redeem the Membership Units held by such Founding Members in exchange for shares of Common Stock or cash.

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:

"Affiliate" has the meaning set forth in the NCM LLC Operating Agreement.

"Change of Control" with respect to any Person that is not 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.

"Common Stock" means the common stock, par value $0.01 per share, of NCM Inc.

"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.

"Director" means a member of the Board.

"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 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 NCM Inc. that satisfies the definition of independent director according to the rules of such exchange.

"Marquee Holdings" means Marquee Holdings Inc. or its successor or any Person that wholly-owns Marquee Holdings Inc., directly or indirectly, in the future.

"NCM LLC Operating Agreement" means the Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC to be entered into among the Founding Members and NCM Inc.

"Nominating Committee" means the nominating/governance committee of the Board or any committee of the Board authorized to perform the function of nominating directors for the Board.

"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 or Control 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, governmental authority or other entity or organization of any nature whatsoever or any Group of two or more of the foregoing.

"REG" means Regal Entertainment Group or its successor or any Person that wholly-owns Regal Entertainment Group, directly or indirectly, in the future.

"Retiring Director" means any Director whose term expires at the next annual meeting of stockholders of NCM Inc. pursuant to the terms of the Charter.

"Securities Laws" means the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder.

"Transfer" or "Transferred" means, directly or indirectly, to sell, transfer, give, exchange, bequest, assign, pledge, encumber, hypothecate or otherwise dispose of, either

voluntarily or involuntarily, any of the rights granted under Section 2 (including through a Change of Control of a Person holding units directly or indirectly), *provided, however*, a Change of Control of an Ultimate Parent or its stockholders shall not be a Transfer.

"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.

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	IPO	Recitals
Board	Recitals	Manager	Preamble
Cinemark Media	Preamble	NCM Inc.	Preamble
Designee	§2.1	NCM LLC.	Recitals
Founding Members	Preamble	Subscription Agreement	Recitals
		Regal	Preamble

2. **Nominee Designation**

2.1 **Nomination Right**. Subject to the conditions set forth in this Section 2, each Founding Member shall have the right to designate two persons to be appointed or nominated, as the case may be, for election to the Board as follows (each, a "Designee"):

(a) each Founding Member may designate two persons for appointment or nomination to the Board, as the case may be, who initially shall be:

Founding Member	Designees	Director Class
AMC		
Cinemark Media		
Regal		

(b) at every meeting of the Board, or a committee thereof, for which Directors are appointed or are nominated to stand for election by stockholders of NCM Inc., each Founding Member will have the right to designate those persons to be appointed or nominated for election to the Board for each Retiring Director

that was a prior Designee of such Founding Member in accordance with this Section 2.1;

(c) if a vacancy occurs because of the death, disability, disqualification, resignation or removal of a Designee, the Founding Member who designated such person shall be entitled to designate such person's successors in accordance with this Agreement and the Board, subject to a determination of the Board in good faith, after consultation with outside legal counsel, that such action would not constitute a breach of its fiduciary duties or applicable law, shall fill the vacancy with such successor Designee; and

(d) if a Designee is not nominated or elected to the Board because of the Designee's death, disability, disqualification, withdrawal as a nominee or for other reason is unavailable or unable to serve on the Board, the Founding Member who designated such person shall be entitled to designate promptly another Designee and the director position for which such Designee was nominated shall not be filled pending such designation.

2.2 **Independent Directors**. At least one of the Designees of each Founding Member must qualify as an Independent Director at the time of designation.

2.3 **Effect of Reduction of Holdings**. If at any time any Founding Member owns less than five percent 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 2.3, 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 NCM Inc. by NCM LLC 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)), then such Founding Member shall permanently cease to have any rights of designation under Section 2.1.

2.4 **Personal Right**. Each Founding Member's rights under this Section 2 is personal to such Founding Member and may not be Transferred, except in accordance with Section 6.3.

2.5 **Company Obligations**

(a) NCM Inc. agrees to use its best efforts to assure that (i) each Designee is included in the Board's slate of nominees to the stockholders for each election of directors, and (ii) each Designee is included in the proxy statement prepared by management of NCM Inc. in connection with soliciting proxies for every meeting of the stockholders of NCM Inc. called with respect to the election of members of the Board, and at every adjournment or postponement thereof, and on every action or approval by written consent of the stockholders of NCM Inc. or the Board with respect to the election of members of the Board.

(b) Notwithstanding anything herein to the contrary, NCM Inc. shall not be obligated to cause to be nominated for election to the Board or recommend to the stockholders the election of any Designee (i) who fails to submit to NCM Inc. on a timely basis such questionnaires as NCM Inc. may reasonably require of its directors generally and such other information as NCM Inc. may reasonably request in connection with the preparation of its filings under the Securities Laws, or (ii) the Board or the Nominating Committee determines in good faith, after consultation with outside legal counsel, that such action would constitute a breach of its fiduciary duties or applicable law; *provided*, *however*, that upon the occurrence of either (i) or (ii) above, NCM Inc. shall promptly notify the applicable Founding Member of the occurrence of such event and permit the applicable Founding Member to provide an alternate Designee sufficiently in advance of any Board action, the meetings of the stockholders called or written action of stockholders with respect to such election of nominees and NCM Inc. shall be subject to its obligations under Section 2.5(a) with respect to such alternate Designee.

(c) At any time a vacancy occurs because of the death, disability, resignation or removal of a Designee, then the Board, or any committee thereof, shall not fill such vacancy or vote or take any action enumerated in Section 5.2 of the Charter until such time that (i) such Founding Member has designated a successor Designee and the Board has filled the vacancy and appointed such successor Designee, (ii) such Founding Member fails to designate a successor Designee within 10 business days of such vacancy, or (iii) such Founding Member has specifically waived its right under this Section 2.5(c) and has consented to the Board, or any committee thereof, taking a vote on an action enumerated in Section 5.2 of the Charter prior to the Board filling the vacancy with a successor Designee.

(d) At any time that any Founding Member shall have any rights of designation under this Section 2, NCM Inc. shall not take any action to change the size of the Board from 10.

2.6 **Multiple Holders**. If a Founding Member and one or more of its Permitted Transferees hold Membership Units at the same time, such Founding Members and Permitted Transferee(s) shall designate one of them to act on behalf of all of them for the purpose of exercising the rights granted under this Section 2.

3. **Specific Performance**. Each of the parties to this Agreement acknowledges that each party hereto will be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of NCM Inc. and the Founding Members shall be entitled to an injunction to prevent breaches of this Agreement and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction, in addition to any other remedy to which the parties hereto may be entitled at law or in equity. Each of the parties hereto hereby consents to personal jurisdiction in any such action brought in the United States District Court for the District of Delaware or in any court of the State of Delaware having subject matter jurisdiction. No bond or other similar undertaking shall be required of any party seeking relief under this Section.

4. **Covenant of NCM Inc.** NCM Inc. agrees that neither it nor any of its subsidiaries shall enter into any agreement or understanding or make any commitment to any Person, or otherwise take any action, that would violate or be inconsistent with any provision or agreement contained in this Agreement.

5. **Termination**. If the registration statement with respect to the IPO is withdrawn for any reason prior to _____ __, 2007, this Agreement shall become null and void and be of no further force or effect whatsoever and neither the Founding Members nor NCM Inc. shall have any further obligations hereunder or with respect hereto. Further, if at any time any Founding Member owns less than five percent of the then issued and outstanding Membership Units (as determined in accordance with Section 2.3), then such Founding Members rights and obligations under this Agreement shall immediately terminate.

6. **Miscellaneous**

6.1 **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.

6.2 **Notices**. All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall be delivered by hand or sent by facsimile or sent by overnight courier service and shall be deemed given when received, as follows:

If to NCM Inc.:
National CineMedia, Inc.
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 Cinemark Media:
Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway
Plano, Texas 75093
Attn: Robert Capple
Fax: (974) 665-1003

with a copy to:
Cinemark Media, Inc.
c/o Cinemark Holdings, Inc.
3900 Dallas Parkway
Plano, Texas 75093
Attn: 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
c/o Regal Entertainment Group
7132 Regal Lane
Knoxville, Tennessee 37918
Attn: General Counsel
Fax: (865) 922-6085

with a copy to:
Hogan & Hartson LLP
One Tabor Center
1200 Seventeenth Street
Suite 1500
Denver, Colorado 80202
Attn: Christopher J. Walsh
Fax: (303) 899-7333

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 6.2.

6.3 **Benefit of Parties; Transfer**. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, legal

representatives and Permitted Transferees. This Agreement may not be Transferred by NCM Inc. except with the prior written consent of the other parties. In the event of a Transfer by a Founding Member, the transferee shall not have the rights and powers of a Founding Member unless (i) the transferee is a Permitted Transferee of the Founding Member following the Transfer, or (ii) in the case of a direct or indirect Change of Control of the Founding Member, or any direct or indirect holder of equity in the Founding Member, the transferee is Controlled by the Founding Member's Ultimate Parent or its stockholders following the Transfer. 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.

6.4 **Amendment**. This Agreement may not be amended, modified, altered or supplemented except by means of a written instrument executed on behalf of each of NCM Inc. and each of the Founding Members.

6.5 **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.

6.6 **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.

6.7 **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.

6.8 **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.

6.9 **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 “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. 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: _____

AMC:

AMERICAN MULTI-CINEMA, INC.

By: _____

Name: _____

Title: _____

CINEMARK MEDIA:

CINEMARK MEDIA, INC.

By: _____

Name: _____

Title: _____

REGAL:

REGAL CINEMEDIA HOLDINGS, LLC

By: _____

Name: _____

Title: _____

[Signature page of Director Designation Agreement]

Exhibit 10.6

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (this "Agreement") is made and entered into as of [_____], 2007 (the "Effective Date"), between NATIONAL CINEMEDIA, LLC, a Delaware limited liability company ("NCM LLC"), and NATIONAL CINEMEDIA, INC., a Delaware corporation ("NCM Inc.").

RECITALS

A. As contemplated by the terms of the Third Amended and Restated Limited Liability Company Operating Agreement of NCM LLC dated as of [_____,] 2007 (the "LLC Agreement"), the members of NCM LLC have approved this Management Services Agreement.

B. To facilitate the operation of the business of NCM LLC, NCM LLC and NCM Inc. desire for NCM Inc. to provide certain management services to NCM LLC supplemental to NCM Inc.'s role under the LLC Agreement and memorialize the clarification of certain responsibilities of NCM Inc. in managing NCM LLC on the terms and subject to the conditions specified in this Agreement.

C. To facilitate NCM Inc.'s provision of management services, NCM LLC and NCM Inc. desire for NCM LLC to provide certain administrative services, facilities and other resources to NCM Inc. on the terms and subject to the conditions specified in this 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 LLC and NCM Inc. agree as follows:

1. **Definitions.**

The following terms shall have the indicated meaning:

"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. As used in this definition, the word "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Aggregate Employee Costs" means, with respect to any month, the aggregate amount of Attributable Employee Costs.

"Agreement" is defined in the introductory paragraph.

"Attributable Employee Costs" means, with respect to each Service Employee, the monthly Employee Costs attributed to such Service Employee.

"Board" is defined in Section 2.1.

"Effective Date" is defined in the introductory paragraph.

"Employee Costs" means the direct out-of-pocket costs or reasonable allocated costs of NCM Inc. (i) for gross wages, salaries, bonuses, incentive compensation, equity compensation and payroll taxes of the Service Employees, *plus* (ii) for workers' compensation insurance incurred by NCM Inc. with respect to the Service Employees, *plus* (iii) for employee benefit plans attributable to any Service Employees, including pension, savings, medical, dental, vision, disability and life insurance, *plus* (iv) for other benefits directly attributable to the Service Employees, including fringe benefits, or other similar incentive programs, executive programs, severance pay, employee assistance programs, cafeteria plan benefits, dependent care and health care flexible spending accounts, sick leave, legal assistance, and educational assistance, *plus* (v) related to the employee benefit plans or programs, including incremental costs of charges or premiums, employee participation, actuarial reports, accounting, or legal fees.

"Health and Welfare Plans" is defined in Section 4.3(d).

"Law" or "Laws" means all applicable federal, state, tribal and local laws (statutory or common), rules, ordinances, regulations, grants, concessions, franchises, licenses, orders, directives, judgments, decrees, restrictions and other similar requirements, whether legislative, municipal, administrative or judicial in nature.

"LLC Agreement" is defined in the Recitals.

"Loss" is defined in Section 5.1.

"Management Services" means all services performed by Service Employees, whether the provision of such services by NCM Inc. is required or contemplated by the LLC Agreement or is supplemental to the services to be provided by NCM Inc. to NCM LLC under the LLC Agreement, relating to the management and operation of the business of NCM LLC, including executive oversight, sales, marketing, advertisement production, distribution, finance and accounting support and reporting, legal support and other services and activities as are customarily performed by persons holding the positions set forth on Exhibit A hereto.

"NCM Inc." is defined in the introductory paragraph.

"NCM Inc. Indemnified Parties" is defined in Section 5.2.

"NCM LLC" is defined in the introductory paragraph.

"NCM LLC Indemnified Parties" is defined in Section 5.3.

"Person" means an individual, corporation, joint venture, partnership, limited partnership, limited liability company, trust, estate, business trust, association, governmental authority or any other entity.

"Reimbursable Costs" shall mean all of the reasonable out-of-pocket costs and expenses directly incurred by NCM Inc. in connection with the providing of the Management Services, including the following:

(a) all supplies and equipment purchased on behalf of NCM LLC or its customers in order to provide the Management Services;

(b) reasonable meals, travel, hotel accommodations, and entertainment expenses incurred in connection with the performance of the Management Services;

(c) legal, accounting, health and safety, environmental, and other third party advisors and consultants incurred in connection with the performance of the Management Services;

(d) directors' and officers' insurance policies, employee practices liability insurance policies and any indemnification of directors or officers of NCM Inc.; and

(e) bank accounts maintained by NCM Inc. on behalf of NCM LLC.

"Service Employees" means those employees of NCM Inc. who devote all or a portion of their working time to the performance of the Management Services and whose (i) job title(s) and (ii) initial estimated Attributable Employee Cost are set forth on Exhibit A hereto, as may be amended from time to time. Service Employees include and will include any former Service Employee to whom NCM Inc. has ongoing obligations.

"Services Fee" is defined in Section 3.1.

"Supporting Documentation" is defined in Section 2.5(a).

2. **Performance of Management Services.**

2.1 Management Services. From and after the Effective Date, NCM Inc. agrees to provide the Management Services on the terms and conditions set forth in this Agreement and in compliance with the policies and programs established by the Board of Directors of NCM Inc. (the "Board").

2.2 Exhibit A.

(a) Exhibit A shall set forth the name, job title and initial estimated Attributable Employee Cost for each Service Employee.

(b) Notwithstanding anything in this Agreement to the contrary, Exhibit A shall be deemed automatically amended if NCM Inc. adds, removes or replaces a Service Employee, or if a Service Employee's employment with NCM Inc. otherwise terminates. In such an instance, NCM Inc. shall deliver to NCM LLC a revised Exhibit A that reflects such change to the list of Service Employees.

(c) For those Service Employees identified on Exhibit A as of the Effective Date, the initial estimated Attributable Employee Cost shall be calculated for fiscal year 2007, and for any subsequent Service Employee, initial estimated Attributable Employee Cost shall be calculated for the fiscal year in which such individual assumes the role of Service Employee. The estimated and actual Attributable Employee Costs will vary because of factors including payment of bonuses or other incentive compensation, including equity compensation (which bonuses, incentive and equity compensation will not be included in the estimated Attributable Employee Costs on Exhibit A), varying utilization of fringe benefits from estimated amounts and differences between estimated and actual benefit costs.

(d) Within thirty days of each new fiscal year, NCM Inc. shall provide NCM LLC a notice containing an updated estimated Attributable Employee Cost for each Service Employee.

2.3 Subcontractors. NCM Inc. may subcontract with third parties, including Affiliates of NCM Inc., to assist in the performance of the Management Services; *provided*, *however*, that NCM Inc. shall not be relieved of any obligation under this Agreement or the LLC Agreement as a result of any subcontract entered into pursuant to this Section 2.3; and further provided, that NCM Inc., at all times, will manage, supervise and monitor such parties.

2.4 Compliance with Laws. NCM Inc. shall perform the Management Services in compliance with all applicable Laws.

2.5 Supporting Documentation.

(a) NCM Inc. shall keep reasonable supporting documentation of all the Services Fees and Reimbursable Costs (the "Supporting Documentation"). NCM Inc. shall maintain and retain the Supporting Documentation in a manner consistent with NCM Inc.'s record retention policies.

(b) NCM LLC, upon reasonable notice to NCM Inc., shall have the right to inspect and audit, during normal business hours and using reasonable commercial efforts not to disrupt NCM Inc.'s normal business operations, the Supporting Documentation to the extent reasonably necessary to verify any information regarding the Services Fees or Reimbursable Costs with respect to any year within the twelve month period following the end of such year. The costs of any such inspection or audit shall be borne by NCM LLC.

2.6 Employee Matters. All Service Employees shall be employees of NCM Inc., and not NCM LLC. NCM Inc. shall recruit, select, employ, promote, terminate, supervise, direct, train and assign the duties of all Service Employees, and may change or replace any such Service Employee at any time in each case in NCM Inc.'s sole discretion. To the extent practicable, NCM Inc. shall notify NCM LLC before terminating any Service Employee, but all such termination decisions shall be made by NCM Inc. in its sole discretion.

2.7 No Partnership. Nothing contained in this Agreement or in the relationship between NCM Inc. and NCM LLC constitutes, or may be construed to be or to create, a partnership or joint venture between NCM Inc. and NCM LLC.

2.8 LLC Manager. Nothing contained in this Agreement shall alter NCM Inc.'s rights and obligations as manager of NCM LLC, as set forth in the LLC Agreement and applicable law.

3. **Management Services Fee and Payment.**

3.1 Services Fee. During the term of this Agreement, NCM LLC shall pay NCM Inc. a monthly fee (the "Services Fee") for performance of the Management Services equal to the Aggregate Employee Costs for such month.

3.2 Reimbursable Costs. During the term of this Agreement, NCM LLC shall pay NCM Inc. the amount of the Reimbursable Costs on a monthly basis.

3.3 Billing and Payments. On the Effective Date, NCM LLC shall pay NCM Inc. the estimated Services Fee for the remaining portion of the then current month and for the following month, as set forth on Exhibit B. Each month after the Effective Date, NCM Inc. will invoice NCM LLC for the estimated Services Fee for the following month

and the Reimbursable Costs for the preceding month. The invoice shall also include any adjustment in the amount owed by NCM LLC based on any difference between the prior estimated Services Fees and actual Services Fees that have been accounted for in the preceding month. NCM LLC shall pay NCM Inc. the Services Fee and Reimbursable Costs set forth in the invoice in immediately available funds within [10] days following receipt of such invoice.

4. **Performance of Administrative Services.**

4.1 Administrative Services. From and after the Effective Date, NCM LLC agrees to provide reasonable office facilities, equipment, supplies and administrative and other support services to NCM Inc. as are reasonably required by NCM Inc. to perform the Management Services and at a level no less than NCM LLC has historically provided such services to support the work of its executive officers.

4.2 Payroll, Accounting and Financial Reporting and Other Support Services. From and after the Effective Date, NCM LLC agrees to provide payroll, accounting and financial reporting and other support services for NCM Inc.

(a) Payroll. NCM LLC shall perform all payroll functions for payment of NCM LLC and NCM Inc. employees. NCM LLC shall be designated as the common paymaster for NCM LLC and NCM Inc. and shall be responsible for payroll tax withholding, remission and payroll tax reporting of compensation for NCM LLC and NCM Inc. employees. NCM LLC and NCM Inc. shall take such action as may be reasonably necessary or appropriate in order to minimize liabilities related to payroll taxes in connection with the transfer of Service Employees from NCM LLC to NCM Inc.

(b) Accounting and Financial Reporting. NCM LLC shall provide accounting and financial reporting services as reasonably required by NCM Inc. operations.

(c) Other Support Services. NCM LLC shall provide other reasonable supporting services for NCM Inc. including: management, sales, marketing, advertisement production, distribution, information technology, human resources, and legal supporting services on the same or similar terms as such services are provided to NCM LLC.

4.3 Employee Benefits. From and after the Effective Date, NCM LLC agrees that NCM Inc. employees shall be eligible to actively participate in the NCM LLC group employee benefit plans and, to the extent applicable, NCM Inc. shall be a participating employer in any NCM LLC group employee benefit plan. NCM Inc. agrees that NCM LLC employees shall be eligible to receive awards under the NCM Inc. Equity Incentive Plan.

(a) Service Recognition. NCM LLC shall cause the NCM LLC group employee benefit plans with respect to which service is a relevant factor to credit Service Employees who are employed by NCM LLC immediately prior to a transfer of employment to NCM Inc. with service before the effective date of the transfer, except to the extent duplication of benefits would result.

(b) NCM Inc. Equity Incentive Plan. NCM LLC shall provide administrative supporting services with respect to operation, administration and required reporting for the NCM Inc. Equity Incentive Plan. Section 3.5(c) of the LLC Agreement shall govern the terms and conditions relating to authorization and issuance of additional units of NCM LLC in connection with equity compensation awards under the NCM Inc. Equity Incentive Plan to employees and other service providers of NCM Inc. and NCM LLC. The Board or a committee of the Board shall approve equity awards made under the plan.

(c) 401(k) Plan. NCM LLC and NCM Inc. shall take all actions required or appropriate to provide that NCM Inc. shall adopt the National CineMedia, LLC 401(k) Profit Sharing Plan, or its successor, so that NCM Inc. will become a participating employer or alternatively NCM LLC will adopt a plan with identical benefits to provide for participation by eligible NCM Inc. employees.

(d) Health and Welfare Plans. NCM LLC and NCM Inc. shall take all actions required or appropriate to provide that NCM Inc. shall adopt, as a participating employer, the health and welfare benefit plans and other fringe benefits sponsored by NCM LLC for its employees (the "Health and Welfare Plans") to permit eligible NCM Inc. employees and their covered dependents to participate in the Health and Welfare Plans. NCM LLC shall take appropriate action with respect to Service Employees transferred to NCM Inc. to (i) waive any pre-existing condition limitation on benefits for Service Employees enrolled in a NCM LLC Health and Welfare Plan, (ii) take into account and credit any out-of-pocket annual maximums and deductibles for the calendar year during which service is provided to both NCM LLC and NCM Inc., (iii) take into account prior claim experience under the NCM LLC Health and Welfare Plans with respect to aggregate lifetime maximum benefits available to the Service Employee, and (iv) credit any health care reimbursement account accumulated for the calendar year in which service is provided to both NCM LLC and NCM Inc. NCM LLC shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, the corresponding provisions of the NCM LLC Health

and Welfare plans with respect to NCM LLC and NCM Inc. employees and their covered dependents. NCM LLC and NCM Inc. agree that the transfer of Service Employees to NCM Inc. shall not constitute a COBRA qualifying event.

(e) Vacation. NCM Inc. shall assume and honor all unused vacation and other time-off earned or accrued by Service Employees for service with NCM LLC prior to the Effective Date.

(f) Other. NCM Inc. and NCM LLC shall take all actions required or appropriate to ensure that the employee benefits provided to NCM Inc. employees are in the aggregate no less than the employee benefits available to continuing employees of NCM LLC.

5. **Limitation on Liability; Indemnification.**

5.1 Exculpation of NCM Inc. Neither NCM Inc. nor its officers, directors, agents and employees shall be liable to NCM LLC for any claims, actions, losses, damages, liabilities, causes of action, fines, costs and expenses (including reasonable investigation costs and reasonable attorneys', experts' and consultants' fees) ("Losses") suffered or incurred by NCM LLC, directly or indirectly, in connection with the performance of the Management Services, except to the extent such Losses are caused by willful misconduct or gross negligence of NCM Inc. No party hereto shall be liable to the other party for, and the term Losses shall not include, any lost profits, lost sales, business interruption, decline in value, lost business opportunities, or consequential, incidental, punitive or exemplary damages; *provided*, *however*, that this waiver shall not limit a party's right to indemnification for liabilities incurred by such party to a third party (other than the members of NCM LLC and their Affiliates) claiming such items as damages.

5.2 NCM LLC Indemnification of NCM Inc. NCM LLC shall indemnify, defend and hold harmless NCM Inc. and its Affiliates, directors, officers, members, managers, agents, and employees (the "NCM Inc. Indemnified Parties") from and against all Losses arising from the claims of any third party to the extent such claims arise directly or indirectly out of NCM Inc.'s performance of the Management Services, including any Losses arising out of or otherwise related to NCM Inc.'s employment of the Service Employees and the furnishing of such Service Employees to NCM LLC; *provided, however*, NCM LLC shall not be responsible for indemnifying or defending any of the NCM Inc. Indemnified Parties or otherwise be liable to any of the NCM Inc. Indemnified Parties with respect to any Losses arising from NCM Inc.'s willful misconduct or gross negligence.

5.3 NCM Inc. Indemnification of NCM LLC. NCM Inc. shall indemnify, defend and hold harmless NCM LLC, its members and employees and directors, officers

and agents of the members (the "NCM LLC Indemnified Parties") from and against all Losses resulting directly or indirectly from any act or omission by NCM Inc. that constitutes willful misconduct or gross negligence; *provided, however,* NCM Inc. shall not be responsible for indemnifying or defending any of the NCM LLC Indemnified Parties or otherwise be liable to any of the NCM LLC Indemnified Parties with respect to any Losses for which NCM LLC is obligated to indemnify NCM Inc. as provided in Section 5.2.

5.4 Special Indemnification Provisions. The indemnification obligations of NCM LLC under Section 5.2 and NCM Inc. under Section 5.3 shall in each case be conditioned upon (a) prompt notice from the other party hereto after such Person learns of any claim or basis therefor which is covered by such indemnity (except to the extent that the failure to provide prompt notice does not prejudice the indemnifying party), (b) such party's not taking any steps which would bar NCM LLC or NCM Inc., as the case may be, from obtaining recovery under applicable insurance policies or would prejudice the defense of the claim in question and (c) such party's taking of all reasonably necessary steps which if not taken would result in NCM LLC or NCM Inc., as the case may be, being barred from obtaining recovery under applicable insurance policies or would prejudice the defense of the claim in question.

6. **Term; Termination; Default.**

6.1 Term. This Agreement shall become effective on the Effective Date and shall continue until terminated as provided in Section 6.2.

6.2 Termination. This Agreement shall terminate, with no further action necessary by either NCM LLC or NCM Inc., on the date that NCM Inc. ceases to be the manager of NCM LLC pursuant to the terms of the LLC Agreement.

6.3 Surrender. Upon the termination of this Agreement, NCM LLC and NCM Inc. shall deliver any property belonging to the other party hereto.

6.4 Payment of Expenses After Termination; Accrued Obligations.

(a) Neither party hereto shall be relieved from any obligations or liabilities accruing prior to the effective date of termination, including in the case of NCM LLC, its obligation to make payment to NCM Inc. of all sums due NCM Inc. under this Agreement in respect of the performance of the Management Services prior to the date of termination. After termination of this Agreement, NCM Inc. shall provide NCM LLC a final invoice showing any prorated amount of the Services Fee to be returned to NCM Inc. and the outstanding Reimbursable Costs due to NCM Inc. The balance owed to NCM Inc. or NCM LLC, as applicable, shall be paid by the other party within [15] days following receipt of the final invoice.

(b) Upon termination of this Agreement, all employment agreements then in effect, including any employment agreements with former Service Employees pursuant to which NCM Inc. has ongoing obligations, shall be assigned by NCM Inc. to NCM LLC, effective as of termination, and NCM LLC shall assume all obligations under such agreements.

6.5 Survival. The provisions set forth in Sections 4,5,6.3,6,4 and 7.1 shall survive the termination of this Agreement.

6.6 Obligation to Cure or Re-perform. In the event of any breach of this Agreement by NCM Inc. in the performance of any Management Services, NCM Inc. shall, at NCM LLC's request, cure such breach or re-perform such Management Services; *provided*, *however*, that nothing in this Section 6.6 shall require NCM Inc. to re-perform any Management Services that are being disputed by the parties.

7. **Miscellaneous.**

7.1 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.

7.2 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

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

Either party hereto 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 7.2.

7.3 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 either NCM Inc. or NCM LLC except with the prior written consent of the other party; *provided*, *however*, no prior consent shall be required for an assignment by NCM Inc. of this Agreement to an Affiliate. With the exception of the rights of the NCM Inc. Indemnified Parties under Section 5.2 and the rights of the NCM LLC Indemnified Parties under Section 4.3, 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.

7.4 Amendment. Except with respect to an amendment to Exhibit A in accordance with Section 2.2, 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.

7.5 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.

7.6 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.

7.7 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.

7.8 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.

7.9 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 “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 LLC:

NATIONAL CINEMEDIA, LLC

By: _____
Name: _____
Title: _____

NCM INC.:

NATIONAL CINEMEDIA, INC.

By: _____
Name: _____
Title: _____

[Signature page of Management Services Agreement]

Exhibit A

Service Employees

Name	Job Title(s)	Initial Estimated Attributable Employee Cost (2007 Fiscal Year)
1. Kurt C. Hall	President and Chief Executive Officer	
2. Clifford E. Marks	President of Sales and Chief Marketing Officer	
3. Gary W. Ferrera	Executive Vice President and Chief Financial Officer	
4. Thomas C. Galley	Executive Vice President and Chief Technology and Operations Officer	
5. Ralph E. Hardy	Executive Vice President and General Counsel	

Exhibit B

Initial Services Fee Payment

Estimated Services Fee for _____ 2007 (prorated for __ days):	$ _____
Estimated Services Fee for _____2007:	_____
	_____
TOTAL:	$ _____

Exhibit 10.8

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.**

EXHIBITOR SERVICES AGREEMENT

BETWEEN NATIONAL CINEMEDIA, LLC AND
[CIRCUIT A]

DATED AS OF _____, 2007

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EXHIBITOR SERVICES AGREEMENT

THIS EXHIBITOR SERVICES AGREEMENT (this "Agreement") is entered into and effective as of _____, 2007 (the "Effective Date") by and between National CineMedia, LLC, a Delaware limited liability company ("LLC"), and [Circuit A], a **[Insert state and type of entity]** ("[Circuit A]," and with LLC, each a "Party" and collectively, the "Parties").

BACKGROUND

WHEREAS, American Multi-Cinema, Inc. ("AMC"), Regal CineMedia Holdings, LLC ("RCH") and Cinemark Media, Inc. ("Cinemark Media"), are parties to that certain Third Amended and Restated Limited Liability Company Operating Agreement, dated of even date herewith (the "LLC Agreement"), which shall govern the rights and obligations of AMC, RCH and Cinemark Media (collectively, the "Founding Members") and National CineMedia, Inc. ("National CineMedia") as Members in LLC and their ownership of certain Common Units (as defined in the LLC Agreement) in LLC; and

WHEREAS, pursuant to the LLC Agreement, LLC will operate a Digital Content Network (as defined below), which has the capabilities to provide the Founding Members the Digital Content Service, the Digital Programming Services and the Meeting Services (each as defined below) pursuant to the terms and conditions herein; and

WHEREAS, [Circuit A] participates in the Digital Content Network through its Theatres; and

WHEREAS, LLC and [Circuit A] desire to enter into a service arrangement pursuant to which LLC will provide the Advertising Services (as defined below), including the Digital Content Service and the Traditional Content Program, the Digital Programming Services and the Meeting Services to [Circuit A] theatres, and [Circuit A] will accept the Advertising Services, the Digital Programming Services and the Meeting Services in such theatres, all on the terms and conditions set forth herein; and

WHEREAS, LLC and [Circuit A] anticipate that this service arrangement will, among other accomplishments, improve both the movie-going experience of theatre patrons and the ability of national, regional and local advertisers to reach their target consumers.

NOW, THEREFORE, in consideration of the premises and mutual covenants in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, and, intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01 Definitions. Within the context of this Agreement, the following terms shall have the following meanings:

"**4.03 Revenue**" has the meaning assigned to it in Section 4.03.

"**Acceptance Notice**" has the meaning assigned to it in Section 9.03(c).

"**Acquisition Theatre(s)**" has the meaning assigned to it in Section 2.02(b).

"**Additional Lobby Promotion**" has the meaning assigned to it in Section 4.02(a)(i).

"**Administrative Fee**" means the fee for services provided by LLC as requested by [Circuit A] in connection with delivery of content to Theatres.

"**Advertising Services**" means the advertising and promotional services (including the Digital Content Service, the Digital Carousel, the Traditional Content Program, Lobby Promotions and Event Sponsorships) as described in Part A of Exhibit A hereto.

"**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 Member shall be deemed an Affiliate of LLC, (ii) LLC shall not be deemed an Affiliate of any 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 Member or LLC, (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 Member or LLC, (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 Member or LLC, (vi) no stockholder of National CineMedia shall be deemed an Affiliate of National CineMedia, and (vii) National CineMedia shall not be deemed an Affiliate of any stockholder of National CineMedia.

"**Aggregate Advertising Revenue**" means, for the applicable measurement period, the total revenue, in the form of cash and non-cash consideration, payable to LLC for Advertising Services, excluding revenue payable to LLC related to (i) Event Sponsorship, (ii) Advertising Services provided to third parties that are not Founding Members, and (iii) Advertising Services provided to Founding Members outside the provisions of this Agreement pursuant to a written agreement between LLC and such Founding Members.

"**Agreement**" has the meaning assigned to it in the preamble of this Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**Alternative Agreement**" has the meaning assigned to it in Section 9.03(a).

"**AMC**" has the meaning assigned to it in the recitals to this Agreement.

"**Assignment and Assumption**" has the meaning assigned to it in Section 15.08.

"**Beverage Agreement**" means **[specify by Circuit as existing on the Effective Date],** as such agreement may be amended from time to time, and any subsequent agreements entered into by [Circuit A] and its beverage concessionaires at the expiration or termination of the agreement referenced above which is in effect on the Effective Date.

"**Beverage Agreement Advertising Rate**" has the meaning assigned to it in Section 4.06(a).

"**Beverage Compliance Report**" has the meaning assigned to it in Section 4.10(b)(i).

"**Brand**" has the meaning assigned to it in Section 4.05.

"**Branded Slots**" has the meaning assigned to it in Section 4.05.

"**Church Worship Service**" means a Meeting Event sold to a non-profit religious organization.

"**Cinemark**" means Cinemark Holdings, Inc. or its successor or any Person that wholly owns Cinemark, directly or indirectly, in the future.

"**[Circuit A]**" has the meaning assigned to it in the preamble of this Agreement.

"**[Circuit A] Derived Works**" has the meaning assigned to it in Section 13.02(b).

"**[Circuit A] Equipment**" means the Equipment owned by [Circuit A].

"**[Circuit A] Information**" means all Confidential Information supplied by the [Circuit A] and its Affiliates.

"**[Circuit A] Initial ESA Modification Payment**" has the meaning assigned to it in Section 2.05(a)(i).

"**[Circuit A] Legacy Agreement(s)**" means all pre-Effective Date agreements of [Circuit A] or its Affiliates, including without limitation such agreements relating to the purchase of advertising in Acquisition Theatres, pursuant to which services which fall within the definition of Advertising Services are provided and which are expected to result in the generation of revenue payable to [Circuit A] or its Affiliates on and after the Effective Date, but excluding the Beverage Agreement, agreements with third-party cinema advertising service providers (which give rise to Run-Out Obligations pursuant to Section 4.08) and agreements between [Circuit A] or its Affiliates and any theatres owned by third parties (including other Members or their Affiliates) regarding the exhibition of content, advertisements or promotions in such third-party theatres.

"**[Circuit A] Marks**" means the trademarks, service marks, logos, slogans and/or designs owned by [Circuit A] or otherwise contributed by [Circuit A] for use under this Agreement, in any and all forms, formats and styles, including as may be used in the Brand (as defined herein), as may be modified from time-to-time all as notified to LLC from time-to-time by [Circuit A].

"**[Circuit A] Property**" has the meaning assigned to it in Section 13.01(b).

"**[Circuit A] Quality Standards**" has the meaning assigned to it in Section 7.03(c).

"**[Circuit B]**" means [Circuit B], a **[Insert state and type of entity]**.

"**[Circuit B] Exhibitor Agreement**" means the Exhibitor Services Agreement between LLC and [Circuit B], dated of even date herewith, as the same may be amended, supplemented or otherwise modified from time to time.

"**[Circuit B] Theatre**" means any "Theatre" as defined in the [Circuit B] Exhibitor Agreement.

"**[Circuit C]**" means [Circuit C], a **[Insert state and type of entity]**.

"**[Circuit C] Exhibitor Agreement**" means the Exhibitor Services Agreement between LLC and [Circuit C], dated of even date herewith, as the same may be amended, supplemented or otherwise modified from time to time.

"**[Circuit C] Theatre**" means any "Theatre" as defined in the [Circuit C] Exhibitor Agreement.

"**Cinemark Media**" has the meaning assigned to it in the recitals to this Agreement.

"**Client Limitation**" has the meaning assigned to it in Section 4.07(b)(i).

"**Common Unit Adjustment**" has the meaning assigned to it in the LLC Agreement.

"**Common Units**" has the meaning assigned to in the LLC Agreement.

"**Concessions**" means popcorn, candy, and other food and beverage items sold at the concession stands in Theatres.

"**Confidential Information**" means all documents and information concerning any other Party hereto furnished it by such other Party or its representatives in connection with the transactions contemplated by this Agreement (together with confidential information, including but not limited to Intellectual Property and other Proprietary Information of the other Members and LLC), and shall include, by way of example and not limitation, the LLC Property, the [Circuit A] Property, the LLC Derived Works and the [Circuit A] Derived Works. Confidential Information shall also include all Confidential Information supplied by the Members and their Affiliates. Notwithstanding the foregoing, Confidential Information shall not include any information that can be shown to have been (i) previously known by the Party to which it is furnished lawfully and without breaching or having breached an obligation of such Party or the disclosing Party to keep such documents and information confidential, (ii) in the public domain through no fault of the disclosing Party, or (iii) independently developed by the disclosing Party without using or having used the Confidential Information.

"**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.

"**Costs**" has the meaning assigned to it in Section 11.01(a).

"**CPI**" means the monthly index of the U.S. City Average Consumer Price Index for Urban Wage Earners and Clerical Workers (All Items; 1982-84 equals 100) published by the United States Department of Labor, Bureau of Labor Statistics or any successor agency that shall issue such index. In the event that the CPI is discontinued for any reason, LLC shall use such other index, or comparable statistics, on the cost of living for urban areas of the United States, as shall be computed and published by any agency of the United States or, if no such index is published by any agency of the United States, by a responsible financial periodical of recognized authority.

"**CPI Adjustment**" means the quotient of (i) the CPI for the month of January in the calendar year for which the CPI Adjustment is being determined, divided by (ii) the CPI for January of 2007.

"**Creative Services**" has the meaning assigned to it in Exhibit B.

"**Designated Services**" has the meaning assigned to it in Section 9.03(a).

"**Digital Carousel**" means a loop of slide advertising with minimal branding and entertainment content which (i) is displayed before the Pre-Feature Program in Digitized Theatres via the Digital Content Network and (ii) is displayed before the Traditional Content Program in Non-Digitized Theatres via a non-digital slide projector.

"**Digital Cinema Services**" means services related to the digital playback and display of feature films at a level of quality commensurate with that of 35 mm film release prints that includes high-resolution film scanners, digital image compression, high-speed data networking and storage, and advanced digital projection.

"**Digital Content Network**" means a network of LLC Equipment and third-party equipment and other facilities which provides for the electronic transmission of digital content, directly or indirectly, from a centrally-controlled location to Theatres, resulting in the "on-screen" exhibition of such content in such Theatres, either in Theatre auditoriums or on Lobby Screens.

"**Digital Content Service**" means the Pre-Feature Program, Policy Trailer, Event Trailer and the Video Display Program.

"**Digital Event Peak Season**" has the meaning assigned to it in Exhibit B.

"**Digital Films**" has the meaning assigned to it in Exhibit B.

"**Digital Programming**" means the content of Digital Programming Services.

"**Digital Programming Renewal Term**" has the meaning assigned to it in Section 9.01(b).

"**Digital Programming Services**" has the meaning assigned to it in Part B of Exhibit B.

"**Digital Programming Term**" has the meaning assigned to it in Section 9.01(b).

"**Digital Screen**" means a screen in an auditorium of a Digitized Theatre.

"**Digitized Theatres**" means all Theatres that are connected to the Digital Content Network, as of the Effective Date, and all Theatres that subsequently connect to the Digital Content Network, as of the date such connection is established.

"**Disposition**" (including the term "**Disposed**") has the meaning assigned to it in Section 2.03.

"**EBITDA**" means, for the applicable measurement period, earnings before interest, taxes, depreciation and amortization, all as defined by GAAP.

"**Effective Date**" has the meaning assigned to it in the preamble of this Agreement.

"**Encumbered Theatres**" has the meaning assigned to it in Section 4.08(a).

"**Equipment**" means the equipment and cabling, as prescribed by the terms of this Agreement, which is necessary to schedule, distribute, play, reconcile and otherwise transmit and receive the Services delivered by LLC pursuant to the terms of this Agreement, and a complete list of all such equipment located inside or on any Theatre building and the ownership thereof as of the date hereof is set forth in the Specification Documentation, as may be amended from time to time at the request of either Party.

"**ESA-Related Tax Benefit Payments**" has the meaning assigned to it in Section 1.1 of the Tax Receivable Agreement.

"**Event Sponsorship**" has the meaning assigned to it in Part A of Exhibit A.

"**Event Trailer**" has the meaning assigned to it in Section 6.03(a).

"**Excluded Theatres**" has the meaning assigned to it in Section 4.13(a).

"**Flight**" has the meaning assigned to it in Section 4.01(a).

"**Founding Members**" has the meaning assigned to it in the recitals to this Agreement and shall include their respective Affiliates.

"**Future Theatres**" has the meaning assigned to it in Section 3.01.

"**GAAP**" means United States generally accepted accounting principles, consistently applied.

"**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.

"**IMAX Screens**" has the meaning assigned to it in Section 4.13(b).

"**Indemnifying Party**" has the meaning assigned to it in Section 11.01(c).

"**Infringement**" has the meaning assigned to it in Section 12.02.

"**Initial Digital Programming Services Term**" has the meaning assigned to it in Section 9.01(b).

"**Initial Meeting Services Term**" has the meaning assigned to it in Section 9.01(c).

"**Initial Term**" has the meaning assigned to it in Section 9.01(a).

"**Intellectual Property**" means all intellectual property, including but not limited to all U.S., state and foreign (i) (A) patents, inventions, discoveries, processes and designs; (B) copyrights and works of authorship in any media; (C) trademarks, service marks, trade names, trade dress and other source indicators and the goodwill of the business symbolized thereby, (D) software; and (E) trade secrets and other confidential or proprietary documents, ideas, plans and information; (ii) registrations, applications and recordings related thereto; (iii) rights to obtain renewals, extensions, continuations or similar legal protections related thereto; and (iv) rights to bring an action at law or in equity for the infringement or other impairment thereof.

"**Inventory**" means any advertising or other content.

"**License Agreement**" means that certain Second Amended and Restated Software License Agreement, dated of even date herewith, among LLC, [Circuit C], [Circuit B] and [Circuit A], as applicable, and as such agreement may be amended, supplemented or otherwise modified from time to time.

"**LLC Agreement**" has the meaning assigned to it in the recitals to this Agreement.

"**LLC Derived Works**" has the meaning assigned to it in Section 13.02(a).

"**LLC Equipment**" means the Equipment owned by LLC pursuant to the terms of this Agreement.

"**LLC Marks**" means the trademarks, service marks, logos, slogans and/or designs owned by LLC or otherwise contributed by LLC for use under this Agreement, in any and all forms, formats and styles, including as may be used in the Brand (as defined herein), as may be modified from time-to-time all as notified to [Circuit A] from time to time by LLC.

"**LLC Property**" has the meaning assigned to it in Section 13.01(a).

"**LLC Quality Standards**" has the meaning assigned to it in Section 7.02(c).

"**Lobby Promotions**" has the meaning assigned to it in Part A of Exhibit A.

"**Lobby Screen"** means a plasma, LED or other type of screen displaying digital or recorded content that is located inside a Theatre and outside the auditoriums, or any other type of visual display mechanism that replaces such a screen. Lobby Screens shall not include, however, digital poster cases, digital animated poster cases**,** ATM or ticket kiosk screens (or such items that may replace digital poster cases or ATM or ticket kiosk screens in the future) or other substantially similar display mechanisms that display Theatre Advertising or promotional material that may include some or all of the following types of content: isolated images or still scenes from feature films, full motion elements that are not a movie trailer, interactive elements, audio elements and motion sensors and which content, considered singularly and collectively, is sufficiently limited in playtime and complexity such that it cannot reasonably be considered equivalent to a movie trailer.

"**Loews Theatres**" mean the theatres acquired (and not divested under government order) by AMC Entertainment Inc. in connection with its merger with Loews Cineplex Entertainment Corporation completed on January 26, 2006.

"**Marketing Materials**" has the meaning assigned to it in Section 7.02(a).

"**Marquee Holdings**" means Marquee Holdings Inc. (a holding company that conducts business through its subsidiary AMC Entertainment Inc.) or its successor or any Person that wholly owns Marquee Holdings, directly or indirectly, in the future.

"**Meeting Services**" has the meaning assigned to it in Part C of Exhibit A.

"**Meeting Services EBITDA Threshold**" has the meaning assigned to it in Section 9.01(c).

"**Meeting Services Renewal Term**" has the meaning assigned to it in Section 9.01(c).

"**Meeting Services Term**" has the meaning assigned to it in Section 9.01(c).

"**Meeting With a Movie**" means a Meeting Services event at which a feature film is shown and for which tickets are sold.

"**Meeting Without a Movie**" means a Meeting Services event at which no feature film is shown.

"**Member**" means each Person that becomes a member, as contemplated in the Delaware Limited Liability Act, of LLC in accordance with the provisions of the LLC Agreement and has not ceased to be a Member pursuant to the LLC Agreement.

"**National CineMedia**" has the meaning assigned to it in the recitals to this Agreement.

"**Newbuild Theatre(s)**" has the meaning assigned to it in Section 2.02(a).

"**Non-Assignable Legacy Agreement**" has the meaning assigned to it in Section 4.06(b)(ii).

"**Non-Digitized Theatres**" means Theatres that are not Digitized Theatres.

"**Party**" has the meaning assigned to it in the preamble of this Agreement.

"**Permitted Transfer**" means by operation of law or otherwise, the direct or indirect change in control, merger, consolidation or acquisition of all or substantially all of the assets of, LLC or [Circuit A], as applicable, or the assignment of this Agreement by [Circuit A] to an Affiliate.

"**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.

"**Play List**" has the meaning assigned to it in Section 4.01(a).

"**Policy Trailer**" has the meaning assigned to it in Section 4.05(b).

"**Pre-Feature Program**" means a program of digital content of between twenty (20) and thirty (30) minutes in length that is distributed by LLC through the Digital Content Network for exhibition in Digitized Theatres prior to Showtime, or that is distributed non-digitally by some other means, including DVD, for exhibition prior to Showtime in Non-Digitized Theatres.

"**Pre-Feature Programming Schedule**" means the schedule for the Pre-Feature Program as developed from time to time by LLC after consultation with [Circuit A].

"**Proprietary Information**" means all Intellectual Property, including but not limited to information of a technological or business nature, whether written or oral and if written, however produced or reproduced, received by or otherwise disclosed to the receiving Party from or by the disclosing Party that is marked proprietary or confidential or bears a marking of like import, or that the disclosing Party states is to be considered proprietary or confidential, or that a reasonable person would consider proprietary or confidential under the circumstances of its disclosure.

"**PSA Trailer**" means up to 30 seconds for [Circuit A] approved fundraising and that may contain the display of any trademark, service mark, logo or other branding of the charitable organizations sponsoring such fundraising that is exhibited in the Theatres after Showtime.

"**RCH**" has the meaning assigned to it in the recitals to this Agreement.

"**REG**" means Regal Entertainment Group or its successor or any Person that wholly owns REG, directly or indirectly, in the future.

"**Renewal Term**" has the meaning assigned to it in Section 9.01(a).

"**Representatives**" has the meaning assigned to it in Section 11.01(a).

"**ROFR Notice**" has the meaning assigned to it in Section 9.03(a).

"**ROFR Period**" has the meaning assigned to it in Section 9.03(a).

"**ROFR Response**" has the meaning assigned to it in Section 9.03(c).

"**ROFR Response Period**" has the meaning assigned to it in Section 9.03(c).

"**Run-Out Obligations**" has the meaning assigned to it in Section 4.08.

"Service" means the Advertising Services, the Digital Programming Services and, for the duration of the Meeting Services Term, the Meeting Services, all as set forth on Exhibit A and as applicable.

"Showtime" means the advertised showtime for a feature film.

"**Software**" means the software owned by, and/or licensed to, LLC or its direct or indirect Subsidiaries and which is installed on either LLC Equipment or [Circuit A] Equipment and used in connection with delivery of the Digital Content Service, the Digital Carousel, the Digital Programming Services and the Meeting Services.

"**Special Promotions**" has the meaning assigned to it in Section 4.14.

"Specification Documentation" means documentation as specified herein, relating to technical specifications or other matters relating of this Agreement, that is delivered and agreed upon by the Parties on the Effective Date of this Agreement.

"**Strategic LEN Promotion**" has the meaning assigned to it in Section 4.07(b)(ii).

"**Strategic Lobby Promotion**" has the meaning assigned to it in Section 4.07(b)(iii).

"**Strategic Programs**" has the meaning assigned to it in Section 4.07(b).

"**Strategic Relationship**" has the meaning assigned to it in Section 4.07(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 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.

"**Supplemental Theatre Access Fee**" has the meaning assigned to it in Schedule 1.

"**Tax Receivable Agreement**" means that certain Tax Receivable Agreement by and among National CineMedia, LLC, RCH, AMC, Cinemark Media, [Circuit A], [Circuit B], and [Circuit C], and to be dated as of the date hereof.

"**Term**" has the meaning assigned to it in Section 9.01(a).

"**Territory**" means the 50 states of the United States of America and the District of Columbia.

"**Theatre Access Fee**" has the meaning assigned to it in Schedule 1.

"Theatre Advertising" means advertisement of one or more of the following activities associated with operation of the Theatres of [Circuit A] or its Affiliates: (A) Concessions or Concession promotions, (B) [Circuit A]'s gift cards, loyalty programs and other items related to [Circuit A]'s business in the Theatres, (C) events presented by [Circuit A] pursuant to Section 6.05, or (D) vendors of services (other than film-related vendors) provided to the Theatres, provided such promotion is incidental to the vendor's service such as, but without limitation, online or telephone ticketing or other alternative delivery sources for the same, credit cards, bank cards, charge cards, debit cards, gift cards and other consumer payment devices. Theatre Advertising includes the display of concession menus, movie listings, Showtimes and pricing information.

"**Theatres**" means from time-to-time, as applicable, all theatres in the Territory owned by [Circuit A] or an Affiliate of [Circuit A] or as to which [Circuit A] or an Affiliate of [Circuit A] has a controlling interest or operational control, including both Digitized and Non-Digitized Theatres, except as provided in Sections 2.02(b), 4.08 and 4.13 or as may be mutually agreed by the Parties in writing. The foregoing notwithstanding, no motion picture theatre located outside of the Territory shall be a Theatre without LLC's prior written consent. Theatre includes all parts of the physical facilities inside a theatre building to which the public has access.

"**Third Party Theatre Agreement**" means an agreement between LLC and a third party that gives LLC a right to provide Advertising Services with respect to the Theatres being Disposed of by a Founding Member to such third party and that meets the following minimum

requirements: (i) the third party grants LLC exclusive access to and the exclusive right to provide Advertising Services with respect to the Theatres; (ii) the Third Party Theatre Agreement incorporates content standards no more restrictive than as set forth in section 4.03 of this Agreement; (iii) the fee payable by LLC to the third party for the Advertising Services does not exceed *** of LLC's total revenue attributable to such Advertising Services; (iv) the term of the Third Party Theatre Agreement (excluding extensions) is for the shorter of (A) the term of the longest lease (excluding extensions) being Disposed of by the Founding Member in the transaction, or (B) ***; (v) LLC has substantially similar penalties upon a breach of the Third Party Theatre Agreement by such third party than as set forth in this Agreement for breaches by such Founding Member; and (vi) in all other material respects, the Third Party Theatre Agreement imposes obligations upon the third party that are substantially similar to the obligations imposed upon the Founding Member in this Agreement, except that obligations arising exclusively from such Founding Member's status as a Founding Member shall be inapplicable to the third party.

"Traditional Content Program" means advertising and other promotional content which is displayed on 35 mm film prior to Showtime.

"**Trailer**" means a promotion secured by [Circuit A] or its designee (which retains the exclusive rights to so secure for all of its Theatres) for a feature film that is exhibited in the Theatres after Showtime.

"**Unit Adjustment Agreement**" means that certain Common Unit Adjustment Agreement [of even date herewith] among National CineMedia, LLC, RCH, AMC, Cinemark Media, [Circuit A], [Circuit B], and [Circuit C], and to be dated as of the date hereof.

"**Upgrade Request**" has the meaning assigned to it in Section 3.05.

"**Video Display Program**" means a program of digital content shown on Lobby Screens which is distributed by LLC through the Digital Content Network for exhibition in Digitized Theatres, and which is distributed non-digitally by some other means, including DVD, for exhibition in Non-Digitized Theatres.

ARTICLE 2

PARTICIPATION AND FEES

Section 2.01 Theatre Service Participation. From the Effective Date and during the Term, LLC shall provide all aspects of the Service to [Circuit A] and [Circuit A] shall exhibit and otherwise participate in such aspects of the Service, on the terms and conditions set forth herein. Subject to the provisions of Section 4.08 ([Circuit A] Run-Out Obligations), during the Term all Theatres will participate in the Service either as Digitized Theatres or Non-Digitized Theatres.

(a) Digitized Theatres. As of the Effective Date and during the Term, pursuant to the terms of Section 4.01 (Content and Distribution of the Digital Content Service and Traditional Content Program), LLC will provide the following Services to the Digitized

Theatres, and all Digitized Theatres will, subject to the terms of Section 4.12 (Access to Pre-Feature Program), participate in (i) the Digital Carousel during the period beginning after the preceding feature film (or, in the case of the first feature film of the day, beginning after the opening of the auditorium doors for that film) until the beginning of the Pre-Feature Program, (ii) the Pre-Feature Program, (iii) the Policy Trailer and (iv) the Video Display Program.

(b) Non-Digitized Theatres. As of the Effective Date and during the Term, pursuant to the terms of Section 4.01 (Content and Distribution of the Digital Content Service and Traditional Content Program), LLC will provide the following Services to the Non-Digitized Theatres, and all Non-Digitized Theatres will, subject to the terms of Section 4.12 (Access to Pre-Feature Program), participate in, (i) the Digital Carousel during the period beginning after the preceding feature film (or, in the case of the first feature film of the day, beginning after the opening of the auditorium doors for that film) until the beginning of the Traditional Content Program, (ii) the Traditional Content Program, (iii) the Policy Trailer and (iv) the Video Display Program, but with respect to participation of Non-Digitized Theatre's participation in the Video Display Program, only to the extent that a Non-Digitized Theatre has at least one Lobby Screen and has the requisite equipment necessary to participate in the Video Display Program. No Non-Digitized Theatre will be obligated to participate in, nor will LLC be obligated to provide to any Non-Digitized Theatre, the Pre-Feature Program.

(c) Lobby Promotions. LLC shall provide Lobby Promotions to Theatres and Theatres shall participate in Lobby Promotions as described in Section 4.02.

(d) Events and Meetings. LLC shall provide Digital Programming Services (including Event Trailers) and Meeting Services to Theatres and Theaters shall participate in Digital Programming and Meeting Services as described in Article 6.

(e) Modifications. The Parties agree that the rights and obligations to provide and participate in elements of the Service, as set forth immediately above, may be modified during the Term upon mutual written agreement of the Parties.

(f) Conversion of Theatres. No Digitized Theatre shall become a Non-Digitized Theatre without the mutual agreement of [Circuit A] and LLC. [Circuit A] will determine from time to time which Non-Digitized Theatres will be converted to Digitized Theatres.

(g) Rights to Transfer Theatres. The Parties agree that nothing in this Agreement is intended to, nor shall, bind or otherwise limit [Circuit A]'s or its Affiliates' rights and abilities in its sole discretion from time to time to close, sell, acquire or otherwise transfer any interest in (including by mortgage or otherwise) any theatre.

Section 2.02 Addition of Theatres.

(a) Newbuild Theatres. Except as provided in Section 4.13 (Excluded Theatres; IMAX Screens) or as mutually agreed by the Parties in writing, any theatre in the Territory newly built by [Circuit A] or an Affiliate of [Circuit A] following the Effective Date ("Newbuild Theatres") shall be equipped to receive the Digital Content Service via the Digital

Content Network, shall be a Digitized Theatre, and shall participate in the Digital Content Service on the terms set forth in Section 2.01. LLC agrees to provide all aspects of the Service to Newbuild Theatres on the terms and conditions set forth herein.

(b) Acquisition Theatres. Any theatre in the Territory of which [Circuit A] or an Affiliate of [Circuit A] obtains control of the advertising, promotional or event activities therein after the Effective Date (excluding any Newbuild Theatres and any Loews Theatre) shall be an "Acquisition Theatre(s)". Subject to Sections 4.08 and 4.13, LLC shall provide all aspects of the Service to such Acquisition Theatres and [Circuit A] shall cause such Acquisition Theatres to exhibit and participate in the Service on the terms and conditions set forth herein. The Parties agree that [Circuit A] may obtain operational control of an Acquisition Theatre but not obtain any or all rights necessary to receive or display any or all aspects of the Service or control over advertising, promotions or events but not over all of the foregoing, and, in such circumstances [Circuit A] shall use its commercially reasonable efforts to have as much of the Service received or displayed in such Acquisition Theatres as is within its control, or if not, then as reasonably practicable. The Parties agree that it may not be commercially reasonable to equip each Acquisition Theatre to receive the Digital Content Service and the Digital Programming Services and Meeting Services via the Digital Content Network. Therefore, the Parties agree, subject to Sections 4.08 and 4.13, that every Acquisition Theatre that is a Digitized Theatre shall participate in the Digital Content Service via the Digital Content Network on the terms set forth in Section 2.01, but that [Circuit A] retains sole discretion as to if, when and which Acquisition Theatres [Circuit A] converts to Digitized Theatres. The Parties agree to discuss in good faith, upon the acquisition of control, of an Acquisition Theatre by [Circuit A] or an Affiliate of [Circuit A] during the Term, whether such Acquisition Theatre will be a Digitized Theatre, and if appropriate a schedule for equipping such Acquisition Theatre to receive the Digital Content Service, the Digital Programming Services and Meeting Services via the Digital Content Network.

(c) Common Unit Adjustment. Any adjustment of Common Unit ownership by the Members related to Newbuild Theatres and Acquisition Theatres shall be addressed in the Unit Adjustment Agreement.

Section 2.03 Disposition of Theatres.

(a) Disposition. [Circuit A] shall provide LLC prompt written notice after the sale, transfer, permanent closure or other disposition of a Theatre (other than as the result of a Permitted Transfer) or the permanent loss of any Theatre lease (a "Disposition"). The decision to sell, close or otherwise dispose of any Theatre shall be in [Circuit A]'s sole and absolute discretion. Any such Theatre shall cease to be a Theatre for all purposes under this Agreement; and, if so determined by [Circuit A] and agreed by LLC (which agreement shall not be unreasonably or untimely withheld), then subject to LLC and the applicable third party(ies) entering into a Third Party Theatre Agreement; and, if LLC and such third parties fail to enter into such a Third Party Theatre Agreement, then the Parties will agree on a date and time at which LLC shall be permitted to enter the affected Theatre(s) and remove any LLC Property (as defined in Section 13.01). In the event LLC fails to remove any LLC Property within the timeframe the Parties agree upon for such removal, [Circuit A] or such third party transferee

shall have the right to remove and dispose of such LLC Property in its sole discretion; provided that any Software included in the LLC Property shall be removed and returned to LLC at LLC's expense.

(b) Common Unit Adjustment. Any adjustment of Common Unit ownership by the Members related to Disposition of Theatres shall be addressed in the Unit Adjustment Agreement.

Section 2.04 Mandatory Participation. During the Term, except as expressly provided in this Agreement, including Sections 4.05 (Brand; Policy Trailer; Branded Slots), 4.06(a) (Beverage Agreements), 4.07 (Other [Circuit A] Advertising Agreements), 4.08 ([Circuit A] Run-Out Obligations), 4.13 (Excluded Theatres; IMAX Screens), 4.14 (Grand Openings; Popcorn Tubs; Employee Uniforms); 6.07 (Use of Digital Content Network) and Exhibit A, [Circuit A] shall subscribe for and LLC shall be the exclusive provider to the Theatres of the services specifically set forth in the definition of the "Service." Except as expressly provided in this Agreement, during the Term, [Circuit A] shall neither engage nor permit a third party (excluding third party designees of LLC as provided hereunder) to provide, or itself provide, to a Theatre any of the services specifically set forth in the definition of Service. Nothing in this Agreement shall limit or affect (i) LLC's ability to contract or enter into any relationship with any Person or entity for any product, service, or otherwise, whether or not similar to any products or services provided by LLC under this Agreement, or (ii) [Circuit A]'s ability to contract or enter into any relationship with any Person or entity for any product, service, or otherwise, other than the services that will be provided exclusively by LLC as set forth in this Section 2.04. All rights with respect to advertising and promotions not explicitly granted hereunder are reserved to [Circuit A], including without limitation [Circuit A]'s ability to offer and sell advertising to any third party on any website on the Internet, its telephone ticketing service or other alternative media sources used for ticketing.

Section 2.05 ESA Modification Payments; Theatre Access Fees.

(a) ESA Modification Payments.

(i) [Circuit A] Initial ESA Modification Payment. As of the date hereof, and in consideration for [Circuit A's] agreement to use a Theatre Access Fee calculation and payment mechanism (as described in Section 2.05(b)) in connection with LLC's utilization of the Theatres on and after the date of this Agreement, LLC will pay to [Circuit A] $[_____] (such amount being the "[Circuit A] Initial ESA Modification Payment").

(ii) ESA-Related Tax Benefit Payments. After the date hereof, and in consideration for [Circuit A's] agreement to use a Theatre Access Fee calculation and payment mechanism (as described in Section 2.05(b)) in connection with LLC's utilization of the Theatres on and after the date of this Agreement, LLC will also pay any ESA-Related Tax Benefit Payments to [Circuit A], pursuant to the terms of the Tax Receivable Agreement.

(iii) Adjustments. The [Circuit A] Initial ESA Modification Payment will be subject to contingent and ongoing adjustments, pursuant to the Unit Adjustment Agreement.

(b) Theatre Access Fees.

(i) Calculation. In consideration for utilization of the Theatres pursuant to the terms hereof, LLC shall calculate and [Circuit A] shall be entitled to receive a Theatre Access Fee, as set forth in Schedule 1, which shall be paid based on [Circuit A]'s attendance for the relevant fiscal month in which LLC provides the Services and number of Digital Screens during the fiscal month in which LLC provides the Services (calculated as the average between the number of Digital Screens on the last day of the fiscal month preceding the relevant fiscal month in which LLC provides the Services and the last day of the fiscal month in which LLC provides the Services), and which shall include the amount of 4.03 Revenue allocated to Circuit A for the same fiscal month.

(ii) Payment. LLC shall pay [Circuit A] its Threatre Access Fees on or before the last day of LLC's fiscal month following the fiscal month in which Services are provided by LLC; provided that [Circuit A] has, by the fourteenth day of LLC's fiscal month following the month in which Services are provided by LLC, given LLC the data regarding attendance and number of Digital Screens necessary for LLC to calculate the Theatre Access Fee. If [Circuit A] has not, by the fourteenth day of LLC's fiscal month following the month in which Services are provided by LLC, given LLC the data regarding attendance and number of Digital Screens necessary for LLC to calculate the Theatre Access Fee, the due date of the Theatre Access Fee payment shall be extended by one day for each day that [Circuit A] is late in providing such data. LLC shall provide [Circuit A] with a detailed accounting of the calculation of Theatre Access Fees pursuant to Schedule 1, which report shall accompany each such payment.

(iii) Supplemental Theatre Access Fee. If applicable, LLC shall pay [Circuit A] a Supplemental Theatre Access Fee, as set forth in Schedule 1, on or before the last day of LLC's fiscal month following the end of LLC's applicable fiscal year.

Section 2.06 Non-Cash Consideration. Any Aggregate Advertising Revenue, revenue related to Event Sponsorship, revenue related to Digital Programming Services or revenue related to Meeting Services that LLC receives in the form of non-cash consideration shall be valued as revenue in accordance with GAAP. If LLC's value of non-cash consideration received under any arrangement exceeds $500,000 but is not greater than $5 million from any party in a single transaction or series of related transactions, such value shall be confirmed by National CineMedia, if it is LLC's managing member, or LLC's then managing member. If LLC's value of non-cash consideration received under any arrangement exceeds $5 million from any party in a single transaction or series of related transactions, LLC shall engage an independent qualified appraiser to determine the fair market value of such non-cash consideration. Notwithstanding the foregoing, no confirmation or appraisal of value shall be required for LLC's acquisition of tickets from Founding Members at their published group sale price in exchange for advertising at LLC's rate card rate.

ARTICLE 3

EQUIPMENT

Section 3.01 Procurement; Cost; Specifications. The Parties agree that all Theatre-level Equipment required to exhibit and otherwise participate in the Service on the terms and conditions set forth herein has been installed in all Theatres as of the Effective Date. With respect to all Newbuild Theatres, Acquisition Theatres, and Theatres which are converted from Non-Digitized Theatres to Digitized Theatres or from Digitized Theatres to Non-Digitized Theatres after the Effective Date (collectively, the "Future Theatres"), LLC shall, except as provided in Section 3.03, be solely responsible for procuring any Equipment for such Theatres. LLC shall bear the cost of all Equipment for use outside the Theatres, as well as Equipment installed in the Theatres for maintenance purposes (if any) (a description of such LLC Equipment installed in the Theatres is included in the Specification Documentation; which may be amended by mutual written agreement of the Parties) and the Software. [Circuit A] shall reimburse LLC, at LLC's cost, for all other Equipment to be installed at or within any Future Theatres (a description of such [Circuit A] Equipment is included in the Specification Documentation; which may be amended by mutual written agreement of the Parties) within thirty (30) days after (i) the installation of such Equipment by [Circuit A] or LLC in accordance with Section 3.04 and (ii) the delivery of invoices by LLC to [Circuit A] supporting the expenses for which reimbursement is sought. All Theatre-level operational costs associated with [Circuit A]'s use of Equipment located in the Theatres, such as the cost of electricity, shall be borne exclusively by [Circuit A]. LLC shall assure that the Equipment purchased by LLC satisfies [Circuit A]'s specifications for such equipment, including the communication interface between LLC Equipment and [Circuit A] Equipment.

Section 3.02 Ownership of Equipment. As between the Parties, each Party will own the Equipment it pays for or reimburses the other Party for, whether pursuant to Section 3.01 or Section 3.03. To the extent possible, LLC agrees to assign to [Circuit A] any manufacturer warranties applicable to [Circuit A] Equipment procured by LLC pursuant to Section 3.01. If for any reason the aforementioned warranties are not assignable, upon written request of [Circuit A], LLC shall use commercially reasonable efforts to enforce the warranties on behalf of [Circuit A].

Notwithstanding anything to the contrary herein, any LLC Equipment placed or installed in a Theatre for maintenance purposes may, upon termination of this Agreement or deletion of a particular Theatre as provided herein, as applicable, be removed by LLC and held for its sole benefit.

Section 3.03 [Circuit A] Equipment. [Circuit A] shall be permitted to furnish any of the Equipment, at its sole cost and expense, upon consultation with LLC, and provided such Equipment satisfies LLC's specifications for such Equipment (including compatibility with the Digital Content Network). LLC agrees to cooperate with [Circuit A] in good faith to permit the procurement by [Circuit A] of Equipment in lieu of procurement of such Equipment by LLC and reimbursement by [Circuit A] pursuant to Section 3.01.

Section 3.04 Installation.

(a) Performance. [Circuit A] and/or its subcontractors shall be solely responsible for the installation of all Equipment purchased pursuant to Section 3.01 or Section 3.03, as well as for ancillary services such as reporting, software integration and system cutover; provided, however, that [Circuit A] may elect to have LLC perform such services, and LLC shall then assume the responsibility for installation of all Equipment. If [Circuit A] elects for LLC to assume the responsibility for installation of all Equipment, (i) [Circuit A] shall reimburse LLC for the cost of installing [Circuit A] Equipment as set forth in the Specification Documentation, (ii) LLC will not issue invoices for any Equipment cost, or installation services related to such Equipment until the completion of such installation services, and (iii) LLC shall ensure that Equipment installed pursuant to this section is made functional in accordance with any installation rollout schedule agreed to by the Parties, as may be amended from time to time upon mutual agreement of the Parties or as circumstances warrant.

(b) Consultation; Landline. The Parties agree to consult with each other with respect to any modifications to Theatre premises necessary for receipt of the Service. LLC shall use commercially reasonable efforts to limit the size and number of satellite dishes that are required as part of the Equipment. [Circuit A] shall be solely responsible for obtaining any consents required for the installation or use of any Equipment at any Theatre, including without limitation governmental and landlord consents, provided LLC reasonably cooperates with [Circuit A] at [Circuit A]'s request in obtaining such consents. If [Circuit A] cannot obtain consent to installation of a satellite dish at a Theatre because of technical, landlord or legal restrictions, [Circuit A] and LLC shall work together in good faith to establish a landline connection to such location for the Digital Content Network. All costs of the landline connection, which shall be maintained with sufficient bandwidth for delivery of the Digital Content Service, shall be borne by LLC with respect to delivery of content from LLC to [Circuit A]'s wide area network and by [Circuit A] with respect to delivery of content from [Circuit A]'s wide area network to the applicable Theatres.

(c) Coordination. All installation, maintenance and other services provided by LLC to the Theatres hereunder shall be performed in a manner reasonably expected not to disrupt [Circuit A]'s operations and, except where no practical alternative exists, shall be provided outside of Theatre business hours, as mutually determined by the Parties in their

reasonable discretion. Subject to the preceding sentence and upon advance written notice, LLC and its vendors or subcontractors shall be provided reasonable access to the Theatres and such other support services as reasonably required to install and inspect the Equipment, for such fees as provided in the Specification Documentation, and otherwise as required to perform LLC's obligations under this Agreement. In addition to the foregoing, and with respect to the installation of Equipment in Newbuild Theatres only, LLC agrees (i) to cooperate with [Circuit A] in coordinating the installation of Equipment with the construction schedule for such Newbuild Theatres, and (ii) to consult with [Circuit A] prior to subcontracting the performance of Equipment installation so as to permit a determination of whether [Circuit A] might itself perform such Equipment installation.

Section 3.05 Upgrades and Modifications. In order to ensure compatibility with, and optimum performance and robustness of, the Digital Content Network and the LLC Equipment (including hardware and software), LLC reserves the right to request of [Circuit A] the replacement, upgrade or modification of any [Circuit A] Equipment installed at any Theatre or the assistance with an upgrade to Software on [Circuit A] Equipment; provided that such requests are equally and timely communicated to each of [Circuit A], [Circuit B] and [Circuit C] (the "Upgrade Request"). In the event of an Upgrade Request, LLC shall provide [Circuit A] as much written notice as is reasonably practicable under the circumstances, but in no event less than ten (10) business days written notice. LLC and [Circuit A] will negotiate with each other in good faith on the terms of any Upgrade Requests, including cost sharing terms, if any. If LLC and [Circuit A] are not able to come to agreement about an Upgrade Request, LLC may elect to pay for the replacements, upgrades or modifications contained in the Upgrade Request including all reasonable incidental and incremental costs to [Circuit A], and [Circuit A] shall be obligated to permit LLC to perform all necessary work to fulfill the Upgrade Request, provided (i) there is no additional unreimbursed cost to it to accept such replacement, upgrade or modification and (ii) that such replacement, upgrade or modification does not unreasonably interfere with [Circuit A]'s theatre operations and does not include any replacement, upgrade or modification of [Circuit A] software without [Circuit A]'s express prior written consent. LLC agrees that, to the extent practicable, it will develop a system that seeks to minimize the need to enter the Theatres in order to update the Software.

Section 3.06 Network Integration. The Parties shall use commercially reasonable efforts to ensure that the Digital Content Network will be integrated with any network for delivery of Digital Cinema Services such that the Services can be delivered over such network.

Section 3.07 Training. To the extent necessary, LLC and [Circuit A], respectively, will provide training services to [Circuit A]'s support staff and customer service and other employees and agents on terms as mutually agreed by the Parties in their reasonable discretion. LLC agrees that it will pay for these training services and they will be adequate to permit [Circuit A] to train its own employees and agents as required to perform under this Agreement. [Circuit A] agrees to provide training services according to any reasonable standards as may be promulgated by LLC in consultation with [Circuit A]. LLC agrees to provide training services, at its cost, to [Circuit A]'s support staff and other employees with respect to any Equipment or Software upgrades or modifications prior to implementation.

Section 3.08 Equipment Maintenance Standard.

(a) Standard; Replacement. During the Term, the Parties shall each use their commercially reasonable efforts (i) to ensure there is no unauthorized access, loss or damage to or theft of Equipment hereunder, and (ii) to prevent piracy or other theft of Inventory exhibited through the use of such Equipment or otherwise in its possession or control. [Circuit A] further agrees to keep all [Circuit A] Equipment, including without limitation Lobby Screens, clean, and to promptly notify LLC if any [Circuit A] Equipment is not functioning properly. [Circuit A] shall promptly arrange to repair or replace any Equipment in its possession (provided the damage interferes with the delivery of the Service) that is lost, stolen, damaged or otherwise fails to function or becomes inoperable, other than because of LLC's failure to properly maintain the Equipment as set forth in Section 3.08(b).

(b) Performance of Repair and Replacement. Subject to the terms of this Section 3.08(b) and of Section 3.08(c) below regarding cost, the repair and replacement of Equipment shall be performed by LLC until such time as [Circuit A] elects to assume this responsibility by giving written notice to LLC. **[[Addition to AMC ESA:] For purposes of this Agreement, [Circuit A] has assumed the responsibility for maintenance of all [Circuit A] Equipment in its Theatres. Subject to mutual agreement of [Circuit A] and LLC, the Parties may later provide for LLC to assume responsibility of repair and replacement of Equipment in the Theatres, consistent with LLC's practice with the other Founding Members.]** If [Circuit A] assumes this responsibility to perform replacement or repair but fails to maintain the [Circuit A] Equipment at a performance level substantially similar to the LLC Equipment, then LLC shall promptly provide [Circuit A] written notice of such failure and if such failure is not cured within [30] days, LLC shall be entitled to repair, or if repair is not reasonably possible, replace such LLC Equipment not so maintained and deduct the cost of such replacement from [Circuit A]'s Theatre Access Fees.

(c) Repair Costs. So long as LLC is performing repair and replacement of Equipment, LLC shall pay the costs of repair (but not replacement, which is the responsibility of [Circuit A]). Notwithstanding anything to the contrary in this Section 3.08, LLC shall not be required or requested to make any expenditures that (i) would constitute a capital expenditure for LLC under GAAP or (ii) would have otherwise been payable by [Circuit A]'s insurance provider; provided, however, LLC shall be responsible for all costs to repair or replace Equipment to the extent damaged as a result of the negligence or misconduct of LLC and/or its subcontractors.

(d) Condition. Subject to the foregoing, for purposes of ongoing maintenance, LLC shall keep and maintain Equipment installed in the Theatres in good condition and repair at its sole expense (with the exception of projector bulb replacement and equipment replacement, the cost of which shall be borne by [Circuit A]), and in a manner consistent with the Service Level Agreement set forth in the Specification Documentation and as may be reasonably amended by mutual agreement of LLC and [Circuit A] from time to time. **[[Add to AMC ESA:] In the event that LLC and [Circuit A] agree that LLC should assume responsibility for maintenance of [Circuit A] Equipment pursuant to Section 3.08(b), the Service Level Agreement shall be amended substantially in the form of the Service Level**

Agreement used by LLC with other parties for whom LLC maintains in-Theatre Equipment.] The Parties agree to consult with each other on a regular basis during the Term in an attempt to reduce maintenance costs arising from redundancies in the Parties' respective service fleets. Upon advance notice to [Circuit A], [Circuit A] shall provide LLC and/or its subcontractors reasonable access to the Equipment and such other support services as LLC and/or its subcontractors reasonably require to provide maintenance and repair services as required hereunder.

ARTICLE 4

DELIVERY OF THE SERVICE

Section 4.01 Content and Distribution of the Digital Content Service and Traditional Content Program.

(a) Distribution; Quality. On the Effective Date, LLC will commence distribution of the Digital Carousel, the Digital Content Service and the Traditional Content Program to the Digitized Theatres and Non-Digitized Theatres, all as set forth above in Article 2. With respect to Digitized Theatres, content shall be distributed through the Digital Content Network, via either LLC's satellite network or by LLC's or exhibitor's landline network. Each of the Pre-Feature Program and the Video Display Program shall consist of Inventory comprising a single play list ("Play List"). The Play List will be refreshed during the Term when and as determined by LLC but not less frequently than 12 times per year (each a "Flight"). The Digital Carousel, the Digital Content Service (including the Pre-Feature Programming Schedule) and the Traditional Content Program will be substantially similar in nature, quality, and scope to the corresponding advertising, promotional and other content, as received by the Theatres immediately prior to the Effective Date, and will in addition be delivered pursuant to the service levels included in the Specification Documentation, as applicable. In addition, LLC agrees that the quality of the advertising, promotions and entertainment programming content delivered to each of the Founding Members will be consistent throughout the Term.

(b) Pre-Feature Program. As of the Effective Date, the Pre-Feature Program shall consist of four (4) or more elements, including: (i) commercial advertising; (ii) promotions for the [Circuit A] brand (including the Brand and Branded Slots), Concessions sold and services used by [Circuit A] and other products and services in accordance with Section 4.05; (iii) interstitial content; and (iv) other entertainment programming content which, while promotional of businesses or products, shall be primarily entertaining, educational or informational in nature, rather than commercially inspired.

(c) Video Display Program. The elements of the Video Display Program shall be, generally, the same as those for the Pre-Feature Program, and will include the Brand and the Branded Slots. LLC specifically agrees that the Video Display Program will contain only material that has received, or had it been rated would have received, an MPAA "G" or "PG" rating. In addition, LLC shall not restrict the sale of Inventory from the Video Display Program for promotions of feature films. Lobby Screens displaying the Video Display Program shall be located in areas of Theatres of LLC's choosing (subject to [Circuit A]'s reasonable operational

constraints and provided relocation of existing Lobby Screens is not required). [Circuit A] is obligated to provide at least one Lobby Screen per Digitized Theatre with ten or fewer screens, two Lobby Screens per Digitized Theatre with eleven to twenty screens and three Lobby Screens per Digitized Theatre with more than twenty screens; provided, however, that [Circuit A] shall have no obligation to increase the number of Lobby Screens in any Theatre that has at least one Lobby Screen that is capable of receiving the Video Display Program as of the Effective Date. When a Theatre has more than the minimum number of Lobby Screens required, [Circuit A] may, at its discretion, elect to display on such excess Lobby Screens (i) the Video Display Program or (ii) internal programming (including Theatre Advertising) that does not include third-party advertising and/or third-party mentions for products and services (other than Theatre Advertising); provided, however, [Circuit A] shall provide at least 30 days advance notice prior to an initial election of either (i) or (ii) in any such Theatre, and at least 60 days advance notice prior to any subsequent change in election.

Section 4.02 Delivery of Lobby Promotions, Digital Programming Services and Meeting Services.

(a) Lobby Promotions. On the Effective Date, LLC will make available to the Theatres the Lobby Promotions, and [Circuit A] will accept such Lobby Promotions on the terms and conditions set forth herein.

(i) Lobby Promotions shall satisfy the guidelines and specifications set forth herein and as may be provided by [Circuit A] to LLC pursuant to Section 4.02(a)(ii). The Inventory of Lobby Promotions for each Theatre that [Circuit A] covenants to display pursuant to this Agreement is set forth in Exhibit A-1. LLC may provide additional Lobby Promotions ("Additional Lobby Promotions"), subject to approval by [Circuit A]. LLC will take all other actions necessary and prudent to ensure the delivery of Lobby Promotions as required under the terms hereof. LLC will inform [Circuit A] of the length of time that Lobby Promotions and Additional Lobby Promotions are to be displayed.

(ii) LLC covenants and agrees that Lobby Promotions provided pursuant to this Agreement will conform to all standards and specifications of which [Circuit A] provides LLC reasonable notice during the Term, including without limitation standards and specifications with respect to manufacturers and suppliers, sizing (e.g., cup and popcorn tub sizing), timing of delivery of concession supplies to Theatres, reimbursement of incremental costs (e.g., cups, floor mats, plates) and the like. LLC further covenants that the Lobby Promotions will not diminish or tarnish the reputation of [Circuit A] or unreasonably disrupt Theatre operations, including, without limitation, traffic flow or noise level, each as determined in [Circuit A]'s reasonable discretion, and that Lobby Promotions will comply with the content standards set forth in Section 4.03. LLC specifically agrees (i) that Lobby Promotions will contain only material that has received, or had it been rated would have received, an MPAA "G" or "PG" rating, (ii) that the only type of sampling that will be permitted is exit sampling, (iii) to refrain from distributing chewing gum as part of any Lobby Promotion, other than attended sampling as patrons are exiting the Theatre, (iv) not to permit a Lobby Promotion that would distribute or sample any item that is the same as or substantially similar to any item sold at the Theatre's concession stand and (v) not to permit a Lobby Promotion involving fund raising on Theatre property.

(iii) LLC will be responsible for all costs and expenses associated with sourcing, production, delivery and execution of Lobby Promotions to the Theatres, including incremental costs actually incurred by the Theatres in connection with Lobby Promotions. In its discretion, [Circuit A] may make employees available to assist in Lobby Promotions requiring exit sampling; provided that LLC shall reimburse [Circuit A] for the employees' time used to conduct the exit sampling at their customary wage.

(b) Digital Programming Services and Meeting Services. On the Effective Date, LLC will make available to Digitized Theatres all Digital Programming Services and Meeting Services as set forth in Article 6.

Section 4.03 Content Standards. The Parties agree that (unless mutually agreed by the Parties with respect to clauses (i), (iii), (iv), (v) or (vi)) all content within the Service (including content for display in Digital Programming or Meeting Services) will not contain content or other material that: (i) has received, or had it been rated would have received, an MPAA "X" or "NC-17" rating (or the equivalent), (ii) promotes illegal activity, (iii) promotes the use of tobacco, sexual aids, birth control, firearms, weapons or similar products; (iv) promotes alcohol, except prior to "R"-rated films in the auditorium; (v) constitutes religious advertising (except on a local basis, exhibiting time and location for local church services); (vi) constitutes political advertising or promotes gambling; (vii) promotes theatres, theatre circuits or other entities that are competitive with [Circuit A] or LLC; (viii) would violate any of [Circuit A]'s Beverage Agreements or the exclusive contractual relationships identified in the Specification Documentation (including renewals and extensions of the foregoing, but excluding any amendments or modifications thereto as such relate to such content standards) and any subsequent exclusive arrangement entered into by LLC with respect to the Theatres; or (ix) otherwise reflects negatively on [Circuit A] or adversely affects [Circuit A]'s attendance as determined in [Circuit A]'s reasonable discretion. [Circuit A] may, without liability, breach or otherwise, prevent and/or take any other actions with respect to the use or distribution of content that violates the foregoing standards; provided, that with respect to Section 4.03(ix), [Circuit A] may opt out of such content in the Services only with respect to Theatres in the geographic locations identified, which may include all of [Circuit A]'s Theatres. If the Digital Content Service contains any content that violates the foregoing standards, LLC must remove such content as soon as reasonably practical, but no later than within 24 hours **[For AMC: 48 hours (until such time as [Circuit A] completes the necessary software upgrades to permit LLC to remove such content within 24 hours)]** of [Circuit A] notifying LLC of such violation. If LLC fails to remove such content within such 24 **[For AMC: 48]**-hour period, [Circuit A] may discontinue the Digital Content Service in such auditoriums where such content is shown until the violating content is removed and shall have no liability for such discontinuation. If any other elements of the Service contain any content that violates the foregoing standards, LLC shall at [Circuit A]'s request, or [Circuit A] acting on its own behalf may, upon giving written notice to LLC, remove such content immediately. If any Founding Member opts out of any Lobby Promotion or other advertising pursuant to Section 4.03(viii) or (ix) of this Agreement, the [Circuit B] Exhibitor Agreement or the [Circuit C] Exhibitor Agreement (as applicable) or out of

any Video Display Program because of lack of equipment to display such content, or if any Founding Member does not agree to exhibit any content of the Advertising Services subject to Section 4.03(i), (iii), (iv), (v) or (vi), then LLC shall apply any revenue it is entitled to receive from such advertisement ("4.03 Revenue") to adjust payments of the Theatre Access Fee as set forth in Schedule 1.

Section 4.04 Development of the Service. All operational costs associated with LLC's procurement, preparation and delivery of the Service (including Inventory and other promotional materials as provided herein) to the Theatres shall be borne exclusively by LLC. Except as provided herein, all in-Theatre operational costs associated with [Circuit A]'s receipt and exhibition of the Service within the Theatres shall be borne exclusively by [Circuit A]; provided that, upon prior written notice to and consultation with LLC, LLC shall reimburse [Circuit A] for its reasonable incremental out-of-pocket third party costs incurred in connection with receipt and exhibition of the Service within the Theatres. Any excess on-screen Inventory which may be made available to [Circuit A] in LLC's discretion pursuant to Section 5.04 or otherwise, and any other on-screen Inventory provided by [Circuit A] pursuant to Section 4.05, will be subject to both Parties' review and approval, which will not be unreasonably withheld. LLC will provide at its own expense all creative and post-production services necessary to ingest, encode and otherwise prepare for distribution all other on-screen Inventory as part of the Digital Content Service. All on-screen Inventory provided by [Circuit A] for inclusion in the Digital Content Service must (i) be submitted to LLC for review for compliance with (ii) and (iii) below as LLC may reasonably request, but in any event at least twenty (20) business days before scheduled exhibition (unless otherwise previously approved by LLC), (ii) satisfy the content restrictions enumerated in Section 4.03(i) through (vii) hereof, and (iii) be fully produced in accordance with LLC's technical specifications as promulgated by LLC from time to time (all as provided in written or electronic form to [Circuit A] in a reasonable time period prior to implementation, including any amendments thereto; and which are equally applied to all exhibitors), ready for exhibition, as well as in accordance with applicable LLC commercial standards and operating policies, and all applicable federal, state and local laws and regulations. LLC must reject or approve all Inventory provided by [Circuit A] within five (5) business days. Any such Inventory provided by [Circuit A] and not rejected within such time frame shall be deemed approved and incorporated into the Service. Any Inventory provided by [Circuit A] for review and approval by LLC need not, once approved by LLC, be resubmitted by [Circuit A] for approval in connection with any future use.

Section 4.05 Brand; Policy Trailer; Branded Slots.

(a) Branded Content. LLC agrees to create, in conjunction with and subject to [Circuit A]'s prior approval, a [Circuit A] brand identity (the "Brand") that will surround, or "house," the Digital Content Service and include interstitial messaging ("bridges and bumps"), throughout the Play List and in the Policy Trailer, to reinforce the Brand. The interstitial messaging shall include a Pre-Feature Program introduction and close containing content branded with the [Circuit A] Marks. The close shall also include content branded with the marks of [Circuit A]'s beverage concessionaire. The Brand shall not contain the display of any trademark, service mark, logo or other branding of a film, film studio(s), distributor(s), or production company(ies). In addition to the interstitial messaging, the Digital Content Service

will feature (i) up to two (2) minutes for the promotion of [Circuit A]'s internal business (the "Branded Slots") in each Play List, (ii) the Policy Trailer, to be created by LLC at the direction of [Circuit A] as part of the Creative Services, (iii) the Event Trailer, and (iv) any other content as may be agreed between [Circuit A] and LLC. The Parties hereby acknowledge that [Circuit A] has the right to exhibit the PSA Trailer after Showtime.

(b) Policy Trailer. The policy trailer will be (i) up to 60 seconds, (ii) exhibited in the Theatres after Showtime, and (iii) used to feature content relating to Theatre policy and operations, and may include (w) a policy service announcement that promotes appropriate theatre behavior, (x) promotions of [Circuit A] Concessions, (y) the display of any trademark, service mark, logo or other branding of a film studio(s), distributor(s), or production company(ies) and (z) upon prior written approval of [Circuit A], other promotional materials of third-party products for which LLC sells advertising and is paid a fee (the "Policy Trailer").

(c) Branded Slot. Each Branded Slot may only exhibit Theatre Advertising. LLC is required to include no less than forty-five (45) seconds of Branded Slots within the final fifteen (15) minutes of the Play List, fifteen (15) seconds of which shall be included within the final eleven (11) minutes of the Play List; provided, that LLC may begin these Branded Slots up to one minute earlier when LLC expands the amount of advertising units that follow these Branded Slots through the sale of additional advertising to third parties. LLC shall not exhibit any advertising relating to LLC after [Circuit A]'s Branded Slot placement referred to in this Section 4.05(c).

(d) Restrictions. Other than as permitted in Sections 4.05(a), (b), (c) or Section 4.07, the Brand, the Policy Trailer or the Branded Slot will not include third-party advertising and/or third-party mentions for products and services, without LLC's prior written approval.

(e) Creative Services. The Brand messaging, Policy Trailer and Branded Slots may be created and edited by LLC as part of the Creative Services, in consultation with [Circuit A], subject to final, mutual agreement of the Parties. LLC will provide [Circuit A] with up to 1,000 hours of Creative Services annually at no cost. Time spent on Creative Services and costs after the initial 1,000 hours shall be determined as described in Exhibit B. [Circuit A] may use other vendors for creative services at [Circuit A]'s cost and subject to LLC's production standards.

(f) Traditional Content Program. The Traditional Content Program in Non-Digitized Theatres will contain, at a minimum, promotions for [Circuit A]'s beverage and other Concessions.

Section 4.06 Beverage and Legacy Agreements.

(a) Beverage Agreements. LLC shall, through the expiration or other termination of [Circuit A]'s Beverage Agreement in effect on the date hereof, display or exhibit, as applicable, as part of the Advertising Services, advertising Inventory meeting any and all specifications and requirements prescribed by the Beverage Agreement, including format, length

(not to be longer than ninety (90) seconds), and placement within the Play List, as set forth in the Specification Documentation, with compliance by LLC to be within a reasonable time after such specifications are communicated from time-to-time by [Circuit A] to LLC in a written notice. In consideration for the advertising pursuant to the Beverage Agreement, [Circuit A] agrees to pay LLC at the advertising rates set forth on Exhibit B (the "Beverage Agreement Advertising Rate"). The Beverage Agreement Advertising Rate shall be paid on or before the last day of LLC's fiscal month following LLC's fiscal month in which the Advertising Services related to the Beverage Agreement were provided. Beginning after [Circuit A]'s Beverage Agreement in effect on the date hereof expires or otherwise terminates through the end of the Term, [Circuit A] shall have the right to have included in the Advertising Services advertising Inventory for its beverage concessionaires at the then current Beverage Agreement Advertising Rate; provided that [Circuit A] (i) keeps LLC apprised of the status of negotiations with the beverage vendor (including likelihood of reaching agreement, advertising length and placement required), from the time such negotiations begin until an agreement is signed, and (ii) provides LLC notice (including advertising length and placement required) within two (2) business days after the date that [Circuit A] and its beverage concessionaire agree on terms for a new Beverage Agreement. [Circuit A] shall be permitted to prescribe the length and placement within the Play List of on-screen Inventory based on the requirements of the Beverage Agreements which may then be in effect between [Circuit A] and such then-applicable beverage concessionaires; provided that such Inventory shall not exceed ninety (90) seconds in length for all such Beverage Agreements. [Circuit A]-redacted and/or [Circuit A]-selected (by disclosure or summary) contents of the Beverage Agreement shall only be disclosed as, and to the extent, required pursuant to this Agreement, provided such disclosure would not violate the terms of such Beverage Agreement.

(b) [Circuit A] Legacy Agreements.

(i) The Specification Documentation sets forth a list of the [Circuit A] Legacy Agreements, including the identity of each advertiser. On the Effective Date, [Circuit A] shall assign all rights and obligations arising from or out of each [Circuit A] Legacy Agreement to LLC.

(ii) This Agreement shall not constitute an assignment or transfer, or an attempted assignment or transfer, of any [Circuit A] Legacy Agreement, if and to the extent such agreement is a "Non-Assignable Legacy Agreement," meaning that the assignment or transfer of such [Circuit A] Legacy Agreement would constitute a breach of the terms of such [Circuit A] Legacy Agreement. [Circuit A] and LLC shall use commercially reasonable efforts to obtain a waiver to assignment of any Non-Assignable Legacy Agreement and in the meantime [Circuit A] shall pay to LLC all proceeds from any Legacy Agreement. To the extent that any waiver referred to in this Section 4.06(b) is not obtained by [Circuit A], [Circuit A] shall also use commercially reasonable efforts to, at the request of LLC, enforce for the account of LLC any right of [Circuit A] arising from any Non-Assignable Legacy Agreement. LLC shall perform the obligations of [Circuit A] under or in connection with any Non-Assignable Legacy Agreement, except to the extent that LLC is not provided the benefits thereof in any material respect pursuant to this Section 4.06(b).

Section 4.07 Other [Circuit A] Advertising Agreements.

(a) Theatre Advertising. In addition to advertising Inventory referenced above in Sections 4.05 and 4.06, [Circuit A] may purchase, on an arm's length basis and subject to availability, as part of the Advertising Services, advertising Inventory for Theatre Advertising. [Circuit A] shall pay for Services pursuant to this Section 4.07(a) on or before the last day of LLC's fiscal month following LLC's fiscal month in which the Services were provided.

(b) Non-Theatre Advertising. [Circuit A] may enter into a cross-marketing arrangement designed to promote the Theatres and the movie-going experience with a local, regional or nationally-known vendor of products or services that are not of the type described in Theatre Advertising for the purpose of generating increased attendance at the Theatres or increased revenue for [Circuit A] (other than revenue from any Service) (the "Strategic Relationship") with advertising of such products or services being presented in the Theatres (either in the Video Display Program or in Lobby Promotions) ("Strategic Programs"), subject to the terms set forth in this Section 4.07(b). Strategic Programs may not be made on an exclusive basis. [Circuit A] covenants that it shall not re-sell any Advertising Services, including those received in connection with Strategic Programs. Strategic Programs shall be subject to the following limitations:

(i) [Circuit A] may conduct at no cost with respect to any Strategic Programs no more than (A) two (2) local or regional promotions per Flight per Theatre and (B) four (4) national promotions per year; provided, however, that no more than one national promotion may run at any time (the "Client Limitation"). By means of illustration, the Client Limitation for national promotions are not limited to a Flight, accordingly, one national promotion may run for twelve months, two national promotions may run for six months each provided that they do not run at the same time, four national promotions may run for three months each provided that they do not run at the same time, or another combination of national promotions may be used if there are no more than four promotions within a twelve-month period. For purposes of this Section 4.07(b), each continuously running promotion is counted as one promotion, regardless of whether such promotion is displayed using only one element (e.g., Lobby Screens) or displayed in an integrated basis using multiple elements (e.g., Lobby Screens and Lobby Promotions). Additionally, for purposes of this Section 4.07(b), a local or regional promotion is a promotion that is exhibited in Theatres located within one or two contiguous Designated Marketing Areas (as defined by the term DMA®, a registered trademark of Nielsen Marketing Research, Inc.), and a national promotion is a promotion that is exhibited in Theatres located within two (other than two contiguous) or more Designated Marketing Areas.

(ii) With respect to Strategic Programs in the Video Display Program ("Strategic LEN Promotions"), [Circuit A] may utilize at no cost up to one minute of time for its Strategic Programs per every thirty (30) minutes of the Video Display Program advertising. [Circuit A] may purchase an additional one minute for every thirty (30) minutes of the Video Display Program advertising for use in Strategic Programs at the applicable rate card rate for third-party advertising established by LLC for such Video Display Program advertising inventory. Any purchase of time for Strategic LEN Promotions in excess of the two minutes

described above or any utilization of Strategic LEN Promotions in excess of the Client Limitation may be obtained at rate card rates and subject to availability, only with prior written consent of LLC, acting in its sole discretion. Strategic LEN Promotions may not be displayed on any Lobby Screens that, pursuant to Section 4.01(c), are displaying internal programming of [Circuit A] and may not be made to promote any film, film studio(s), distributor(s) or production company(ies).

(iii) With respect to Strategic Programs through Lobby Promotions ("Strategic Lobby Promotions"), [Circuit A] may utilize only such type and number of Inventory that is available to LLC in the applicable Theatre(s) on a pre-approved basis; provided, however, vehicle/motorcycle displays and floor mats will not be available for use in Strategic Lobby Promotions. [Circuit A] may purchase an additional amount of Inventory in excess of the Strategic Lobby Promotions described above or in excess of the Client Limitation at rate card rates and subject to availability, only with prior written consent of LLC, acting in its sole discretion.

Section 4.08 [Circuit A] Run-Out Obligations.

(a) Encumbered Theatres. [Circuit A] agrees to provide LLC written notice as much in advance as is reasonably practicable under the circumstances of, and to furnish LLC true and correct copies (reasonably redacted by [Circuit A] and subject to confidentiality) of all documentation evidencing, all valid, pre-existing contractual obligations (the "Run-Out Obligations") relating to any of the advertising, promotional and event activities and services in any Acquisition Theatres (collectively, the "Encumbered Theatres"); provided such disclosure does not violate the terms of any such agreements.

(i) Agreements with advertisers that purchase advertising are Legacy Agreements and do not create Run-Out Obligations. [Circuit A] shall, effective upon acquisition of the Acquisition Theatre, terminate any agreements between [Circuit A] and an Affiliate relating to advertising, promotional and event activities and services in any Acquisition Theatre, so that any such agreements do not create Run-Out Obligations.

(ii) [Circuit A] and/or its Affiliates (as applicable) shall be permitted to abide by the terms of the Run-Out Obligations; however, [Circuit A] agrees, subject to legal constraints (if any), to use commercially reasonable efforts to obtain the termination of such Run-Out Obligations, including without limitation neither extending nor renewing such Run-Out Obligations (provided that [Circuit A] shall have no obligation to make any payment in connection with obtaining the termination of such Run-Out Obligations). [Circuit A] further agrees not to enter into any new agreement with any third party with respect to any Encumbered Theatre, or amend or modify any Run-Out Obligation, to the extent such agreement, amendment or modification would be inconsistent with the rights of LLC under Section 2.04 or have the effect of any extension. Prior to the expiration of the Run-Out Obligations, each Encumbered Theatre may, upon the mutual agreement of LLC and [Circuit A], become a Theatre with respect to some or all Services, provided such election does not create a default under any Run-Out Obligation. In any event, except in accordance with Section 4.13 (Excluded Theatres; IMAX Screens) or as may be mutually agreed by the Parties in writing, each Encumbered Theatre shall automatically become a Theatre, for all purposes hereof, no later than the expiration of the Run-Out Obligations with respect to such Encumbered Theatre.

(b) Exclusive Run-Out Obligations. With respect to each Service for which the third party to the Run-Out Obligations has exclusive rights as a service provider, if [Circuit A] has provided LLC with written notice of [Circuit A]'s intent to receive additional equity in LLC with respect to the Encumbered Theatres pursuant to the Unit Adjustment Agreement, [Circuit A] shall, until such Run-Out Obligations have terminated, make a quarterly Exclusivity Run-Out Payment (as defined in Schedule 1) to LLC. Any such payments shall be made on or before the last day of LLC's fiscal month following the fiscal quarter in which [Circuit A] receives the Services from the third party to the Run-Out Obligations.

(c) Non-Exclusive Run-Out Obligations. With respect to each Service for which the third party to the Run-Out Obligations has non-exclusive rights as a service provider, if [Circuit A] has provided LLC with written notice of [Circuit A]'s intent to receive additional equity in LLC with respect to the Encumbered Theatres pursuant to the Unit Adjustment Agreement, [Circuit A] shall, until such Run-Out Obligations have terminated, pay LLC ***. Any such payments shall be made on or before the last day of LLC's fiscal month following the fiscal quarter in which [Circuit A] receives third party payment for the Services.

(d) Beverage Agreement Advertising Rate and Encumbered Theatres. If [Circuit A] has provided LLC with written notice of [Circuit A]'s intent to receive additional equity in LLC with respect to the Encumbered Theatres prior to termination of the Run-Out Obligations pursuant to the Unit Adjustment Agreement, the attendance at Encumbered Theatres shall be included in the calculation of the Beverage Agreement Advertising Rate.

Section 4.09 License. LLC hereby grants to [Circuit A] and its Affiliates a limited, non-exclusive, non-transferable, non-sublicenseable license in the Theatres only (i) to receive, store, display and exhibit the Digital Content Service, the Traditional Content Program and the Digital Carousel, as applicable, on the LLC Equipment and the [Circuit A] Equipment solely in connection with its performance of and subject to all of the terms and conditions of this Agreement, and (ii) subject to LLC's prior written consent, to prepare and distribute promotional materials based, in whole or in part, on the Service solely to the extent necessary to promote the Service as permitted in Section 6.03 below. [Circuit A] may not alter intentionally the Digital Content Service, the Traditional Content Program or the Digital Carousel or otherwise intentionally exhibit the Digital Content Service, the Traditional Content Program or the Digital Carousel in a manner resulting in a change to the Digital Content Service, Traditional Content Program or Digital Carousel or any related on-screen Inventory, nor may [Circuit A] use or make the Digital Content Service, Traditional Content Program or Digital Carousel available for any purpose, at any location, or in any manner not specifically authorized by this Agreement, including without limitation recording, copying or duplicating the Digital Content Service, Traditional Content Service or Digital Carousel or any portion thereof. [Circuit A] shall at all times receive and exhibit the Digital Content Service or Traditional Content Program and Digital Carousel in accordance with such policies and procedures of LLC that are provided in advance to [Circuit A] and consistently applied with respect to other exhibitors from time to time. Each Party shall be solely responsible for obtaining and providing all rights, licenses, clearances and

consents necessary for the use of any Inventory it sources or creates (whether or not it sources or creates such Inventory on behalf of the other Party), or that is prepared or provided by third parties on its behalf, as contemplated herein, except as may otherwise be agreed by the Parties in writing.

Section 4.10 Cooperation and Assistance. The Parties agree that the effectiveness and quality of the Service as provided by LLC are dependent on the cooperation and operational support of both Parties.

(a) [Circuit A]. [Circuit A] agrees that it (and each of the Theatres) shall at all times during the Term provide LLC, at [Circuit A]'s own cost except as otherwise provided in this Agreement, with the following:

(i) internal resources and permissions as reasonably required to effectuate delivery of the Service, including without limitation projection and sound technicians and other employees to assist with LLC Equipment installation and Digital Content Service, Digital Programming Services and Meeting Services transmission;

(ii) unless unavailable, 24 (hour) by 7 (day) "real time" access via [Circuit A]'s network assets in conformity with [Circuit A]'s network use and security policies (provided in advance to LLC and consistently applied with respect to other [Circuit A] service providers) to the in-Theatre software and hardware components of the Digital Content Network, consistent with the Service Level Agreements (as set forth in the Specification Documentation), so that LLC can monitor the distribution and playback of the Service and the Parties will reasonably cooperate to ensure that corrections or changes are made as required to deliver the Service;

(iii) detailed playback information in a form, whether electronic or hard copy, and at such times as either [Circuit A] or LLC shall reasonably request;

(iv) prompt notification of reception, playback or other technical problems associated with receipt of the Service;

(v) the results of quality audits performed by [Circuit A] periodically during the Term upon LLC's request and at its direction to confirm playback compliance;

(vi) adequate opportunities to train [Circuit A] personnel, as provided in Section 3.06;

(vii) attendance data film-by-film, rating-by-rating and Theatre-by-Theatre for all Theatres, in an electronic form and in a format agreed by the Parties, at such times as are consistent with [Circuit A]'s internal reporting systems but in any event at least weekly;

(viii) on a quarterly basis, a list of all Theatres, including (i) identification of which Theatres are Digitized Theatres, (ii) the number of screens at each Theatre, (iii) identification of any Theatres that are not equipped with at least one Lobby Screen to display the Video Display Program and (iv) such other information described in the Specification Documentation, as such may be amended from time to time by mutual agreement of the Parties; and

(ix) such other information regarding the Services as LLC may reasonably request from time to time, as [Circuit A] agrees to provide in its sole discretion;

(b) LLC. LLC agrees that it shall at all times during the Term provide [Circuit A], at LLC's own cost except as otherwise provided in this Agreement, with the following:

(i) on a weekly basis, a report of compliance by each Digitized Theatre with on-screen advertising requirements and reasons for any noncompliance, including a report of compliance relating to the Beverage Agreement (the "Beverage Compliance Report");

(ii) on a weekly basis, a representative Play List of national advertising, which LLC shall make available no later than two business days prior to the day on which the Play List be implemented;

(iii) on a monthly basis, a report regarding local advertising.

(c) Confidentiality. For the avoidance of doubt, information made available subject to this Section 4.10 shall be subject to the provisions of Section 14.01 (Confidential Treatment); provided however, that LLC agrees that [Circuit A] shall be permitted to provide the Beverage Compliance Report to its beverage concessionaire. [Circuit A] agrees to be included in any compliance reporting LLC provides to its advertisers and other content providers for proof of performance.

Section 4.11 Trailers. Trailers that are exhibited in the Theatres shall not include the exhibition or display of any trademark, service mark, logo or other branding of a party other than the film studio(s), distributor(s), production company(ies); provided, however, Trailers may include incidental images of products or services which appear in the motion picture (e.g., product placements).

Section 4.12 Customer Access to Pre-Feature Program. [Circuit A] shall use commercially reasonable efforts to provide audiences access to the Theatre auditorium for the Pre-Feature Program or Traditional Content Program not less than 20 minutes prior to Showtime.

Section 4.13 Excluded Theatres; IMAX Screens.

(a) Excluded Theatres. [Circuit A] shall have the right to designate art house and draft house theatres that for purposes of this Agreement shall be "Excluded Theatres"; provided, however, that the aggregate annual attendance at all such Excluded Theatres on the date of designation shall not exceed four (4) percent of the aggregate annual attendance at the Theatres. The list of Excluded Theatres identified as of the Effective Date is set forth in the Specification Documentation. [Circuit A] shall provide written or electronic notice to LLC, in the form specified by LLC, each time there is a change in its list of Excluded Theatres. Excluded Theatres shall not be deemed Theatres for purposes of this Agreement; provided, however, that

upon mutual agreement of the Parties one or more Excluded Theatres may participate in Digital Programming Services and Meeting Services pursuant to Article 6. Excluded Theatres will not receive Advertising Services; provided, however, that upon mutual agreement of the Parties one or more Excluded Theatres may participate in Event Sponsorships with respect to a particular event included in the Digital Programming Services. Excluded Theatres will not be considered for purposes of the calculation of Theatre Access Fees (although [Circuit A] will be entitled to the revenue share allocable for Digital Programming and Meeting Services events in Excluded Theatres, as set forth in Exhibit B). Notwithstanding the foregoing, Excluded Theatres will be subject to the exclusivity obligations of [Circuit A], as set forth in Section 2.04 to the same extent as a Theatre hereunder. With respect to any Theatre subsequently designated as an Excluded Theatre, the parties will negotiate in good faith terms for the discontinuation of delivery of the Service to such Excluded Theatre.

(b) IMAX Screens. All Theatre screens dedicated to the exhibition of films using "IMAX" technology shall be deemed "IMAX Screens." IMAX Screens will not receive, and [Circuit A] will have no duty to exhibit on any IMAX Screen, the Digital Carousel, the Pre-Feature Program or the Traditional Content Program; provided however, that [Circuit A] may elect to exhibit the Digital Carousel, the Pre-Feature Program or the Traditional Content Program on its IMAX Screens in its sole discretion. Notwithstanding the foregoing, all IMAX Screens will be subject to the exclusivity obligations of [Circuit A], as set forth in Section 2.04 to the same extent as a Theatre hereunder. [Circuit A] will provide LLC prompt written or electronic notice, in the form specified by LLC, of any additions to or deletions from its list of IMAX Screens, which list is provided in the Specification Documentation.

Section 4.14 Grand Openings; Popcorn Tubs; Employee Uniforms. Notwithstanding anything herein to the contrary, [Circuit A] shall not be prohibited from: (i) promoting the grand opening of a Theatre or an Excluded Theatre, provided such promotional activity (A) may occur only for the fourteen (14) day period immediately preceding the opening of the theatre to the general public through the fourteen (14) day period immediately following the opening of the theatre to the general public, and (B) includes local advertising of such opening in exchange for the advertising of local businesses only, provided any on-screen advertising related thereto shall be subject to availability of on-screen Inventory and limited to one (1) advertisement thirty (30) seconds in length; (ii) placing advertising promoting full-length feature films on special popcorn tubs (such as plastic or oversized containers not regularly sold by [Circuit A]) sold in Theatres or Excluded Theatres, provided [Circuit A] shall (A) provide LLC one hundred twenty (120) days prior notice of [Circuit A]'s desire to conduct such promotion and permit LLC sixty (60) days to sell promotional advertising for such special popcorn bags/tubs, and if LLC cannot sell advertising for such special popcorn tubs within such sixty (60) day period then [Circuit A] shall have the right to sell such advertising, (B) be limited to two (2) such promotions in any twelve (12) month period during the Term, (C) not conduct any such promotion over a period exceeding thirty (30) days, and (D) not sell such advertising below the lowest total rate card amount received by LLC for popcorn bags; and (iii) allowing advertising for the supplier of [Circuit A] employee uniforms to appear on such uniforms, provided not more than two (2) individual instances of such advertising may appear on any such uniform at any one time. [Circuit A] will provide LLC reasonable advance written notice of any promotion under this Section 4.14 (collectively, "Special Promotions") and LLC will have the

right to approve each such Special Promotion. LLC may not unreasonably withhold, condition or delay its approval, provided that LLC shall be permitted to withhold its approval from any such Special Promotion that is inconsistent with any exclusive obligation of LLC then in force, or otherwise interferes with the current or proposed business activities of LLC as reasonably determined by LLC. Any cash consideration paid by a third party in connection with a Special Promotion relating to any Service shall be paid to LLC.

Section 4.15 Consultation regarding Certain Advertising Agreements.

(a) Theatre Advertising. Prior to either Party entering into an exclusive agreement for longer than one Flight with any third party for Theatre Advertising, the contracting Party will give the other Party written notice not less than **[twenty (20)]** days in advance of the contract date, and the Parties will consult in good faith to confirm that such exclusive arrangement does not conflict with any exclusive arrangements the other Party has entered into or contemplates entering into; provided however, this notice shall not apply to entry into the Beverage Agreement by [Circuit A]. Notwithstanding the foregoing, if the Parties have satisfied the foregoing provisions of this Section 4.15(a) and identified a conflict of interest regarding an agreement with exclusivity, [Circuit A]'s exclusivity interests shall prevail.

(b) Strategic Relationships. [Circuit A] shall not enter into any Strategic Relationship that conflicts with any existing or proposed exclusive advertising or promotional arrangement between LLC and a third party for which LLC has provided prior written notice, which may be by electronic mail, to [Circuit A]'s designated representative(s) of such existing or proposed exclusive arrangement, including the identity of the other party, the length of time, and type of category of such exclusive arrangement, and specifically in connection with a proposed exclusive arrangement the anticipated start date of such arrangement. [Circuit A] may enter into any Strategic Relationship that conflicts with a proposed exclusive arrangement prior to the anticipated start date of such arrangement. Further, in the event that LLC is unable to enter into a definitive agreement with respect to such proposed exclusive arrangement within sixty (60) days after such notice by LLC to [Circuit A] of such proposed exclusive arrangement, which notice may not be provided more than once in any twelve month period, then [Circuit A] shall have the right to enter into any such Strategic Relationship.

ARTICLE 5

SUPPORT; MAKE GOODS

Section 5.01 Software Support. LLC reserves the right to request of [Circuit A] and agrees to consult with [Circuit A] during the Term on any proposed material changes or updates to the Software. LLC shall make available to [Circuit A] pursuant to the terms of the license in Section 7.01 below all such updates or modifications to the Software. Unless otherwise agreed to in writing by LLC, [Circuit A] shall not permit any third party to perform or provide any maintenance or support services with respect to the LLC Equipment or the Software.

Section 5.02 Cooperation. [Circuit A] agrees to take all actions during the Term that are within its control and reasonably necessary to permit the delivery, exhibition and viewing of the Service in the Theatres on the terms and conditions set forth herein.

Section 5.03 Make Goods. In the event that any Inventory scheduled for exhibition pursuant to Sections 4.06(a), 4.06(b) or 4.07 is not exhibited as scheduled, LLC shall take such action or provide such remedy as is required pursuant to the applicable [Circuit A] advertising agreement, including the exhibition of "make good" Inventory sufficient to achieve the level of Inventory content impressions necessary to satisfy any contractual obligations governing the exhibition of such Inventory. [Circuit A] acknowledges and agrees that such contractual obligations must have been timely disclosed to LLC in writing as a condition to the exercise of the foregoing exclusive right and remedy; such obligations as of the Effective Date have been provided by [Circuit A] to LLC in a separate letter. To the extent such third-party agreement prescribed a "make good" remedy, [Circuit A] agrees to make its Theatres (including screens and Lobby Screens, as applicable) available for the exhibition of such "make goods," and LLC agrees to exhibit such "make goods" consistent with any contractual obligations of [Circuit A] concerning the exhibition of such "make goods." LLC reserves the right to use excess or unsold Inventory as "make goods," remnant advertising, other revenue generating advertising, public service announcements, and the like. Notwithstanding the foregoing, LLC shall only be required to make any payment of moneys (including a refund of amounts paid by the applicable advertiser) in the event that the reason that the applicable Inventory was not exhibited or was exhibited in an incorrect position was primarily a result of actions or inactions by LLC (or its designees or assigns) and the applicable advertising agreement does not allow, or LLC otherwise does not provide, a remedy of exhibition of "make good" Inventory.

ARTICLE 6

DIGITAL PROGRAMMING SERVICES AND MEETING SERVICES

Section 6.01 Participation in Digital Programming. All Digitized Theatres with the necessary equipment to exhibit an event are available for Digital Programming Services either automatically or subject to [Circuit A]'s approval, based on criteria specified in Exhibit B. The Parties agree that [Circuit A] will pay LLC a percentage of ticket revenue as set forth on Exhibit B for Digital Programming Services described on Exhibit A, Section B.

Section 6.02 Participation in Meeting Services. [Circuit A] shall make its Theatres available for Meeting Services either automatically or subject to [Circuit A]'s approval, based on criteria specified in Exhibit B. The Parties agree that [Circuit A] will be compensated for use of its auditoriums as set forth on Exhibit B for the Meeting Services as described on Exhibit A, Section C.

Section 6.03 Marketing and Promotion of Digital Programming Services and Meeting Services.

(a) The Parties have agreed to develop and implement a plan to market and promote the Digital Programming Services to current and potential Theatre patrons on an event-by-event

basis. This marketing plan will include at least one digital trailer (the "Event Trailer") to promote events or a series of events distributed to the applicable Digitized Theatres and other Digitized Theatres in the designated market area. If LLC is promoting only one Digital Programming event, the relevant Event Trailer shall not be longer than thirty (30) seconds, and if LLC is promoting more than one Digital Programming event, the aggregate time of the Event Trailers shall not exceed 40 seconds. The Event Trailer shall be limited to a promotion for an applicable event and if displayed after Showtime shall not include any (i) product placement or mention nor (ii) logo placement, except for company names and logos that are incidental to the sponsoring of such event, without the prior written approval of [Circuit A] which approval shall not be unreasonably withheld. Notwithstanding the foregoing, [Circuit A] shall, in its discretion, determine whether and in which Theatres to exhibit an Event Trailer after Showtime. If [Circuit A] chooses not to display the Event Trailer after Showtime in all Theatres in the designated market area where [Circuit A] is exhibiting the Digital Programming event, LLC may refuse to distribute the Digital Programming event to any of [Circuit A]'s Theatres in such designated market area.

(b) LLC may request access to [Circuit A]'s customer databases, in connection with marketing of Digital Programming Services events, which request may be denied in [Circuit A]'s sole and absolute discretion.

(c) Marketing and promotion materials created for Digital Programming Services and Meeting Services shall be created as mutually agreed from time to time, in accordance with the content standards set forth in Section 4.03. LLC agrees to include bridges and bumps, prior to and following a Digital Programming Services event, to reinforce branding for the Digital Programming Service.

Section 6.04 Concessions, Sponsorships. [Circuit A] shall retain all revenue from Concession sales associated with Digital Programming Services and Meeting Services. LLC reserves the right, as part of the Advertising Services, to arrange third party sponsorship of Digital Programming Services and Meeting Services, provided that no such sponsor may be a theatre or theatre circuit which is a competitor of [Circuit A], and provided that such sponsorship is in conformance with the content restrictions enumerated in Section 4.03(i) through (ix) hereof.

Section 6.05 LLC's First Right. [Circuit A] will submit to LLC for consideration by LLC any event opportunities that are identified by or presented to [Circuit A] and that would ordinarily fall within the definition of Digital Programming Services and Meeting Services. Should LLC elect not to enter into a contract for such events in the Digital Programming Services or Meeting Services within 30 days after such submission by [Circuit A], then [Circuit A] may pursue such event opportunities independent of LLC, and [Circuit A] shall retain any and all revenues resulting from such event. LLC agrees to keep [Circuit A] informed of the progress in negotiating any contract for such events referred by [Circuit A].

Section 6.06 Digital Programming Content. When sourcing digital content programming for Digital Programming Services and Meeting Services, LLC agrees to exercise commercially reasonable efforts to source content from a variety of providers. Such content must have received, or be such that, had it been rated, it would have received, an MPAA rating of "G," "PG," "PG-13" or "R" (or the equivalent).

Section 6.07 Use of Digital Content Network. [Circuit A] shall have the right to use the Digital Content Network for the delivery of (a) any Digital Films, Trailers or PSA Trailer, and (b) any event submitted to, and rejected by, LLC pursuant to Section 6.05, and [Circuit A] shall pay LLC an Administrative Fee for such use as set forth in Exhibit B.

ARTICLE 7

INTELLECTUAL PROPERTY

Section 7.01 Software License. Subject to the terms and conditions of this Agreement and the License Agreement, LLC hereby grants to [Circuit A], and [Circuit A] hereby accepts, a non-exclusive, non-transferable, non-sublicenseable, limited license to install and execute the object code version of the Software solely for the limited purpose to receive, store, display and exhibit the Digital Content Service, the Traditional Content Program and the Digital Carousel, as applicable, on the LLC Equipment and the [Circuit A] Equipment solely in connection with its performance of and subject to all of the terms and conditions of this Agreement and only to the extent such Software is utilized by [Circuit A].

Section 7.02 License of the LLC Marks

(a) Subject to the terms and conditions of this Agreement and any guidelines or requirements provided in writing from time-to-time by LLC to [Circuit A], LLC hereby grants at no additional cost to [Circuit A], and [Circuit A] hereby accepts, a non-exclusive, non-transferable (except in connection with an assignment of this Agreement in accordance with Section 15.08 hereof), nonsublicenseable, limited license (i) to use the LLC Marks solely in connection with its participation in the Service, as approved by LLC in writing in advance (which shall not be unreasonably or untimely withheld), and (ii) to use the LLC Marks in marketing or advertising materials ("Marketing Materials") that have been approved (which shall not be unreasonably or untimely withheld) by LLC pursuant to the terms hereof, provided and to the extent LLC shall have authorized [Circuit A] to promote the Service. [Circuit A] acknowledges that LLC is and shall remain the sole owner of the LLC Marks, including the goodwill of the business symbolized thereby. [Circuit A] recognizes the value of the goodwill associated with the LLC Marks and acknowledges and agrees that any goodwill arising out of the use of the LLC Marks or any of them by [Circuit A] shall inure to the sole benefit of LLC for all purposes hereof.

(b) Prior to using any Marketing Material or depicting or presenting any LLC Mark in or on any marketing or advertising material or otherwise, [Circuit A] shall submit a sample of such Marketing Material or other material to LLC for approval. LLC shall exercise commercially reasonable efforts to approve (which shall not be unreasonably withheld) or reject any such Marketing Material or other material submitted to it for review within five (5) business days from the date of receipt by LLC. [Circuit A] shall not use, publish, or distribute any Marketing Material or other material unless and until LLC has so approved it in writing. Upon

receipt of such approval from LLC for a particular Marketing Material or other material, [Circuit A] shall not be obligated to submit to LLC substantially similar material for approval; provided, however, [Circuit A] shall timely furnish samples of all such material to LLC.

(c) Any and all use or exercise of rights by [Circuit A] with respect to the LLC Marks or any other trademark, tradename, service mark or service name provided by LLC to [Circuit A] for use in connection with the Services shall be in accordance with standards of quality and specifications prescribed by LLC from time to time (the "LLC Quality Standards") and which have been delivered to [Circuit A]. LLC shall have the right to change the LLC Quality Standards from time to time upon written notice to [Circuit A], provided such modified LLC Quality Standards are equally and timely applied to any and all other exhibitors of the Service.

(d) [Circuit A] shall cause the appropriate designation "(TM)" or "(SM)" or the registration symbol "(R)" to be placed adjacent to the LLC Marks in connection with the use thereof and to indicate such additional or alternative information as LLC shall specify from time to time concerning the use by [Circuit A] of the LLC Marks as such is, equally and timely communicated and applied to any and all other exhibitors of the Service.

(e) [Circuit A] shall not use any LLC Mark in any manner that may reflect adversely on the image or quality symbolized by the LLC Mark, or that may be detrimental to the image or reputation of LLC. Notwithstanding anything herein to the contrary, LLC shall have the right, at its sole option, to terminate or suspend the trademark license grant provided herein if it determines that [Circuit A]'s use of the LLC Marks or any of them is in violation of its trademark usage guidelines or is otherwise disparaging to its image or reputation, and such use is not conformed to such guidelines and other reasonable requests of LLC within ten (10) days of receipt of written notice thereof.

(f) [Circuit A] agrees not to use (i) any trademark or service mark which is confusingly similar to, or a colorable imitation of, any LLC Mark or any part thereof, (ii) any trademark or service mark in combination with any LLC Mark, except in the case of the Brand as created by LLC under the terms of Section 4.05(b) or (iii) any LLC Mark in connection with or for the benefit of any product or service of any other Person or entity, except in the case of the Brand as created by LLC under the terms of Section 4.05(b). [Circuit A] shall not engage in any conduct which may place LLC or any LLC Mark in a negative light or context, and shall not represent that it owns or has any interest in any LLC Mark other than as expressly granted herein, nor shall it contest or assist others in contesting the title or any rights of LLC (or any other owner) in and to any LLC Mark.

(g) With respect to all of LLC's approvals, rights and otherwise under this Section 7.02, LLC shall treat [Circuit A] at least as favorably with respect to each instance as it has for any other exhibitor of the Service.

Section 7.03 License of the [Circuit A] Marks.

(a) Subject to the terms and conditions of this Agreement, and any guidelines

or requirements provided in writing from time-to-time by [Circuit A] to LLC. [Circuit A] hereby grants at no cost to LLC, and LLC hereby accepts, a non-exclusive, non-transferable (except in connection with an assignment of this Agreement in accordance with Section 15.08 hereof), nonsublicenseable, limited license (i) to use the [Circuit A] Marks solely in connection with its delivery of the Service, as approved (which shall not be unreasonably or untimely withheld) by [Circuit A] in writing in advance, and (ii) to use the [Circuit A] Marks in Marketing Materials that have been approved (which shall not be unreasonably or untimely withheld) by [Circuit A] pursuant to the terms hereof. LLC acknowledges that [Circuit A] is and shall remain the sole owner of the [Circuit A] Marks, including the goodwill of the business symbolized thereby. LLC recognizes the value of the goodwill associated with the [Circuit A] Marks and acknowledges and agrees that any goodwill arising out of the use of the [Circuit A] Marks by LLC shall inure to the sole benefit of [Circuit A] for all purposes hereof.

(b) Prior to using any Marketing Material or depicting or presenting any [Circuit A] Mark in or on any marketing or advertising material or otherwise, LLC shall submit a sample of such Marketing Material or other material to [Circuit A] for approval. [Circuit A] shall exercise commercially reasonable efforts to approve (which shall not be unreasonably withheld) or reject any such Marketing Material or other material submitted to it for review within five (5) business days from the date of receipt by [Circuit A] LLC shall not use, publish, or distribute any Marketing Material or other material unless and until [Circuit A] has so approved it in writing. Upon receipt of such approval from [Circuit A] for a particular Marketing Material or other material, LLC shall not be obligated to submit to [Circuit A] substantially similar material for approval; provided, however, LLC shall timely furnish samples of all such material to [Circuit A].

(c) Any and all use or exercise of rights by LLC with respect to the [Circuit A] Marks or any other trademark, tradename, service mark or service name provided by [Circuit A] to LLC for use in connection with the Services shall be in accordance with standards of quality and specifications prescribed by [Circuit A] from time to time (the "[Circuit A] Quality Standards") and provided to LLC. [Circuit A] shall have the right to change the [Circuit A] Quality Standards from time to time upon written notice to LLC.

(d) LLC shall cause the appropriate designation "(TM)" or "(SM)" or the registration symbol "(R)" to be placed adjacent to the [Circuit A] Marks in connection with the use thereof and to indicate such additional or alternative information as [Circuit A] shall specify from time to time concerning the use by LLC of the [Circuit A] Marks as such is equally and timely communicated and applied to any and all other licensees of the [Circuit A] Marks.

(e) LLC shall not use any [Circuit A] Mark in any manner that may reflect adversely on the image or quality symbolized by the [Circuit A] Mark, or that may be detrimental to the image or reputation of [Circuit A]. Notwithstanding anything herein to the contrary, [Circuit A] shall have the right, at its sole option, to terminate or suspend the trademark license grant provided herein if it determines that LLC's use of the [Circuit A] Marks or any of them is in violation of its trademark usage guidelines or is otherwise disparaging to its image or reputation, and such use is not conformed to such guidelines and other reasonable requests of [Circuit A] within ten (10) days of receipt of written notice thereof.

(f) LLC agrees not to use (i) any trademark or service mark which is confusingly similar to, or a colorable imitation of, any [Circuit A] Mark or any part thereof, (ii) any trademark or service mark in combination with any [Circuit A] Mark, except for the LLC Marks as permitted under this Agreement or (iii) any [Circuit A] Mark in connection with or for the, benefit of any product or service of any other Person or entity, except for the LLC Marks as permitted under this Agreement. LLC shall not engage in any conduct which may place [Circuit A] or any [Circuit A] Mark in a negative light or context, and shall not represent that it owns or has any interest in any [Circuit A] Mark other than as expressly granted herein, nor shall it contest or assist others in contesting the title or any rights of [Circuit A] (or any other owner) in and to any [Circuit A] Mark.

Section 7.04 Status of the LLC Marks and [Circuit A] Marks. Without expanding the rights and licenses granted under this Agreement, the Parties acknowledge and agree that (a) the rights and licenses granted under this Agreement to use the LLC Marks and [Circuit A] Marks permit the use of the [Circuit A] Marks in combination or connection with the LLC Marks, (b) the use of the [Circuit A] Marks in combination or connection with the LLC Marks, whether in the Brand, Policy Trailer, Branded Slots, Marketing Materials or otherwise in connection with the participation in or delivery of the Service, will not be deemed to create a composite or combination mark consisting of the [Circuit A] Marks and the LLC Marks, but instead will be deemed to create and will be treated by the Parties as creating a simultaneous use of the LLC Marks and [Circuit A] Marks as multiple separate and distinct trademarks or service marks, (c) neither Party will claim or assert any rights in a composite mark consisting of elements of the LLC Marks and [Circuit A] Marks, and (d) all use of the [Circuit A] Marks and the LLC Marks under this Agreement will be subject to the provisions regarding the use and ownership of the [Circuit A] Marks and LLC Marks contained in this Agreement.

ARTICLE 8

FEES

Section 8.01 Payment. Except as otherwise provided in this Agreement (e.g., payment of the Theatre Access Fees pursuant to Section 2.05(b)), all amounts due by one Party to the other under this Agreement shall be paid in full within thirty (30) days after the receipt by the paying Party of an invoice therefor. Each Party agrees that invoices for amounts payable by the other Party will not be issued until the event triggering such payment obligation has occurred, or the condition triggering such payment obligation has been satisfied, as applicable.

Section 8.02 Audit. Each Party shall keep and maintain accurate books and records of all matters relating to the performance of its obligations hereunder, including without limitation the sale of advertising, in accordance with generally accepted accounting principles. During the Term and for a period of one (1) year thereafter, each Party, at its sole expense, shall, upon reasonable advance written notice from the other Party, make such books and records (redacted, as applicable, to provide information relative to the Service and this Agreement) available at its offices for inspection and audit by the other Party, its employees and agents. Any audit with respect to amounts payable by either Party to the other Party under this Agreement shall be limited to an audit with respect to amounts to be paid in the current calendar year and

immediately preceding calendar year only. Any period that has been audited pursuant to this section shall not be subject to any further audit. In the event an audit of the books and records of a Party reveals an underpayment to the other Party, the audited Party shall pay to the other Party the amount of such underpayment within 30 days of the completion of the audit. If such audit determines that the underage in payments paid to a Party were in the aggregate in excess of five percent (5%) of the payments owed, the Party owing the payment shall, in addition to making the payment set forth above, reimburse the Party receiving the payment for all reasonable costs, expenses and fees incurred in connection with such audit. Any disputes between the Parties relating to the calculation of amounts owed shall be referred to a mutually satisfactory independent public accounting firm that has not been employed by either Party for the two (2) year period immediately preceding the date of such referral. The determination of such firm shall be conclusive and binding on each Party, and judgment upon any such determination can be entered in any court having jurisdiction over the matter. Each Party shall bear one-half of the fees of such firm. If the Parties cannot select such accounting firm, then the selection of such accounting firm shall be made by the American Arbitration Association located in New York, New York. In addition to the foregoing audit rights of the Parties, during the Term LLC and its authorized agents shall have the right, upon reasonable advance notice, to inspect any [Circuit A] premises or facilities involved in the performance of this Agreement to confirm the performance and satisfaction of [Circuit A]'s obligations hereunder.

ARTICLE 9

TERM AND TERMINATION

Section 9.01 Term.

(a) Duration. Unless earlier terminated as provided below, the term of this Agreement, except with respect to Digital Programming Services and Meeting Services, shall begin on the Effective Date and shall continue through **[_____,]** 2037 (the "Initial Term"), after which [Circuit A] shall have the right to renew this Agreement on the terms as set forth in this Agreement for continuous, successive five-year periods (each, a "Renewal Term," and together with the Initial Term, the "Term"). [Circuit A] shall give LLC written notice of any intent to exercise its right to renew at least thirty (30) days prior to the expiration of the Initial Term and any Renewal Term. The Parties shall, for a period of six (6) months commencing eighteen (18) months before the conclusion of the Initial Term and any Renewal Term, negotiate in good faith terms, if any, on which they may agree to extend the Initial Term or any Renewal Term, and, if such agreement is reached, this Agreement shall be amended to incorporate such terms. Unless this Agreement is extended by [Circuit A], this Agreement may only be extended by subsequent written agreement of the Parties. Prior to and during such six (6) month period, [Circuit A] shall not enter into or conduct any negotiations with any third party with respect to any service that may be competitive with the Service or any feature thereof.

(b) Digital Programming Services. The term of this Agreement with respect to Digital Programming Services shall begin on the Effective Date and shall continue through December 31, 2011 (the "Initial Digital Programming Term"). This Agreement shall automatically renew with respect to Digital Programming Services for continuous, successive

five-year periods (each, a "Digital Programming Renewal Term," and together with the Initial Digital Programming Term, the "Digital Programming Term") if Digital Programming Services has **[satisfied the financial test]**; provided, however, that the Digital Programming Term shall not exceed the Initial Term. If Digital Programming Services has failed to satisfy the **[financial test]**, then [Circuit A] may extend the Initial Digital Programming Term or any Digital Programming Renewal Term at its sole discretion. Notwithstanding the preceding sentence, if upon expiration of the Initial Digital Programming Term or any Digital Programming Renewal Term, the average Digital Programming EBITDA (as defined in Schedule 1) per screen for Digital Programming Services was negative during the last two years of such Initial Digital Programming Term or any two of the five years of such Digital Programming Renewal Term, then either [Circuit A] or LLC shall have the right in its sole discretion to not extend the Initial Digital Programming Term or any Digital Programming Renewal Term**.** Upon expiration of the Digital Programming Term, the provisions of this Agreement relating to Digital Programming shall terminate, except such rights and obligations that may survive pursuant to Section 9.04 (including the survival of Section 9.03 if the Digital Programming Term continues until the expiration of this Agreement).

(c) Meeting Services. The term of this Agreement with respect to Meeting Services shall begin on the Effective Date and shall continue through December 31, 2011 (the "Initial Meeting Services Term"). This Agreement shall automatically renew with respect to Meeting Services for continuous, successive five-year periods (each, a "Meeting Services Renewal Term," and together with the Initial Meeting Services Term, the "Meeting Services Term") if Meeting Services has produced an average Meeting Services EBITDA (as defined in Schedule 1) per screen in all Theatres, [Circuit B] Theatres and [Circuit C] Theatres of $*** for the three year period ending on December 31, 2011 with respect to the Initial Meeting Services Term or has produced an average Meeting Services EBITDA per screen of $*** increased by 5% for each five year period thereafter with respect to any Meeting Services Renewal Term (the "Meeting Services EBITDA Threshold"); provided, however, that the Meeting Services Term shall not exceed the Initial Term. If Meeting Services has failed to satisfy the Meeting Services EBITDA Threshold, then [Circuit A] may extend the Initial Meeting Service Term or any Meeting Services Renewal Term at its sole discretion. Notwithstanding the preceding sentence, if upon expiration of the Initial Meeting Services Term or any Meeting Services Renewal Term, the average EBITDA per screen for Meeting Services was negative during the last two years of such Initial Meeting Services Term or any two of the five years of such Meeting Services Renewal Term, then either [Circuit A] or LLC shall have the right in its sole discretion to not extend the Initial Meeting Services Term or any Meeting Services Renewal Term**.** Upon expiration of the Meeting Services Term, the provisions of this Agreement relating to Meeting Services shall terminate, except such rights and obligations that may survive pursuant to Section 9.04 (including the survival of Section 9.03 if the Meeting Services Term continues until the expiration of this Agreement).

Section 9.02 Termination; Defaults. Either Party may terminate this Agreement, immediately, by giving written notice of termination to the other, and without prejudice to any other rights or remedies the terminating Party may have, if:

(a) Breach of Material Provision. The other Party materially breaches this

Agreement, other than any provision of Section 15.08, and fails to cure such breach within ninety (90) days after receipt from the terminating Party of written notice of the breach specifying in detail the nature of the breach, provided, that if such material breach cannot be cured within ninety (90) days from the notice, then the ninety-day period shall be extended as long as is reasonably necessary to cure such breach if the Party receiving notice diligently attempts to cure such breach; and provided, further, that if any such breach by [Circuit A] is confined to a Theatre or limited number of Theatres, LLC shall have the right in its sole discretion to terminate this Agreement only as to such Theatre or Theatres.

(b) Breach of Anti-Assignment Provision. The other Party materially breaches any provision of Section 15.08, and fails to cure such breach within thirty (30) business days after receipt from the terminating Party of written notice of the breach; provided, that if such breach cannot be cured within thirty (30) business days from the notice, then the period of thirty business days shall be extended as long as is reasonably necessary to cure such breach if the Party receiving notice diligently attempts to cure such breach; and provided, further, that if any such breach by [Circuit A] is confined to a Theatre or limited number of Theatres, LLC shall have the right in its sole discretion to terminate this Agreement only as to such Theatre or Theatres.

(c) Injunction, Order or Decree. Any governmental, regulatory or judicial entity of competent jurisdiction shall have issued a permanent injunction or other final order or decree which is not subject to appeal or in respect of which all time periods for appeal have expired, enjoining or otherwise preventing LLC or, [Circuit A] from performing, in any material respect, this Agreement.

(d) Bankruptcy. The dissolution, bankruptcy, insolvency or appointment of a receiver or trustee of the other Party that is not dismissed within sixty (60) days, or the other Party convenes a meeting of creditors, has a receiver appointed, ceases for any reason to carry on business or is unable to pay its debts generally.

Section 9.03 Right of First Refusal.

(a) ROFR Period. For a period (the "ROFR Period") beginning 12 months prior to the end of the scheduled expiration of this Agreement pursuant to Section 9.01 and ending 48 months after expiration of this Agreement, [Circuit A] shall not enter into any agreement or arrangement with a third party (whether in writing or otherwise) (an "Alternative Agreement") to provide services that were being provided by LLC to [Circuit A] at any time during the one-year period ending on expiration of this Agreement ("Designated Services") without complying with this Section 9.03.

(b) ROFR Notice. Before entering into or committing to enter into an Alternative Agreement, [Circuit A] shall present to LLC notice (the "ROFR Notice") containing a summary of all material terms and conditions of the proposed Alternative Agreement. The ROFR Notice shall state that [Circuit A] intends to enter into the Alternative Agreement and shall certify that there are no other direct or indirect arrangements or understandings with respect to the provision of the Designated Services that have not been disclosed to LLC.

(c) Information Request. [Circuit A] shall provide LLC such additional and supplemental information as LLC shall reasonably request within 10 days of receiving such request and [Circuit A] shall cooperate fully with LLC in its evaluation of the Alternative Agreement.

(d) ROFR Response. LLC shall have the right during a period ending 90 days after submission of the Alternative Agreement (or in the event additional information is requested by LLC, within 90 days after the final submission to LLC of such additional information) (the "ROFR Response Period") to give [Circuit A] written notice (the "ROFR Response") that it either (i) will enter into an agreement with [Circuit A] providing [Circuit A] with the Designated Services on terms and conditions no less favorable to [Circuit A] than those contained in the Alternative Agreement or (ii) does not seek to provide the Designated Services.

(e) Negotiation regarding Portion of Designated Services. If any of the Designated Services to be provided by the Alternative Agreement cannot reasonably be provided by LLC, then LLC and [Circuit A] shall negotiate in good faith during the ROFR Response Period as to LLC's ability to provide certain portions of the Designated Services; provided that should (x) [Circuit A] and LLC fail to reach agreement on LLC's provision of the Designated Services in part and (y) LLC fails to agree to provide all of the Designated Services by the end of the ROFR Response Period, then [Circuit A] shall be permitted to enter into the Alternative Agreement on terms no less favorable to [Circuit A] than those set forth in the ROFR Notice as provided in Section 9.03(b) above. If [Circuit A] fails to enter into such Alternative Agreement within 45 days after the end of the ROFR Response Period, then the procedures set forth in this Section 9.03 shall once again become applicable.

(f) Alternative Proposals. During the period commencing on the date that [Circuit A] provides LLC the ROFR Notice and continuing until the earlier of (i) the end of the ROFR Response Period and (ii) the date LLC notifies [Circuit A] that it does not seek to provide the Designated Services, [Circuit A] shall not solicit alternative proposals from any other party for the Designated Services.

(g) Agreement. If either (i) LLC delivers a ROFR Response indicating that LLC wants to provide [Circuit A] with the Designated Services on the terms and conditions set forth in the ROFR Notice or (ii) the Parties agree that LLC will provide only certain of the Designated Services, the Parties will, within 45 days of such verbal agreement, enter into a written agreement to provide the agreed-on Designated Services on such terms and conditions. If [Circuit A] and LLC fail to enter into such agreement within 45 days after the end of the ROFR Response Period, then [Circuit A] shall have 45 days thereafter to enter into the Alternative Agreement on the terms and conditions no less favorable to [Circuit A] than those set forth in the ROFR Notice. If [Circuit A] fails to enter into such Alternative Agreement within such 45 day period, then the provisions of this Section 9.03 shall once again become applicable.

(h) Entry into Alternative Agreement. If either (i) LLC delivers a ROFR Response indicating that LLC does not want to provide [Circuit A] with the Designated Services on the terms and conditions set forth in the ROFR Notice or (ii) the Parties agree that LLC will provide only certain of the Designated Services, [Circuit A] shall be permitted, with respect to

those Designated Services not provided by LLC, to enter into the Alternative Agreement on the terms and conditions no less favorable to [Circuit A] than those set forth in the ROFR Notice. If [Circuit A] fails to enter into such Alternative Agreement within 45 days after the end of the ROFR Response Period, then the provisions of this Section 9.03 shall once again become applicable.

Section 9.04 Survival. Articles 1, 10, 11, 13, 14 and 15 and Sections 9.04, 9.05 and 9.06 shall survive any expiration or termination of this Agreement, and Section 9.03 shall survive any expiration of this Agreement.

Section 9.05 Effect of Termination. Upon termination or expiration of this Agreement, each Party may exercise all remedies available to it as a matter of law and upon prior notice to [Circuit A], LLC shall be entitled to enter the Theatres, and any other premises of [Circuit A] where any LLC Property may be located (or in the event of partial termination of this Agreement pursuant to Section 9.02(a) or (b) the affected Theatre(s) or premises), at a time mutually agreed to by the Parties in order to recover any and all LLC Property. In the event LLC fails to recover any LLC Property within the timeframe the Parties agree upon for such recovery, [Circuit A] shall have the right to remove and dispose of such LLC Property in its sole discretion, provided that any Software included in the LLC Property shall be recovered and returned to LLC at LLC's expense. LLC shall be obligated to restore all premises from which LLC Property is removed pursuant to this section to their previous condition, excluding reasonable wear and tear and any other improvements or material alterations to such premises as may have been approved by the Parties in connection with installation of LLC Equipment or operation of the Service and shall repair any damage to the premises as a result of such removal. In addition, any and all licenses granted by either Party to the other under this Agreement shall immediately terminate, [Circuit A] shall cease using LLC Marks, LLC shall cease using [Circuit A] Marks and LLC shall be entitled to immediately discontinue the Service. Promptly upon termination or expiration of this Agreement, and except as expressly provided in Article 8 of the License Agreement, each Party shall return to the other Party all Confidential Information of the other Party, or, at the other Party's option, destroy such Confidential Information and promptly provide to the other Party a certificate signed by an officer of the Party attesting to such destruction. Notwithstanding termination of this Agreement, each Party shall pay to the other, within thirty (30) days after the effective date of such termination, any and all fees (including costs and expenses) and other amounts owed hereunder as of such termination.

ARTICLE 10

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 10.01 Representations and Warranties. Each Party represents and warrants that:

(a) Formation. It (i) is duly formed and organized, validly existing, and in good standing under the laws of the jurisdiction of its formation and incorporation and has the power and authority to carry on its business as carried on, and (ii) has the right to enter into this Agreement and to perform its obligations under this Agreement and has the power and authority to execute and deliver this Agreement.

(b) Governmental Authorization. Any registration, declaration, or filing with, or consent, approval, license, permit or other authorization or order by, any governmental or regulatory authority, domestic or foreign, that is required to be obtained by it in connection with the valid execution, delivery, acceptance and performance by it under this Agreement or the consummation by it of any transaction contemplated hereby has been completed, made, or obtained, as the case may be.

(c) Consents. It is the exclusive owner of, or otherwise has or will have timely obtained all rights, licenses, clearances and consents necessary to make the grants of rights made or otherwise perform its obligations under this Agreement as required under this Agreement.

(d) No Conflicts. The execution and delivery of this Agreement do not, and the performance of its obligations under this Agreement and the consummation of the transactions contemplated hereby will not (with or without notice or lapse of time or both) (i) conflict with or result in a violation or breach of its charter or other organizational documents; (ii) conflict with or result in a violation or breach of any law or order applicable to it, or (iii) (A) conflict with or result in a violation or breach of, (B) constitute a default under, or (C) result in the creation or imposition of any lien upon it or any of its assets and properties under, any material contract or material license to which it or any of its Affiliates is a party or by which any of its or their respective assets and properties are bound.

Section 10.02 Additional Covenants.

(a) No Challenge. Each Party covenants that it will not at any time, except to the extent necessary to, assert or defend its rights under this Agreement: (i) challenge or otherwise do anything inconsistent with the other Party's right, title or interest in its property, (ii) do or cause to be done or omit to do anything, the doing, causing or omitting of which would contest or in anyway impair or tend to impair the rights of the other Party in its property or the rights of third party licensors or providers in their property, or (iii) assist or cause any Person or entity to do any of the foregoing.

(b) No Infringement by [Circuit A]. [Circuit A] covenants that, except as [Circuit A] discloses in writing concurrently with the execution hereof and excluding any intellectual property or other rights licensed pursuant to the License Agreement, none of the information, content, materials, or services it supplies or has supplied on its behalf under this Agreement to its knowledge infringes or misappropriates, or will infringe or misappropriate, any U.S. patent, trademark, copyright or other intellectual property or proprietary right of any third party to the extent used in accordance with the terms and conditions of this Agreement.

(c) No Infringement by LLC. LLC covenants that, except as specified in Section 10.02(b) and excluding any intellectual property or other rights licensed pursuant to the License Agreement, (i) to its knowledge, the Services will not violate, infringe or dilute any trademark, tradename, service mark or service name or any other intellectual property of any

third party or the right of privacy or publicity of any person and (ii) LLC shall procure any and all consents, licenses or permits necessary relating to the Services provided to [Circuit A] and shall pay all license fees and royalties to the appropriate parties that become due and owing as a result of the performance of the Services or any other services as may be provided by LLC to [Circuit A] from time to time, other than film rent to the film distributors.

Section 10.03 Disclaimer. EXCEPT AS EXPRESSLY AND EXPLICITLY SET FORTH IN THIS AGREEMENT, ANY AND ALL INFORMATION, PRODUCTS, AND SERVICES, INCLUDING, WITHOUT LIMITATION, THE [CIRCUIT A] PROPERTY AND LLC PROPERTY, ARE PROVIDED "AS IS" AND "WITH ALL FAULTS," AND NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, AND EACH PARTY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, TITLE AND FITNESS FOR A PARTICULAR PURPOSE. NEITHER PARTY MAKES ANY REPRESENTATION THAT THE DIGITAL CONTENT SERVICE OR ITS DISPLAY, OR RECEIPT OF ANY OTHER SERVICES, WILL BE UNINTERRUPTED OR ERROR-FREE.

ARTICLE 11

INDEMNIFICATION

Section 11.01 Indemnification.

(a) Indemnification by [Circuit A]. [Circuit A] shall defend, indemnify, and hold harmless LLC and its officers, directors, members, owners, contractors, employees, representatives, agents, successors, and assigns (collectively, "Representatives") from and against any and all losses, obligations, risks, costs, claims, liabilities, settlements, damages, liens, judgments, awards, fines, penalties, expenses and other obligations whatsoever (including, without limitation, reasonable attorneys' fees and disbursements, except as limited by Section 11.02, and any consultants or experts and expenses of investigation) (collectively, "Costs") suffered or incurred by LLC or its Representatives in connection with, as a result of, based upon, or relating to, (i) any breach by [Circuit A] of this Agreement, (ii) any use by [Circuit A] of any LLC Property (other than LLC Property licensed by LLC to [Circuit A] under the License Agreement) other than as authorized by this Agreement, (iii) any third-party claims directly resulting from acts or omissions of [Circuit A] or its designee(s), (iv) any breach of a Legacy Agreement prior to the date on which such Legacy Agreement is assigned to LLC, (v) [Circuit A]'s fraud, willful misconduct, or noncompliance with law, (vi) any infringement, violation, misappropriation, or misuse of any third-party intellectual property rights by the [Circuit A] Property (excluding the intellectual property or other rights licensed by [Circuit A] pursuant to the License Agreement); or (vii) any items disclosed by [Circuit A] pursuant to Section 10.02(b).

(b) Indemnification by LLC. LLC shall defend, indemnify, and hold harmless

[Circuit A] and its Representatives from and against any and all Costs suffered or incurred by [Circuit A] or its Representatives in connection with, as a result of, based upon, or relating to, (i) any breach by LLC of this Agreement, (ii) any use by LLC of any information, content or other materials supplied by or on behalf of [Circuit A] hereunder (including the Brand), but not under the License Agreement, other than as authorized by this Agreement, (iii) any breach of a Legacy Agreement on or after the date on which such Legacy Agreement is assigned to LLC, (iv) any damage caused by LLC, its vendors or subcontractors in installation, inspection or maintenance of any Equipment, (v) any third-party claims directly resulting from acts or omissions of LLC or its designee(s), including subcontractors, (vi) any infringement, violation, misappropriation, or misuse of any third-party intellectual property rights by the LLC Property (excluding the intellectual property or other rights licensed by LLC pursuant to the License Agreement); or (vii) LLC's fraud, willful misconduct, or noncompliance with law.

(c) Mutual Indemnification. Each Party (the "Indemnifying Party") shall defend, indemnify, and hold harmless the other Party and the other Party's Representatives from and against any and all Costs suffered or incurred by the other Party or the other Party's Representatives in connection with or as a result of, and from and against any and all third party claims, suits, actions, or proceedings actually or allegedly arising out of, based upon, or relating to any infringement or dilution of any third party trademark, tradename, service mark or service name by any trademark, tradename, service mark or service name provided by the Indemnifying Party. In the event of any infringement or dilution giving rise to a claim for indemnification under Sections 10.02(b), 10.02(c) or 11.01(a)(iii), or if infringement or dilution potentially giving rise to a claim under this Section is, in the Indemnifying Party's opinion, likely to occur the Indemnifying Party may, either: (i) procure for the other Party the right to continue using the trademark, tradename, service mark or service name in question, (ii) replace or modify the trademark, tradename, service mark or service name in question with a non-infringing or non-dilution alternative; or (iii) order the other Party to cease use of, and terminate the grant of rights under this Agreement with respect to, the trademark, tradename, service mark or service name in question. The Indemnifying Party will have no obligation under this Section for any infringement or dilution caused by, and the other Party will indemnify the Indemnifying Party in the event of, use by the other Party of the trademark, tradename, service mark or service name in question: (A) after the Indemnifying Party has notified the other Party to cease use of that trademark, tradename, service mark or service name; (B) in combination with any other trademark, tradename, service mark or service name not supplied by the Indemnifying Party; or (C) in breach of this Agreement. This Section 11.01(c) states each Party's entire liability and sole and exclusive remedy for infringement or dilution claims or actions relating to third party trademarks, tradenames, service marks or service names in connection with this Agreement.

Section 11.02 Defense of Action. An indemnitor under this Article shall have the right to control the defense and settlement of any and all claims, suits, proceedings, and actions for which such indemnitor is obligated to indemnify, hold harmless, and defend hereunder, but the indemnitee shall have the right to participate in such claims, suits, proceedings, and actions at its own cost and expense. An indemnitor shall have no liability under this Article 11 unless the indemnitee gives notice of such claim to the indemnitor promptly after the indemnitee learns of such claim so as to not prejudice the indemnitor. Under no circumstance shall either 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 the other Party, except for settlement involving only monetary payment by the indemnitor or no commitment or admission by the indemnitee, which consent shall not be withheld or delayed unreasonably.

ARTICLE 12

ADDITIONAL RIGHTS AND OBLIGATIONS

Section 12.01 Assistance. Each Party, upon the request of the other, shall perform any and all further reasonable acts and reasonably execute, acknowledge, and deliver any and all documents which the other Party determines in its sole reasonable judgment may be necessary, appropriate, or desirable to carry out the intent and purposes of this Agreement, including without limitation to document, perfect, or enforce the other Party's right, title, or interest in and to any of such Party's property, as well as any assistance requested in connection with the proceedings, suits, and hearings described in Section 12.02.

Section 12.02 Infringement. The Parties shall notify one another promptly, in writing, of any alleged, actual or threatened infringement, violation, misappropriation or misuse of or interference with ("Infringement") any intellectual property which such Party knows of or has reason to suspect.

Section 12.03 Theatre Passes. Upon the request of LLC's CEO, [Circuit A] will issue a [reasonable number of annual passes, which shall be no less than __ passes annually,] to the Theatres for use by LLC advertising clients, subject to [Circuit A]'s ability to issue such passes pursuant to [Circuit A]'s agreements with film distributors. LLC may purchase passes in excess of such number each year at a reasonably negotiated price. All other tickets used by LLC for promotional and sales purposes will be acquired by LLC at [Circuit A]'s then current group ticket discount rate.

Section 12.04 Compliance with Law. [Circuit A] and LLC shall each at all times operate and conduct its business, including, without limitation, exercising its rights under this Agreement, in compliance with all applicable international, national, state, and local laws, rules, and requirements, and the compliance by either Party with such laws, rules and requirements shall under no circumstances be deemed a breach of this Agreement.

Section 12.05 Insurance. [Circuit A] shall maintain with financially sound and reputable insurance companies insurance on the Theatres and Equipment in such amounts and against such perils as [Circuit A] deems adequate for its business. LLC shall maintain with financially sound and reputable insurance companies insurance for its business and Equipment in such amounts and against such perils as LLC deems adequate for its business. Each Party will name the other Party (including its agents, officers, directors, employees and affiliates) as an additional insured on such policies of insurance. Furthermore, to the extent reasonably practicable, LLC shall use commercially reasonable efforts to have [Circuit A] listed as an additional insured on any insurance policy carried by the advertiser, agent or event promoter in connection with Services provided under this Agreement.

Section 12.06 Most Favored Nations. LLC shall promptly provide to [Circuit A] a copy of each agreement, amendment or extension as may be entered into by LLC on or after the Effective Date with each Founding Member (including the [Circuit A] Exhibitor Agreement) which amends any term of the Exhibitor Services Agreement entered into with any of the Founding Members, as such may be amended from time to time. The Parties recognize and acknowledge that the provision of the Service is dependent on the cooperation and operational support of LLC and the Founding Members and, from time to time, LLC may elect to waive compliance with a term of this Agreement or a term of an Exhibitor Services Agreement entered into with another Founding Member, so long as LLC acts reasonably and fairly in granting waivers requested by each of [Circuit A], [Circuit B] and [Circuit C], as applicable. If LLC acts reasonably and fairly in granting such waivers to each of [Circuit A], [Circuit B] and [Circuit C] and any such waivers do not materially alter the applicable Exhibitor Services Agreement, then such waiver will not be considered an amendment of the relevant exhibitor's Exhibitor Services Agreement for purposes of this Agreement and shall not be covered by the terms of this Section 12.06. Such copies shall be redlined to reflect all differences between such agreements or amendments and this Agreement or corresponding amendment. At the election of [Circuit A], by written notice to LLC within twenty (20) days following its receipt of such agreements or amendments, to amend this Agreement so that it conforms, in part or whole, to any one of such agreements or amendments, this Agreement shall be deemed so amended by LLC and [Circuit A] as soon as reasonably practicable after receipt of such notice.

Section 12.07 Non-Competition and Non-Solicitation.

(a) Non-Competition. In consideration of [Circuit A]'s participation in LLC and in consideration of the mutual covenants and agreements contained in this Agreement, [Circuit A] and its Affiliates agree, except as otherwise provided in this Agreement, not to engage or participate in any business, hold equity interests, directly or indirectly, in another entity, whether currently existing or hereafter created, or participate in any other joint venture that competes or would compete with any business that LLC is authorized to conduct in the Territory pursuant to this Agreement, whether or not LLC is actually conducting such business in a particular portion of the Territory. The foregoing restrictions shall not apply (i) in the event [Circuit A] or its Affiliate acquires a competing business in the Territory as an incidental part of an acquisition of any other business that is not prohibited by the foregoing, if [Circuit A] disposes of the portion of such business that is a competing business as soon as practicable, (ii) to any direct or indirect ownership or other equity investments by [Circuit A] or its Affiliates in such other competing business that represents in the aggregate less than 10% of the voting power of all outstanding equity of such business, and (iii) in the event [Circuit A] enters into any agreement for the acquisition or installation of equipment or the provision of services on customary terms that does not violate the exclusivity of LLC hereunder with any entity that has other businesses and provides other services that may compete with LLC.

(b) Non-Solicitation. For the Term of this Agreement and a three-year period after its termination or expiration, each Party shall not, without the prior written approval of the other Party, directly or indirectly: (i) solicit for hire any employees of any other Party or its Affiliates at the level of vice president or higher; or (ii) induce any such employee of such Party to terminate their relationship with such Party. The foregoing will not apply to individuals hired as a result of the use of a general solicitation (such as a newspaper, radio or television advertisement) not specifically directed to the employees of such Party.

ARTICLE 13

OWNERSHIP

Section 13.01 Property.

(a) LLC Property. As between LLC and [Circuit A], LLC owns, solely and exclusively, any and all right, title, and interest in and to the Service (including all Inventory and other content supplied by or on behalf of LLC), the LLC Marks, the Software (excluding any Software owned by [Circuit A] as provided in the License Agreement), LLC's Confidential Information, the Digital Content Network, and any and all other data, information, Equipment (excluding the [Circuit A] Equipment), material, inventions, discoveries, processes, methods, technology, know-how, written works, software, works of visual art, audio works, and multimedia works provided, developed, created, reduced to practice, conceived, or made available by or on behalf of LLC to [Circuit A] or used by LLC to perform any of its obligations under or in connection with this Agreement, as well as any and all translations, improvements, adaptations, reproductions, look and feel attributes, and derivates thereof (collectively, the "LLC Property"), and, except as expressly and explicitly stated in this Agreement, reserves all such right, title, and interest.

(b) [Circuit A] Property. As between [Circuit A] and LLC, [Circuit A] owns, solely and exclusively, any and all right, title, and interest in and to all content supplied by or on behalf of [Circuit A], the [Circuit A] Marks, Software not included in Section 13.01(a) above, [Circuit A]'s Confidential Information, and any and all other data, information, Equipment (excluding the LLC Equipment), material, inventions, discoveries, processes, methods, technology, know-how, written works, software, works of visual art, audio works, and multimedia works provided, developed, created, reduced to practice, conceived, or made available by or on behalf of [Circuit A] to LLC or used by [Circuit A] to perform any of its obligations under or in connection with this Agreement, as well as any and all translations, improvements, adaptations, reproductions, look-and-feel attributes, and derivates thereof (collectively, the "[Circuit A] Property"), and, except as expressly and explicitly stated in this Agreement, reserves all such right, title, and interest.

Section 13.02 Derived Works.

(a) Derived Works from LLC Property. Any and all data, information, and material created, conceived, reduced to practice, or developed pursuant to this Agreement, but not pursuant to the License Agreement, including, without limitation, written works, processes, methods, inventions, discoveries, software, works of visual art, audio works, look-and-feel attributes, and multimedia works, to the extent based on, using, or derived from, in whole or in part, any LLC Property, whether or not done on LLC's facilities, with LLC's equipment, or by LLC personnel, by either Party alone or with each other or any third party, and any and all right, title, and interest therein and thereto (including, but not limited to, the right to sue for past

infringement) (collectively, “LLC Derived Works”), shall be owned solely and exclusively by LLC, and [Circuit A] hereby assigns, transfers, and conveys to LLC any right, title, or interest in or to any LLC Derived Work which it may at any time acquire by operation of law or otherwise. To the extent any LLC Derived Works are included in the Service, LLC hereby grants to [Circuit A] during the Term a non-exclusive, non-transferable, non-sublicenseable license to such LLC Derived Works solely for use in connection with the Service, as expressly provided by this Agreement.

(b) Derived Works from [Circuit A] Property. Except as specified in Section 13.02(a), any and all data, information, and material created, conceived, reduced to practice, or developed pursuant to this Agreement, but not pursuant to the License Agreement, including, without limitation, written works, processes, methods, inventions, discoveries, software, works of visual art, audio works, look-and-feel attributes, and multimedia works, to the extent based on, using, or derived from, in whole or in part, any [Circuit A] Property (and specifically including any materials included in the Policy Trailer or the Branded Slots based on or derived from materials supplied by [Circuit A]), whether or not done on [Circuit A]’s facilities, with [Circuit A]’s or LLC’s equipment, or by [Circuit A] personnel, by either Party alone or with each other or any third party, and any and all right, title, and interest therein and thereto (including, but not limited to, the right to sue for past infringement) (collectively, “[Circuit A] Derived Works”), shall be owned solely and exclusively by [Circuit A], and LLC hereby assigns, transfers, and conveys to [Circuit A] any right, title, or interest in or to any [Circuit A] Derived Work which it may at any time acquire by operation of law or otherwise. To the extent any [Circuit A] Derived Works are included in the Service, [Circuit A] hereby grants to LLC during the Term a nonexclusive, non-transferable, non-sublicenseable license to such [Circuit A] Derived Works solely for use in connection with the Service, as expressly provided by this Agreement.

Section 13.03 No Title. This Agreement is not an agreement of sale, and (a) no title or ownership interest in or to any LLC Property is transferred to [Circuit A], and (b) no title or ownership interest in or to any [Circuit A] Property is transferred to LLC, as a result of or pursuant to this Agreement. Further, (i) [Circuit A] acknowledges that its exercise of rights with respect to the LLC Property shall not create in [Circuit A] any right, title or interest in or to any LLC Property and that all exercise of rights with respect to the LLC Property and the goodwill symbolized thereby or connected therewith will inure solely to the benefit of LLC, and (ii) LLC acknowledges that its exercise of rights with respect to the [Circuit A] Property shall not create in LLC any right, title or interest in or to any [Circuit A] Property and that all exercise of rights with respect to the [Circuit A] Property and the goodwill symbolized thereby or connected therewith will inure solely to the benefit of [Circuit A].

ARTICLE 14

CONFIDENTIALITY

Section 14.01 Confidential Treatment. For a period of three years after the termination of this Agreement:

(a) Treatment of Confidential Information. Each Party shall use and cause its Affiliates to use the same degree of care it uses to safeguard its own Confidential Information and to cause its and its Affiliates' directors, officers, employees, agents and representatives to keep confidential all Confidential Information; and each Party shall hold and shall cause its Affiliates to hold and shall cause its and its Affiliates' directors, officers, employees, agents and representatives to hold in confidence, unless compelled to disclose by judicial or administrative process or, in the opinion of counsel, by the requirements of law, Confidential Information.

(b) LLC's Confidential Information. [Circuit A] agrees that the Confidential Information of LLC shall only be disclosed in secrecy and confidence, and is to be maintained by [Circuit A] in secrecy and confidence subject to the terms hereof. [Circuit A] shall (i) not, directly or indirectly, use the Confidential Information of LLC, except as necessary in the ordinary course of LLC's business, or disclose the Confidential Information of LLC to any third party and (ii) inform all of its employees to whom the Confidential Information of LLC is entrusted or exposed of the requirements of this Section and of their obligations relating thereto.

(c) [Circuit A]'s Confidential Information. Confidential Information of [Circuit A] shall not be supplied by LLC or its Subsidiaries to any Person who is not an employee of LLC, including any employee of a Member or of LLC's manager who is not an employee of LLC. Notwithstanding the foregoing, [Circuit A] Confidential Information may be disclosed to authorized third-party contractors of LLC if LLC determines that such disclosure is reasonably necessary to further the business of LLC, and if such contractor executes a non-disclosure agreement preventing such contractor from disclosing [Circuit A]'s Confidential Information for the benefit of each provider of [Circuit A]'s Confidential Information in a form reasonably acceptable to the Founding Members. [Circuit A]'s Confidential Information disclosed to LLC shall not be shared with any other Member without [Circuit A]'s written consent.

Section 14.02 Injunctive Relief. It is understood and agreed that each Party's remedies at law for a breach of this Article 14, as well as Section 12.07, 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 14.02 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.

ARTICLE 15

MISCELLANEOUS

Section 15.01 Notices. All notices, consents, and other communications between the Parties under or regarding this Agreement shall be in writing and shall be sent to the recipient's address set forth in this section by hand delivery, nationally respected overnight carrier, or certified mail, return receipt requested. Such communications shall be deemed to have been received on the date actually received.

LLC:	National CineMedia, LLC 9110 East Nichols Ave., Suite 200 Centennial, CO 80112 Attention: Chief Executive Officer
with a copy to:	National CineMedia, LLC 9110 East Nichols Ave., Suite 200 Centennial, CO 80112 Attention: General Counsel
[Circuit A]:	**[insert details]** Attention: Chief Financial Officer
with a copy to:	**[insert details]** Attention: General Counsel

Either Party may change its address for notices by giving written notice of the new address to the other Party in accordance with this section, but any element of such Party's address that is not newly provided in such notice shall be deemed not to have changed.

Section 15.02 Waiver; Remedies. The waiver or failure of either 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 either 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.

Section 15.03 Severability. Should any term or provision of this Agreement be held to any extent unenforceable, invalid, or prohibited under law, then such provision shall be deemed restated to reflect the original intention of the Parties as nearly as possible in accordance with applicable law and the remainder of this Agreement. The application of any term or provision restated pursuant hereto to Persons, property, or circumstances other than those as to which it is invalid, unenforceable, or prohibited, shall not be affected thereby, and each other term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 15.04 Integration; Headings. The Parties hereto agree that the [Amended and Restated] Exhibitor Services Agreement dated as of July 15, 2005 is hereby terminated, that all outstanding amounts owed under that Agreement have been paid in full and that this Agreement and the exhibits hereto (each of which is made a part hereof and incorporated herein by this reference) constitute the complete and exclusive statement of the agreement between the Parties with respect to the subject matter of this Agreement, and this Agreement supersedes any and all other prior or contemporaneous oral or written communications, proposals, representations, and agreements, express or implied. This Agreement may be amended only by mutual agreement

expressed in writing and signed by both Parties, except as otherwise provided in Section 12.06. Headings used in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 15.05 Construction. The Parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable. The use of the words "include" or "including" in this Agreement shall be by way of example rather than by limitation. The use of the words "or," "either" or "any" shall not be exclusive.

Section 15.06 Non-Recourse. Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties hereto that each and every representation, warranty, covenant, undertaking and agreement made in this Agreement was not made or intended to be made as a personal representation, undertaking, warranty, covenant, or agreement on the part of any individual or of any partner, stockholder, member or other equity holder of either Party hereto, and any recourse, whether in common law, in equity, by statute or otherwise, against any such individual or entity is hereby forever waived and released.

Section 15.07 Governing Law; Submission to Jurisdiction. Subject to the provisions of Section 14.02 and the Parties' agreement 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:

(a) Governing Law. This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the Parties.

(b) Jurisdiction. Each Party hereto agrees that any legal action or other legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced exclusively in any state or federal court located in Delaware or in New York, New York. Subject to the preceding sentence, each Party hereto:

(i) expressly and irrevocably consents and submits to the jurisdiction of each state and federal court located in New York, New York (and each appellate court located in the State of New York) in connection with any such legal proceeding, including to enforce any settlement, order or award;

(ii) consents to service of process in any such proceeding in any manner permitted by the laws of the State of New York, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 15.01 is reasonably calculated to give actual notice;

(iii) agrees that each state and federal court located in New York, New York shall be deemed to be a convenient forum;

(iv) waives and agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in any state or federal court located in New York, New York, any claim that such Party is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court; and

(v) agrees to the entry of an order to enforce any resolution, settlement, order or award made pursuant to this Section by the state and federal courts located in New York, New York and in connection therewith hereby waives, and agrees not to assert by way of motion, as a defense, or otherwise, any claim that such resolution, settlement, order or award is inconsistent with or violative of the laws or public policy of the laws of the State of New York or any other jurisdiction.

(c) Costs and Expenses. In the event of any action or other proceeding relating to this Agreement or the enforcement of any provision of this Agreement, the prevailing party (as determined by the court) shall be entitled to payment by the non-prevailing party of all costs and expenses (including reasonable attorneys' fees) incurred by the prevailing party, including any costs and expenses incurred in connection with any challenge to the jurisdiction or the convenience or propriety of venue of proceedings before any state or federal court located in New York, New York.

Section 15.08 Assignment. Neither 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 the other Party's prior written consent. Either Party may fulfill their respective 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. [Circuit A] acknowledges and agrees that in the event of assignment or transfer by the sale of all or substantially all of its assets, the failure to obtain (by operation of law or otherwise) an agreement in writing by assignee/transferee to be bound by the terms of this Agreement to the same extent as if such assignee/transferee were a party hereto (an "Assignment and Assumption") 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 either Party unless the assignee enters into an Assignment and Assumption. A Permitted Transfer shall not be deemed an assignment or transfer for purposes of this Agreement; provided, however, any Permitted Transfer by assignment to an Affiliate of [Circuit A] shall be (i) conditioned upon (A) the transferee entering into an Assignment and Assumption, (B) [Circuit A] 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.

Section 15.09 Force Majeure. Any delay in the performance of any duties or obligations of either Party (except the payment of money owed) will not be considered a breach of this Agreement if such delay is caused by a labor dispute, shortage of materials, fire, earthquake, flood, or any other event beyond the control of such Party, provided that such Party uses commercially reasonable efforts, under the circumstances, to notify the other Party of the circumstances causing the delay and to resume performance as soon as possible.

Section 15.10 Third Party Beneficiary. The Parties hereto do not intend, nor shall any clause be interpreted, to create under this Agreement any obligations or benefits to, or rights in, any third party from either LLC or [Circuit A]. Neither Party hereto is granted any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of, the other Party, or to bind the other Party in any matter or thing whatever. No Affiliate of either Party shall have any liability or obligation pursuant to this Agreement. Each Party shall be solely responsible, and each Party agrees to look solely to the other, for the satisfaction of such other Party's obligations under this Agreement.

Section 15.11 Export.

(a) LLC's Software and Confidential Information. [Circuit A] acknowledges and agrees: (i) that the Software and the Confidential Information of LLC are subject to the export controls of the United States, and (ii) that [Circuit A] has no right to, and further agrees that it will not, export or otherwise transfer or permit the transfer of any Software or Confidential Information of LLC outside the Territory. [Circuit A] will defend, indemnify, and hold harmless LLC from and against all fines, penalties, liabilities, damages, costs, and expenses incurred by LLC as a result of any failure to comply with the preceding sentence.

(b) [Circuit A]'s Confidential Information. LLC acknowledges and agrees: (i) that the Confidential Information of [Circuit A] is subject to the export controls of the United States, and (ii) that LLC has no right to, and further agrees that it will not, export or otherwise transfer or permit the transfer of any Confidential Information of [Circuit A] outside the Territory. LLC will defend, indemnify, and hold harmless [Circuit A] from and against all fines, penalties, liabilities, damages, costs, and expenses incurred by [Circuit A] as a result of any failure to comply with the preceding sentence.

Section 15.12 Independent Contractors. The Parties' relationship to each other is that of an independent contractor, and neither Party is an agent or partner of the other. Neither Party will represent to any third party that it has, any authority to act on behalf of the other.

Section 15.13 Counterparts. This Agreement may be executed in any number of separate counterparts each of which when executed and delivered to the other Party hereto shall be an original as against the Party whose signature appears thereon, but all such counterparts shall together constitute one and the same instrument.

[Signature Page to Follow**]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

[CIRCUIT A]

By: _____
Name:
Title:

NATIONAL CINEMEDIA, LLC

By: _____
Name: Kurt C. Hall
Title: Chief Executive Officer

EXHIBIT A

THE SERVICE

A. "Advertising Services" consist of the following:

1. *Lobby Promotions*. "Lobby Promotions" means as follows:

All lobby promotions and other in-theatre promotional activities (excluding the Digital Content Service, the Digital Carousel, the Traditional Content Program and other on-screen content, as described in 3 below), but specifically excluding the following promotional activities (which [Circuit A] shall retain the right to perform and have performed on its behalf):

(i) promotional activities arising under the [Circuit A] contracts identified in the Specification Documentation;

(ii) (1) poster case advertising, digital poster case advertising, advertising on digital animated poster cases, ticket kiosk screens (or such items that may replace digital poster cases, or ATM or ticket kiosk screens in the future) or other substantially similar display mechanisms and other lobby or in-theatre promotions for (A) Theatre Advertising, (B) film festivals organized by [Circuit A] (unless such poster cases have been sold by LLC), (C) fundraising programs conducted by [Circuit A] for any non-profit organizations, and (D) full-length theatrical productions; provided, however, that no movie trailers or content equivalent to movie trailers are displayed;

(2) drink cup and popcorn bag/tub advertising related to the Concessions, as necessary to fulfill contractual obligations of [Circuit A] with respect to promotion of such Concessions in the Theatres;

(3) lobby or in-theatre promotions and advertising for vendors of services provided to the Theatres, provided such promotion is incidental to the vendor's service, including by way of illustration and not limitation, (A) logos of Movietickets.com and Fandango related to promotions for online ticketing services, (B) credit card company logos displayed at the box office, automated box office, Concession stands, cafes, arcades, and lobby kiosks, (C) bank logos displayed at ATM's, (D) phone company logos displayed at public telephones, and (E) logos of vendors who provide restroom soaps, toilet paper and lotions;

(4) logos on digital menu boards at the Concession stand or digital displays at the box office of manufacturers of such products;

(5) advertising and/or signage pursuant to the IMAX agreement (if applicable); and

(6) any trademark, service mark, logo or other branding of [Circuit A] (or its theatre-operating Affiliates), film studio(s), distributors and production companies;

provided, however, that [Circuit A] shall not be permitted to exhibit or display any promotion described in this paragraph A.1.(ii), if such promotion features any trademark, service mark, logo or other branding of a party other than the film studio(s), distributors, production companies, Concession providers, or other service vendors or providers responsible for the production or promotion, as applicable, or of [Circuit A] (or its theatre-operating Affiliates), unless such promotion relates to a Strategic Program that complies with Section 4.07(b).

Popcorn bags, popcorn tubs, cups and kids' trays will be provided according to [Circuit A]'s template and packaging requirements, subject to [Circuit A]'s providing reasonable notice of changes to any such requirements. LLC may obtain advertising for all of the surface area of all such items that is not required (i) under the Beverage Agreement, (ii) as necessary to fulfill contractual obligations of [Circuit A] with respect to Concessions, and (iii) incidental branding needs of [Circuit A], subject to the terms contained in the Beverage Agreement. [Circuit A] shall not amend or modify any contract to the extent such amendment or modification would be inconsistent with the exclusive rights of LLC hereunder or have the effect of any extension of third party restrictions on surface area advertising on such popcorn bags, popcorn tubs, cups and kids' trays, except as permitted under Section 4.06(a) with respect to the Beverage Agreement or as permitted under Section 4.07(a).

2. *Event Sponsorships*

"Event Sponsorship" means the sale of advertising or sponsorships with respect to any event included in the Digital Programming Services including any Event Trailers or Meeting Services.

3. *Digital Content Service, Digital Carousel and Traditional Content Program*

The Digital Content Service (which includes the Pre-Feature Program, Policy Trailer, Event Trailer and the Video Display Program), the Digital Carousel and the Traditional Content Program, and all other on-screen content which is exhibited in Theatre auditoriums prior to the feature film presentation, but specifically excluding Trailers.

B. Digital Programming Services

"Digital Programming Services" means the electronic distribution of digital programming entertainment content other than the Pre-Feature Program, the Digital Carousel and the Video

Display Program (including, without limitation, programming such as sports, music and comedy events) and the exhibition thereof in some or all of the Theatres. “Digital Programming Services” shall not include (i) the distribution of feature films or Trailers or (ii) the electronic distribution of digital feature film content (“Digital Films”) or Trailers; provided, however, that LLC may distribute Digital Films or Trailers across the Digital Content Network upon the prior written approval of [Circuit A].

C. Meeting Services

“Meeting Services” means uses of the Theatres other than Digital Programming Services which may or may not be dependent on the electronic distribution of digital programming content, such as business meetings and educational/training meetings.

“Meeting Services” includes three types of meetings

1. *Meetings With a Movie*
2. *Meetings Without a Movie*
3. *Church Worship Services*

Meeting Services shall not include events involving the exhibition of only a feature film without a meeting to an organized group, such as birthday parties, group sales to schools or other private screenings, or internal meetings or training of [Circuit A] employees.

EXHIBIT A-1

[CIRCUIT A]
INVENTORY FOR LOBBY PROMOTIONS

The Inventory of Lobby Promotions for each Theatre to which LLC has "pre-approved" access is as listed below. Per Flight (unless otherwise specified below), LLC may provide each Theatre with any combination of Lobby Promotions as described below.

Item	Inventory per Flight	Quantity	Spec
Box Office Handout *(1 handout per transaction; not film specific)*	2 programs per Theatre	TBD	3"x5" 2-sided
Exit Sampling	1 program per Theatre	TBD	
Poster Case	1 program per Theatre	varies (below) Live Area	27"x40" 24"x38"
(1-11 screens: 1 poster; 12 screens: 2 posters; 13-20 screens: 3 posters; 21+ screens: 4 posters)			
Tabling/Demo *(No active "recruitment" of patrons)*	1 program per Theatre	1 per client	4-6' table
Vehicle/Motorcycle	1 program per Theatre	1 per client	
(Displays limited to specific list of Theatres provided by [Circuit A], and updated from time to time after reasonable advance notice to LLC)			
Background Music	1 program per Theatre	N/A	N/A
Counter Cards	2 programs per Theatre	2-3 per client	13"x16.5"x4"
Danglers	1 programs per Theatre per quarter	2-3 per client	18"x24"
Static Clings	1 program per Theatre per quarter	2-3 per client	4"x6"
Banners	1 program per Theatre per quarter	1 per client	6'x4'

Item	Inventory per Flight	Quantity	Spec
Lobby Display	2 programs per Theatre	1 per client	4’x6’
(Displays limited to specific list of Theatres provided by [Circuit A], and updated from time to time after reasonable advance notice to LLC)			
Lobby Standee	2 programs per Theatre	1 per client	3’x5’
(Displays limited to specific list of Theatres provided by [Circuit A], and updated from time to time after reasonable advance notice to LLC)			
Floor Mats	1 program per Theatre per quarter	1 per client	4”x6’

EXHIBIT B

A. Creative Services (See Section 4.05(a))

LLC will provide [Circuit A] with up to 1,000 hours per year associated with Creative Services in conjunction with the creation of certain elements of the Pre-Feature Program (including the Policy Trailer, the Brand, and the Branded Slots) and Video Display Program at no charge. Additional hours will be billed as set forth in item 2 below. The Creative Services provided at no cost may not include creation of Strategic Programs.

"Creative Services" include the provision of (i) concept work, idea creation, scripting, treatments, storyboarding, timelines and animatics, (ii) execution, animation, production, post production, sound design, final encoding and the preparation of all deliverables, and (iii) project management, meetings, communications, sub contractor management and all administrative activity related to said creative services.

1. Allocated 1,000 Hours Per Year

All projects will be quoted on a GMH (Guaranteed Maximum Hours) basis by which the Parties will agree to the concept and execution plan of the project. This agreement may be based on treatments, scripts, storyboards, timelines or animatics and will define the intended scope of all creative projects. LLC will guarantee the total maximum hours allocated to the project regardless of actual hours invested so long as the defined scope is not increased. Scope increases may cause LLC to allocate more hours to a project and therefore could cause overruns in the project's GMH, resulting in additional hours (and possibly fees). In all cases, any work resulting in overruns will be communicated to [Circuit A] by LLC prior to the work actually being done.

There is no specific deliverable attached to the accrual of hours, meaning that any project cancelled, put on hold, or for which production may extend beyond the anniversary of the agreement, will still have hours accrued against it that were incurred in that corresponding year. At the end of each calendar year, the balance of hours will be zeroed out. Unused hours will not carry forward. LLC shall provide a quarterly status report to [Circuit A] of all hours spent on any particular project as well as the amount of hours spent on an aggregate basis for all projects in any given calendar year.

2. Additional Work

Upon the utilization of 1,000 hours of Creative Services provided by LLC to [Circuit A] on any combination of projects within one calendar year, LLC will begin charging exhibitor $*** per hour for all additional hours, subject to the CPI Adjustment. These charges will be consistent for all Creative Services provided across all creative groups within LLC.

B. Beverage Agreement Advertising Rate (See Section 4.06(a))

The initial Beverage Agreement Advertising Rate is $*** per thousand attendees in [Circuit A] Attendance for a 30-second advertisement. The Beverage Agreement Advertising

Rate shall (i) increase 8% per year for each of the first two fiscal years beginning at the end of LLC's 2007 fiscal year; (ii) beginning at the end of the period set forth in (i) above, increase 6% per year for each of the next two fiscal years; and (iii) beginning at the end of the period set forth in (ii) above, increase in an amount equal to the annual percentage increase in the advertising rates per thousand attendees charged by LLC to unaffiliated third parties (excluding the advertising associated with the Beverage Agreement) for on-screen advertising in the Pre-Feature Program during the last six minutes preceding the start of the feature film for each fiscal year for the remainder of the Term, but in no event more than the highest advertising rate per thousand attendees being then-charged by LLC.

The rate for a longer or shorter advertisement shall be adjusted based on a multiple or percentage of the 30-second rate. For illustrative purposes, the initial Beverage Agreement Advertising Rate for 90 seconds of advertising as of the Effective Date would be $***. The Beverage Agreement Advertising Rate of $*** agreed to by the Parties is a discounted rate due to the length of the Agreement and the initial commitment to purchase 90 seconds of advertising.

C. Digital Programming (See Article 6)

1. Revenue Share

[Circuit A] will retain 15% of Net Ticket Revenue for tickets sold pursuant to Digital Programming Services and 100% of all Concession sales. "Net Ticket Revenue" means all ticket revenue, net of taxes and refunds, excluding "Comp Passes" distributed for marketing purposes, which shall not exceed 25 per Theatre. If Comp Passes exceed 25 per Theatre, LLC shall reimburse [Circuit A] Net Ticket Revenue for such Comp Passes exceeding 25 per Theatre.

LLC shall distribute to the participating Founding Members a total of 15% of net revenue received in the form of cash or non-cash consideration pursuant to any Event Sponsorship or other promotional fee for a Digital Programming event. A percentage of the 15% Founding Members' share of revenue for such Event Sponsorship or other promotional fee shall be allocated to [Circuit A] based upon the number of tickets sold (excluding Comp Passes) at Theatres for the Digital Programming event divided by the number of total tickets sold at all theatres of participating Founding Members (excluding Comp Passes) for the Digital Programming Services event.

2. Availability

LLC is pre-approved to schedule Digital Programming in a minimum of one auditorium in any Digitized Theatre that (i) has the requisite technology to exhibit the specific Digital Programming event and (ii) has more than 12 auditoriums. It is understood that live events will require additional equipment over the minimum equipment required in a Digitized Theatre. Installation of such additional equipment shall be made by [Circuit A] at its discretion. For the event to be pre-approved, LLC must provide 10 days' notice of the Digital Programming event to [Circuit A] and the Digital Programming event must be during any Monday through Thursday night during non-Digital Event Peak Season.

"Digital Event Peak Season" shall mean: (i) Martin Luther King weekend, (ii) Presidents' Day weekend, (iii) Thursday through Easter weekend, (iv) Memorial Day weekend, (v) the Wednesday prior to the Fourth of July weekend through the Wednesday after the Fourth of July weekend, (vi) Labor Day weekend, (vii) Thanksgiving week, and (viii) one week prior to Christmas through the week after New Year's. For purposes of this definition, weekend means Friday through Monday and week means Monday through Sunday.

LLC may exhibit Digital Programming Services in time periods other than those listed above only with approval from [Circuit A], which approval may be (i) granted as additional categories of pre-approved Digital Programming Services or (ii) granted on a case-by-case basis. LLC's notification of pre-approved Digital Programming events or requests for approval on a case-by-case basis will be submitted by a standard request form. [Circuit A] shall respond regarding whether it will accept a proposed Digital Programming event within [three (3) business days] days of being presented with such proposal. Additionally, LLC may not exhibit any Digital Programming event related to the release of a feature film (i) directly on DVD (or a subsequently developed system for viewing films at home) or to handheld or mobile devices, or (ii) on DVD (or subsequently developed system for viewing films at home), pay-per-view, cable, satellite or network television, or through other electronic means within 120 days after the release date of such feature film in Theatres, except in each case as otherwise agreed to by [Circuit A].

If a Digital Programming Services presentation has sold more than 75% of the seats at the Theatre made available, at least twenty-fours (24) hours prior to such event, [Circuit A] will make commercially reasonable efforts to make available an additional or larger auditorium for such presentation.

3. Sales Reporting

[Circuit A] and all Theatres presenting a Digital Programming event shall report to LLC the ticket sales, passes, and refunds upon LLC's request, provided, that [Circuit A] shall have no obligation to provide such updates more frequently than they are available internally in accordance with its ordinary business practices.

4. In-Theatre Retail Opportunities

Any retail and merchandising opportunities and related revenue and cost sharing related to Digital Programming Services may be agreed between LLC and [Circuit A] on an event-by-event basis.

5. Marketing and Promotion

Theatres hosting a Digital Programming event and other Theatres in the designated marketing area (DMA) shall allow LLC to play an Event Trailer for a maximum of four (4) weeks prior to the Digital Programming event, consistent with the provisions of Section 6.03. Such Event Trailer will start after Showtime. Every Event Trailer will indicate the date and location of the event. LLC may also use any other marketing and advertising Inventory it controls as set forth on Exhibit A-1 to market the Digital Programming event. All other marketing initiatives that utilize databases, websites or other "marketing assets" controlled by [Circuit A] will be agreed between LLC and [Circuit A].

All Event Trailers and other marketing and promotional activities relating to any Digital Programming event and displayed in any Theatre must (i) have received, or be such that, had it been rated, it would have received an MPAA rating of "G" or "PG" to be played prior to a feature film with a "G," "PG," or "PG-13" rating, (ii) have received, or be such that, had it been rated, it would have received an MPAA rating of "G," "PG," "PG-13" or "R" to be played prior to a feature film with an "R" rating, and (iii) be pre-approved by [Circuit A] prior to use, which approval shall not be unreasonably withheld or delayed.

D. Meeting Services (See Article 6)

1. Revenue Share

Payments between LLC and [Circuit A] related to Meeting Services shall be determined as set forth in Exhibit B-1.

2. Availability

The provisions in Exhibit B-1 identify the availability of Theatres for Meeting Services on a pre-approved basis. Meeting Services may be provided at such other times and under such other terms as may be agreed by [Circuit A] and LLC.

3. General Requirements

[Circuit A] must provide approval or decline a Meeting Services event that is not pre-approved within three (3) business days of receiving notice of such event.

[Circuit A] and LLC will develop a mutually acceptable process for billing and collecting ticket and Concession sales.

The aggregate of fees other than movie admission and Concessions, including fees such as rental fees, fees for concierge services and catering fees, charged for a Meeting with a Movie must be the greater of $*** per hour or $*** per regular show time replaced by the event (annually adjusted based on increases in LLC's auditorium rental rates), calculated with respect to the time used by LLC for the meeting in excess of the running time of the film.

E. Event Services Administrative Fee (See Section 6.07)

The Administrative Fee charged for Digital Programming events shall cover all post-production services (including ingesting, editing and encryption) performed by LLC and delivery of content to Theatre(s) through the Digital Content Network. If LLC establishes an additional digital network, pricing related to services provided for such network will be developed separately.

The Administrative Fee shall initially be $*** per location delivered (subject to the CPI Adjustment), with a minimum of $*** (subject to the CPI Adjustment), which includes a $*** bandwidth surcharge.

The Administrative Fee shall not be charged for production or delivery by LLC of the Event Trailer. Any fees and charges relating to delivery by LLC to [Circuit A] of Digital Films or Trailers not produced by LLC will be negotiated by [Circuit A] and LLC at a later date.

Encoding (should it be required) will be charged separately at the rate of $125 per hour (subject to the CPI Adjustment).

Exhibit B-1

Approved Events	Revenue Share
[Circuit A] grants pre-approval for Meetings With or Without a Movie that satisfy the criteria below: (includes tent pole films) Start and end times fall between Mon - Thurs (6am - 6pm) Meeting occurs in Theatres more than 12 auditoriums Tickets for all auditorium seats are sold at adult rate if movie is to be shown Film is available at the relevant theatre, utilizing 2nd, 3rd, 4th print of a movie (if movie is to be shown), and has received Exhibitor's film department approval	**Meeting Without a Movie** LLC shall pay Exhibitor 15% of rental revenue
	Meeting with a Movie: LLC shall sell 100% of the seats in the auditorium at the full adult ticket price (unless otherwise approved by [Circuit A] in advance). [Circuit A] shall retain 100% of all admisssions and concessions revenue; LLC shall retain 100% of meeting revenue.
Church Worship Services Approval required **Exceptions that require approval:** 1) Requires more than 1 Auditorium per request/group 2) Booked in Peak Season****** 3) Events requested less than 10 business days from the date of event 4) Events in Theatres identified in the Specification Documentation	**Church Worship Services** LLC shall pay [Circuit A] 50% of rental revenue

** Peak Season:
1) Martin Luther King weekend
2) Presidents' Day weekend
3) Easter weekend - Thurs -> Sun
4) Memorial Day weekend
5) Week of the 4th of July
6) Labor Day weekend
7) Thanksgiving week
6) Week prior to Christmas through the week after New Year's)

Schedule 1

Calculation of Exhibitor Allocation, Theatre Access Fee and Run-Out Obligations

A. Definitions

Within the context of this Schedule 1, the following terms shall have the following meanings:

"4.03 Participating Attendance" means the sum of [Circuit A] Attendance, [Circuit B] Attendance and [Circuit C] Attendance, calculated only with respect to Theatres, [Circuit B] Theatres and [Circuit C] Theatres that display an advertising campaign that [Circuit A] has not displayed in at least some Theatres pursuant to Section 4.03(viii) or (ix) of this Agreement or because of lack of equipment to display the Video Display Program.

"4.03 Theatre Access Fee" means the product of (i) the difference between (A) [Circuit A] 4.03 Opt-In Revenue minus (B) [Circuit A] Opt-Out Revenue, multiplied by (ii) the Theatre Access Pool Percentage. It is possible that the 4.03 Theatre Access Fee could be a negative number.

"Advertising-Related EBITDA" means, for the applicable measurement period, LLC EBITDA, less the sum of Meeting Services EBITDA, Digital Programming EBITDA and Non-Service EBITDA.

"Aggregate 4.03 Opt-In Attendance" means, with respect to any advertising campaign that is displayed by some but not all Founding Members pursuant to Section 4.03(i), (iii), (iv), (v) or (vi), the sum of attendance for each of the Founding Members that participate in such advertising campaign, with such attendance calculated for the applicable fiscal month pursuant to the definition of [Circuit A] Attendance, [Circuit B] Attendance and [Circuit C] Attendance, as applicable.

"Aggregate 4.03 Opt-In Revenue" means the sum of all 4.03 Revenue for each advertising campaign that any Founding Member opted not to display pursuant to Section 4.03(i), (iii), (iv), (v) or (vi) during the applicable measurement period.

"Aggregate Theatre Access Fee" means the sum of the Theatre Access Fee and the comparable theatre access fee payments made to [Circuit B] and [Circuit C] for the applicable period.

"Aggregate Theatre Access Pool" means the sum of the [Circuit A] Theatre Access Pool plus the comparable calculations for [Circuit B] and [Circuit C].

"Attendance Factor" means, as of the Effective Date, [_____]. Effective as of the first day of each succeeding fiscal quarter of LLC beginning with the second fiscal quarter of [2007], the Attendance Factor shall adjust and be a percentage equal to (i) the total revenue payable to LLC for the immediately preceding fiscal quarter attributable to advertising exhibited in the Theatres, [Circuit B] Theatres and [Circuit C] Theatres with respect to advertising contracts for which the pricing is based on attendance, flat fee or other than number of screens, divided by (ii) the total revenue payable to LLC for the immediately preceding fiscal quarter attributable to all advertising exhibited by LLC in the Theatres, [Circuit B] Theatres and [Circuit C] Theatres.

“Beverage Agreement Revenue” means the aggregate revenue received by LLC related to the Beverage Agreement and [Circuit B]’s and [Circuit C]’s beverage agreements for the applicable measurement period.

“[Circuit A] 4.03 Opt-In Revenue” means [Circuit A]’s proportional share of the 4.03 Revenue resulting from advertising subject to Section 4.03(i), (iii), (iv), (v) or (vi) that was declined by [Circuit B] or [Circuit C] but that [Circuit A] exhibited in the fiscal month during which LLC provides the Advertising Services. [Circuit A] 4.03 Opt-In Revenue shall be calculated by aggregating, for the applicable fiscal month, the amount equal to the product of (i) the 4.03 Revenue for each relevant advertising campaign, multiplied by (ii) the following fraction (A) the numerator of which is [Circuit A] Attendance and (B) the denominator of which is Aggregate 4.03 Opt-In Attendance.

“[Circuit A] 4.03 Opt-Out Attendance” means [Circuit A] Attendance calculated only with respect to Theatres that do not display an advertising campaign pursuant to Section 4.03(viii) or (ix) of this Agreement or because of lack of equipment to display the Video Display Program.

“[Circuit A] 4.03 Opt-Out Revenue” means the estimate of the proportional share of additional 4.03 Revenue that would have been available to LLC in the applicable fiscal month from an advertising campaign that was not displayed in all Theatres pursuant to [Circuit A]’s decision under Section 4.03(viii) or (ix) of this Agreement or lack of equipment to display the Video Display Program. [Circuit A] 4.03 Opt-Out Revenue shall be calculated by aggregating for the applicable fiscal month the amount equal to the product of (i) the 4.03 Revenue for each relevant advertising campaign, multiplied by (ii) the following fraction (A) the numerator of which is [Circuit A] 4.03 Opt-Out Attendance and (B) the denominator of which is 4.03 Participating Attendance.

“[Circuit A] Attendance” means the total number of patrons in all Theatre auditoriums (excluding auditoriums that do not run the applicable advertising due to human or technical error within [Circuit A]’s control, [Circuit A]’s failure to allow LLC to upgrade the Software or Equipment, [Circuit A]’s failure to install Equipment pursuant to its obligations under Section 3.04 or, after notice and opportunity to cure as set forth in Section 3.08(b), as the result of [Circuit A]’s failure to repair or replace any [Circuit A] Equipment or [Circuit A]’s (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit A] pursuant to Section 3.08(b) and excluding auditoriums with IMAX Screens that do not exhibit Inventory), during the applicable measurement period.

“[Circuit A] Attendance Ratio” means the quotient of: (i) [Circuit A] Attendance, divided by (ii) the sum of (A) the [Circuit A] Attendance, (B) the [Circuit B] Attendance and (C) the [Circuit C] Attendance.

“[Circuit A] Digital Screen Count” means the Digital Screen Number with respect to all Theatres for the applicable measurement period.

“[Circuit A] Screen Count” means the Screen Number with respect to all Theatres for the applicable measurement period.

“[Circuit A] Screen Ratio” means the quotient of: (i) [Circuit A] Screen Count, divided by (ii) the sum of (A) the [Circuit A] Screen Count, (B) the [Circuit B] Screen Count and (C) the [Circuit C] Screen Count.

“[Circuit A] Theatre Access Pool” means the sum of (i) the [Circuit A] Theatre Access Attendance Fee and (ii) the [Circuit A] Theatre Access Screen Fee.

“[Circuit A] Theatre Access Attendance Fee” means the product of (i) the Theatre Access Fee per Patron and (ii) [Circuit A] Attendance for the applicable fiscal month.

“[Circuit A] Theatre Access Screen Fee” means the product of (i) the Theatre Access Fee per Digital Screen and (ii) the [Circuit A] Digital Screen Count, calculated as the average between the number of Digital Screens on the last day of the preceding measurement period and the last day of the applicable measurement period.

“[Circuit B] Attendance” means the total number of patrons in all [Circuit B] Theatre auditoriums (excluding auditoriums that do not run the applicable advertising due to human or technical error within [Circuit B]’s control, [Circuit B]’s failure to allow LLC to upgrade the Software or Equipment, [Circuit B]’s failure to install Equipment pursuant to its obligations under Section 3.04 of its Exhibitor Services Agreement or, after notice and opportunity to cure as set forth in Section 3.08(b) of its Exhibitor Services Agreement, as the result of [Circuit B]’s failure to repair or replace any [Circuit B] Equipment or [Circuit B]’s (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit B] pursuant to Section 3.08(b) of its Exhibitor Services Agreement and excluding auditoriums with IMAX Screens that do not exhibit Inventory), during the applicable measurement period.

“[Circuit B] Equipment” means the Equipment owned by [Circuit B], pursuant to the [Circuit B] Exhibitor Agreement.

“[Circuit B] Screen Count” means the Screen Number with respect to all [Circuit B] Theatre screens for the applicable measurement period.

“[Circuit B] Theatre Access Pool” means the [Circuit B] Theatre Access Pool, calculated pursuant to the [Circuit B] Exhibitor Agreement.

“[Circuit C] Attendance” means the total number of patrons in all [Circuit C] Theatre auditoriums (excluding auditoriums that do not run the applicable advertising due to human or technical error within [Circuit C]’s control, [Circuit C]’s failure to allow LLC to upgrade the Software or Equipment, [Circuit C]’s failure to install Equipment pursuant to its obligations under Section 3.04 of its Exhibitor Services Agreement or, after notice and opportunity to cure as set forth in Section 3.08(b) of its Exhibitor Services Agreement, as the result of [Circuit C]’s failure to repair or replace any [Circuit C] Equipment or [Circuit C]’s (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit C] pursuant to Section 3.08(b) of its Exhibitor Services Agreement and excluding auditoriums with IMAX Screens that do not exhibit Inventory), during the applicable measurement period.

“[Circuit C] Equipment” means the Equipment owned by [Circuit C], pursuant to the [Circuit C] Exhibitor Agreement.

“[Circuit C] Screen Count” means the Screen Number with respect to all [Circuit C] Theatre screens for the applicable measurement period.

“[Circuit C] Theatre Access Pool” means the [Circuit C] Theatre Access Pool, calculated pursuant to the [Circuit C] Exhibitor Agreement.

“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 LLC’s Digital Programming business line profit and loss statement.

“Digital Screen Number” means the total number of Digital Screens for the applicable measurement period, calculated as the average between the number of Digital Screens on the last day of the preceding measurement period and the last day of the applicable measurement period.

“Encumbered Exhibitor Allocation” means ***.

“Encumbered Service Revenue” means ***.

“Exclusivity EBITDA” means ***.

“Exclusivity Percentage” means ***.

“Exclusivity Run-Out Payment” means, for the applicable fiscal quarter, ***.

“Exhibitor Allocation” means the sum of (i) the product of the Screen Factor and the [Circuit A] Screen Ratio, and (ii) the product of the Attendance Factor and the [Circuit A] Attendance Ratio.

“Gross Advertising EBITDA” means Advertising-Related EBITDA less any Beverage Agreement Revenue.

“LLC EBITDA” means the aggregate EBITDA of LLC for the applicable measurement period, excluding any Exclusivity Run-Out Payments paid pursuant to this Agreement or any Exhibitor Services Agreement.

“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 LLC’s Meeting Services business line profit and loss statement.

“Non-Encumbered Exhibitor Allocation” means ***.

“Non-Service EBITDA” means, for the applicable measurement period, 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.

“Screen Factor” means the percentage resulting from 1 minus the Attendance Factor.

“Screen Number” means, with respect to any measurement period, the sum of the total number of screens in the applicable theatres on each day of the applicable measurement period, all divided by the number of days in the applicable measurement period, provided that a screen shall not be counted for purposes of this calculation if such screen is inaccessible to exhibit Inventory for the majority of the planned exhibitions for any particular day (i) with respect to the Theatres: due to human or technical error within [Circuit A]’s or its Affiliates’ control, [Circuit A]’s failure to allow LLC to upgrade the Software or Equipment (subject to Section 3.05), [Circuit A]’s failure to install Equipment pursuant to its obligations under Section 3.04 or, after notice and opportunity to cure as set forth in Section 3.08(b), as the result of [Circuit A]’s failure to repair or replace any [Circuit A] Equipment or [Circuit A]’s (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit A] pursuant to Section 3.08(b)), (ii) with respect to the [Circuit B] Theatres: due to human or technical error within [Circuit B]’s or its Affiliates’ control, [Circuit B]’s failure to allow LLC to upgrade the Software or Equipment (subject to Section 3.05 of its Exhibitor Services Agreement), [Circuit B]’s failure to install Equipment pursuant to its obligations under Section 3.04 of its Exhibitor Services Agreement or, after notice and opportunity to cure as set forth in Section 3.08(b), as the result of [Circuit B]’s failure to repair or replace any [Circuit B] Equipment or [Circuit B’s] (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit B] pursuant to Section 3.08(b) of its Exhibitor Services Agreement), (iii) with respect to the [Circuit C] Theatres: due to human or technical error within [Circuit C]’s or its Affiliates’ control, [Circuit C]’s failure to allow LLC to upgrade the Software or Equipment (subject to Section 3.05 of its Exhibitor Services Agreement), [Circuit C]’s failure to install Equipment pursuant to its obligations under Section 3.04 of its Exhibitor Services Agreement or, after notice and opportunity to cure as set forth in Section 3.08(b), as the result of [Circuit C]’s failure to repair or replace any [Circuit C] Equipment or [Circuit C’s] (or its Affiliates’) software installed at any Theatre, if such obligation to repair or replace is undertaken by [Circuit C] pursuant to Section 3.08(b) of its Exhibitor Services Agreement), or (iv) if such screen is an IMAX Screen that does not exhibit Inventory.

“Supplemental Theatre Access Fee” means an annual payment from LLC to [Circuit A] to supplement the amount of the Theatre Access Fee, payable only if the Aggregate Theatre Access Fee is less than twelve percent of Aggregate Advertising Revenue for the applicable fiscal year. The Supplemental Theatre Access Fee, if any, is equal to the product of (i) (A) twelve percent of Aggregate Advertising Revenue for the relevant fiscal year minus (B) the Aggregate Theatre Access Fee for the relevant fiscal year, and (ii) the [Circuit A] Attendance Ratio for the relevant fiscal year.

“Theatre Access Fee” means a monthly payment from LLC to [Circuit A] in consideration for Theatres’ participation in Advertising Services, which shall be the sum of (i) the [Circuit A] Theatre Access Pool and (ii) the 4.03 Theatre Access Fee.

"Theatre Access Fee per Digital Screen" means $66.67 per month per Digital Screen as of the Effective Date through the end of LLC's 2007 fiscal year and shall increase 5% annually thereafter.

"Theatre Access Fee per Patron" means a fee of $0.07 per Theatre patron as of the Effective Date and shall increase 8% every five years, with the first such increase after the end of LLC's 2011 fiscal year. Patrons are counted as set forth in the definition of [Circuit A] Attendance.

"Theatre Access Pool Percentage" means (i) the Aggregate Theatre Access Pool for the applicable fiscal month, divided by (ii) the difference between (A) Aggregate Advertising Revenue minus (B) Aggregate 4.03 Opt-In Revenue, for the applicable fiscal month.

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
4.03 Revenue	4.03
Adverting Services	Article 1
Affiliate	Article 1
Aggregate Advertising Revenue	Article 1
Beverage Agreement	Article 1
[Circuit A]	Preamble
[Circuit A] Equipment	Article 1
[Circuit B] Exhibitor Agreement	Article 1
[Circuit B] Theatre	Article 1
[Circuit C] Exhibitor Agreement	Article 1
[Circuit C] Theatre	Article 1
Digital Programming	Article 1
Digital Screen	Article 1
Digitized Theatre	Article 1
EBITDA	Article 1
Effective Date	Preamble
Encumbered Theatre	4.08
Equipment	Article 1
Founding Members	Article 1
IMAX Screens	4.13(b)
Inventory	Article 1
LLC	Preamble
Meeting Services	Article 1
Software	Article 1
Theatres	Article 1

B. Exhibitor Allocation

Formula[1]

Exhibitor Allocation = (Screen Factor * [Circuit A] Screen Ratio) + (Attendance Factor * [Circuit A] Attendance Ratio); where:

(1) Screen Factor = 1 - Attendance Factor

(2) [Circuit A] Screen Ratio = [Circuit A] Screen Count / ([Circuit A] Screen Count + [Circuit B] Screen Count + [Circuit C] Screen Count)

  (a) Screen Count (for each of [Circuit A], [Circuit B] and [Circuit C]) = Screen Number for that exhibitor during the applicable measurement period

  (b) 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) compared to total advertising revenue, as calculated on the first day of each fiscal quarter

(4) [Circuit A] Attendance Ratio = [Circuit A] Attendance / ([Circuit A] Attendance + [Circuit B] Attendance + [Circuit C] Attendance)

  (a) Attendance (for each of [Circuit A], [Circuit B] and [Circuit C]) = 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 exhibitor allocation formula is qualified by the Definitions section of this Schedule 1.

C. Theatre Access Fee

Formula[2] for Monthly Payments of Theatre Access Fee and Annual Payments of Supplemental Theatre Access Fee

Theatre Access Fee = [Circuit A] Theatre Access Pool + 4.03 Theatre Access Fee; where:

(1) [Circuit A] Theatre Access Pool = [Circuit A] Theatre Access Attendance Fee + [Circuit A] Theatre Access Screen Fee

(a) [Circuit A] Theatre Access Attendance Fee = Theatre Access Fee per Patron * [Circuit A] Attendance

(i) Theatre Access Fee per Patron = $0.07 per patron (subject to an increase of 8% every five years, with the first such increase occurring after the end of LLC's 2011 fiscal year)

(ii) [Circuit A] Attendance = Number of patrons in all Theatre auditoriums that exhibit the advertising

(b) [Circuit A] Theatre Access Screen Fee = Theatre Access Fee per Digital Screen * [Circuit A] Digital Screen Count

(i) Theatre Access Fee per Digital Screen = $66.67 per Digital Screen (subject to a 5% annual increase, beginning after the end of LLC's 2007 fiscal year)

(ii) [Circuit A] Digital Screen Count = Number of screens in Digitized Theatres that exhibit advertising

(2) 4.03 Theatre Access Fee = ([Circuit A] 4.03 Opt-In Revenue – [Circuit A] 4.03 Opt-Out Revenue) * Theatre Access Pool Percentage

(a) [Circuit A] 4.03 Opt-In Revenue = For each advertising campaign that is displayed by [Circuit A] and contains content not displayed by [Circuit B] or [Circuit C] pursuant to Section 4.03(i), (iii), (iv), (v) or (vi) of this Agreement, the aggregate of the products obtained from the following calculation:

4.03 Revenue for that advertising campaign * ([Circuit A] Attendance / Aggregate 4.03 Opt-In Attendance)

(i) [Circuit A] Attendance = See Section B of this Schedule

(ii) Aggregate 4.03 Opt-In Attendance = Sum of [Circuit A] Attendance, [Circuit B] Attendance and [Circuit C] Attendance, as applicable, for the Founding Members that displayed such 4.03 content

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[2] The meaning of each term used in this Theatre Access Fee formula and Supplemental Theatre Access Fee formula is qualified by the definitions in Section A of this Schedule 1.

(b) [Circuit A] Opt-Out Revenue = For each advertising campaign that is not displayed in all Theatres pursuant to [Circuit A]'s decision under Section 4.03(viii) or (ix) of this Agreement or lack of equipment to display the Video Display Program, the aggregate of the products obtained by the following calculation:

4.03 Revenue for that advertising campaign * ([Circuit A] 4.03 Opt-Out Attendance / 4.03 Participating Attendance)

(i) [Circuit A] 4.03 Opt-Out Attendance = [Circuit A] Attendance during the applicable fiscal month at Theatres that did not display content pursuant to Section 4.03(viii) or (ix) of this Agreement or because of lack of equipment to display the Video Display Program

(ii) 4.03 Participating Attendance = Sum of [Circuit A] Attendance, [Circuit B] Attendance and [Circuit C] Attendance at Theatres, [Circuit B] Theatres and [Circuit C] Theatres that displayed such content

(c) Theatre Access Pool Percentage = Aggregate Theatre Access Pool / (Aggregate Advertising Revenue – Aggregate 4.03 Opt-In Revenue)

(i) Aggregate Theatre Access Pool = Sum of [Circuit A] Theatre Access Pool + [Circuit B] Theatre Access Pool + [Circuit C] Theatre Access Pool

(ii) Aggregate Advertising Revenue = LLC's revenue related to Advertising Services, except Event Sponsorships, revenue related to relationships with third parties that are not Founding Members and Advertising Services provided to Founding Members outside the provisions of this Agreement

(iii) Aggregate 4.03 Opt-In Revenue = The aggregate of all 4.03 Revenue for each advertising campaign that any Founding Member opted not to display pursuant to Section 4.03(i), (iii), (iv), (v) or (vi).

Supplemental Theatre Access Fee = If Aggregate Theatre Access Fee < (12% * Aggregate Advertising Revenue):

((12% * Aggregate Advertising Revenue) – Aggregate Theatre Access Fee)) * [Circuit A] Attendance Ratio; where:

(1) Aggregate Theatre Access Fee = Sum of Theatre Access Fee plus the comparable theatre access fee payments made to [Circuit B] and [Circuit C] for the same period

(2) [Circuit A] Attendance Ratio = See Section B of this Schedule

D. Exclusivity Run-Out Payment

Formula[3] for Quarterly Payments

Exclusivity Run-Out Payment = ***

[3] The meaning of each term used in this Exclusivity Run-Out Payment formula is qualified by the definitions in Section A of this Schedule 1.

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.**

COMMON UNIT ADJUSTMENT AGREEMENT

This COMMON UNIT ADJUSTMENT AGREEMENT (this "**Agreement**"), dated as of _____, 2007 (the "**Effective Date**"), is by and among National CineMedia, Inc., a Delaware corporation ("**NCM Inc.**"), National CineMedia, LLC, a Delaware limited liability company ("**NCM LLC**"), Regal CineMedia Holdings, LLC, a Delaware limited liability company (the "**Regal Founding Member**"), American Mutli-Cinema, Inc., a Missouri corporation (the "**AMC Founding** Member" or the "**AMC ESA Party**"), Cinemark Media, Inc., a Delaware corporation (the "**Cinemark Founding Member**"), Regal Cinemas, Inc., a Tennessee corporation (the "**Regal ESA Party**"), and Cinemark USA, Inc., a Texas corporation (the "**Cinemark ESA Party**"). Certain terms used in this Agreement are defined in Section 1.

RECITALS

A. The Regal Founding Member, the AMC Founding Member and the Cinemark Founding Member are historic members of NCM LLC.

B. As of the date hereof, NCM Inc. has become a member of NCM LLC pursuant to the terms of that certain Common Unit Subscription Agreement, dated as of _____, 2007, between NCM LLC and NCM Inc., and the terms of the NCM LLC Operating Agreement.

C. As of the date hereof, each ESA Party has entered into an Exhibitor Services Agreement with NCM LLC.

D. Pursuant to the terms of each Exhibitor Services Agreement and as more fully described therein, NCM LLC is to provide Services to each ESA Party.

E. The Parties desire to enter into this Agreement for the purpose of adjusting each Founding Member Group's Common Units in connection with Attendance Increases and Attendance Decreases attributable to such Founding Member Group.

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. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1:

"**Acquisition Date**" means with respect to an ESA Party the closing date of the transaction pursuant to which a theatre becomes an Acquisition Theatre or the opening date of any Newbuild Theatre.

"**Acquisition Theatre(s)**" when used with respect to an ESA Party, has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement; provided that (i) an Encumbered Theatre with respect to which an ESA Party does not elect to make Run-Out Payments, and (ii) a Theatre that has its lease renewed or extended, shall not be treated as Acquisition Theatres.

"**Adjustment Date**" means the last day of the Fiscal Year.

"**Advertising Services**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Affiliate**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"Agreement" has the meaning set forth in the preamble of this Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**AMC Attendance**" has the meaning set forth in Schedule 1 of the Exhibitor Services Agreement between the AMC ESA Party and the Company; provided that, for purposes of this Agreement (i) Encumbered Theatres with respect to which the AMC ESA Party elects to make Run-Out Payments, and (ii) Loews Theatres, shall be treated as AMC Theatres and included in determining the AMC Attendance.

"**AMC ESA Party**" has the meaning set forth in the preamble of this Agreement.

"**AMC Founding Member**" has the meaning set forth in the Preamble of this Agreement.

"**AMC Theatres**" means Theatres (within the meaning set forth in Article 1 of the Exhibitor Services Agreement between the AMC ESA Party and the Company), Loews Theatres and Encumbered Theatres with respect to which the AMC ESA Party elects to make Run-Out Payments.

"**Assignment and Assumption**" has the meaning set forth in Section 6(d) of this Agreement.

"**Attendance**" means (i) when used with respect to an ESA Party, the AMC Attendance attributable to the AMC Theatres, the Regal Attendance attributable to the Regal Theatres or the Cinemark Attendance attributable to the Cinemark Theatres (as applicable), (ii) when used with respect to a specific Theatre or Theatres, the AMC Attendance, Regal Attendance or Cinemark Attendance (as applicable) attributable to such Theatre or Theatres, and (iii) when used with respect to all of the ESA Parties, the sum of the AMC Attendance attributable to the AMC Theatres, the Regal Attendance attributable to the Regal Theatres and the Cinemark Attendance attributable to the Cinemark Theatres.

"**Attendance Decrease**" means, with respect to the Disposition of any Theatre by an ESA Party since the Prior Adjustment Date, the Theatre's Attendance during the 12 Fiscal Months preceding the Disposition Date; provided that (i) if the purchaser or sub-lessee (other than an ESA Party) of a Theatre enters into a Third Party Theatre Agreement, the Theatre shall not be included in determining the Attendance Decrease, (ii) if an ESA Party Disposes of Theatres to another ESA Party and those Theatres are subject to an Exhibitor Services Agreement, those Theatres will be included in determining the Attendance Decrease of the ESA Party that Disposed of the Theatres, (iii) if an ESA Party Disposes of Theatres that are not Digitized Theatres, then the Attendance included in determining the Attendance Decrease will be reduced by one-half of the Attendance that would otherwise be included in determining the Attendance Decrease, (iv) if a Newbuild Theatre (determined as of the Prior Adjustment Date) has been in operation for less than 12 Fiscal Months preceding the date of the event that causes such Newbuild Theatre to be included in determining the Attendance Decrease, the Attendance included in determining the Attendance Decrease with respect to that Newbuild Theatre will be equal to the Attendance previously included in determining any Attendance Increase in clause (ii) of the definition of Attendance Increase with respect to that Newbuild Theatre, and (v) with respect to any Newbuild Theatre to which clause (ii) of the definition of Attendance Increase applied on the Prior Adjustment Date, any negative difference between the actual Attendance during the first 12 Fiscal Months of operation and the Attendance included in determining the Attendance Increase under clause (ii) of the definition of Attendance Increase shall be taken into account in determining any Attendance Decrease on the Adjustment Date or Extraordinary Adjustment Date (as applicable) following the date on which the Newbuild Theatre completes its first 12 Fiscal Months of operations.

"**Attendance Decrease Notice**" has the meaning set forth in Section 3(a) of this Agreement.

"**Attendance Increase**" means (i) with respect to any Acquisition Theatre that has been in operation for the 12 Fiscal Months preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable) and that an ESA Party obtained control of since the Prior Adjustment Date, the Acquisition Theatre's Attendance during the 12

Fiscal Months preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable), and (ii) with respect to any Newbuild Theatre opened by an ESA Party since the Prior Adjustment Date and that has not been in operation for at least the 12 Fiscal Months preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable), seventy-five percent (75%) of the Newbuild Theatre's Projected Attendance; provided that (a) if an Acquisition Theatre has not been in operation for the 12 Fiscal Months preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable), the Acquisition Theatre will be treated as a Newbuild Theatre under clause (ii), (b) with respect to any Newbuild Theatre to which clause (ii) applied at such Prior Adjustment Date, any positive difference between the actual Attendance during the first 12 Fiscal Months of operation and the Attendance included in determining the Attendance Increase under clause (ii) shall be taken into account in determining any Attendance Increase on the Adjustment Date or Extraordinary Adjustment Date (as applicable) following the date on which the Newbuild Theatre completes its first 12 Fiscal Months of operations, (c) if an Acquisition Theatre is not a Digitized Theatre (1) the Attendance included in determining the Attendance Increase will be reduced by one-half of the Attendance that would otherwise be included under clause (i) or (ii) as applicable, and (2) if the Acquisition Theatre is subsequently modified to become a Digitized Theatre, then one-half of such Acquisition Theatre's Attendance during the 12 Fiscal Months preceding the date of such modification shall be included in determining the Attendance Increase (without duplication for any Attendance previously included in clause (c)(1)) as of any Adjustment Date or Extraordinary Adjustment Date (as applicable), (d) if an ESA Party acquires Theatres from another ESA Party and those Theatres are subject to an Exhibitor Services Agreement, those Theatres will be included in determining the Attendance Increase of the ESA Party that obtained control of the Acquisition Theatres, and (e) if an Acquisition Theatre is subject to a pre-existing agreement with the Company other than as set forth in clause (d) above, the Acquisition Theatre will not be included in determining the Attendance Increase until the Adjustment Date or Extraordinary Adjustment Date (as applicable) following the date on which the pre-existing agreement terminates and the Acquisition Theatre becomes subject to the Exhibitor Services Agreement.

"**Attendance Increase Notice**" has the meaning set forth in Section 2(a) of this Agreement.

"**Attendance Threshold**" means 2% of the Attendance Total determined as of the Prior Adjustment Date.

"**Attendance Total**" means the sum of (i) the AMC Attendance, Cinemark Attendance and Regal Attendance during the 12 Fiscal Months preceding the Adjustment Date or the Extraordinary Adjustment Date (as applicable) plus (ii) to the extent available, the total number of patrons in all other theatre auditoriums to which the

Company provides Advertising Services during the 12 Fiscal Months preceding the Adjustment Date or the Extraordinary Adjustment Date (as applicable).

"**Business Day**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Cash Equivalents**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Cinemark Attendance**" has the meaning set forth in Schedule 1 of the Exhibitor Services Agreement between the Cinemark ESA Party and the Company; provided that, for purposes of this Agreement Encumbered Theatres with respect to which the Cinemark ESA Party elects to make Run-Out Payments shall be treated as Cinemark Theatres and included in determining the Cinemark Attendance.

"**Cinemark ESA Party**" has the meaning set forth in the preamble of this Agreement.

"**Cinemark Founding Member**" has the meaning set forth in the Preamble of this Agreement.

"**Cinemark Theatres**" means Theatres (within the meaning set forth in Article 1 of the Exhibitor Services Agreement between the Cinemark ESA Party and the Company) and Encumbered Theatres with respect to which the Cinemark ESA Party elects to make Run-Out Payments.

"**Common Unit**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Common Unit Adjustment**" means, with respect to a Founding Member Group (i) the Founding Member Group's Net Attendance Adjustment, times (ii) the Company Enterprise Value Per Attendee, divided by (iii) the NCM Inc. Share Price.

"**Common Unit Adjustment Equivalent**" means the product of (i) a Founding Member Group's Common Unit Adjustment (or any difference between the Founding Member Group's Common Unit Adjustment and the number of whole Common Units issued under Section 4(b)(i)(1) or surrendered under Section 4(b)(ii)(1)), times (ii) the applicable NCM Inc. Share Price used to calculate the Common Unit Adjustment.

"**Company Enterprise Value**" means (i) the Company Equity Value, plus (ii) the long-term funded debt of the Company as of the Adjustment Date or Extraordinary Adjustment Date (as applicable), plus (iii) with respect to outstanding Options deemed exercised under the treasury stock method based upon the NCM Inc. Share Price during the 60 Trading Days preceding the Adjustment Date or the Extraordinary Adjustment

Date (as applicable), the amount that NCM Inc. is required to contribute to the Company under Section 3.5(c) of the NCM LLC Operating Agreement in connection with the exercise of those Options, less (iv) the Company's cash and Cash Equivalents.

"**Company Enterprise Value Per Attendee**" means a quotient (i) the numerator of which is the Company Enterprise Value, and (ii) the denominator of which is the Attendance Total.

"**Company Equity Value**" means the product of (i) the number of Outstanding Equity Equivalents, times (ii) the NCM Inc. Share Price.

"**Determination Deadline Date**" has the meaning set forth in Section 4(a) of this Agreement.

"**Determination Notice**" has the meaning set forth in Section 4(a) of this Agreement.

"**Digital Programming Services**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Digitized Theatres**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Disposition**" (including the terms, "**Disposes**", "**Disposed**" and "**Disposing**") when used with respect to an ESA Party, has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement; provided that (i) a temporary closure of any Theatre for 180 days or less (or such longer period of time if the closure is the result of an event beyond the control of the ESA Party and so long as the ESA Party is diligently working to re-open the Theatre as soon as reasonably possible), (ii) a sale or closure of any Theatre at or after the end of the term of a lease (whether an initial term or a renewal term) in existence as of the date of this Agreement, (iii) a sale or closure of any Theatre at or after the end of the initial term of any lease entered into after the date of this Agreement, and (iv) any sale or closure of a Theatre that is not a Digitized Theatre in the last 3 years of the term of a lease in existence as of the date of this Agreement, shall not be deemed a Disposition.

"**Disposition Date**" means the closing date of a Disposition of Theatres by an ESA Party.

"**Encumbered Theatres**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Effective Date**" the meaning set forth in the preamble of this Agreement.

"**ESA Party**" means (i) the AMC ESA Party in the case of the AMC Founding Member, (ii) the Cinemark ESA Party in the case of the Cinemark Founding Member, (iii) the Regal ESA Party in the case of the Regal Founding Member, and (iv) Affiliates of each of the AMC ESA Party, the Cinemark ESA Party and the Regal ESA Party that are subject to the applicable Exhibitor Services Agreement.

"**Exhibitor Services Agreement**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Extraordinary Adjustment Date**" means (i) in the event of an Extraordinary Attendance Increase, the Acquisition Date (in the case of a single transaction) and the most recent Acquisition Date (in the case of multiple transactions), (ii) in the event of an Extraordinary Attendance Decrease, the Disposition Date (in the case of a single transaction) and the most recent Disposition Date (in the case of multiple transactions), and (iii) in the event this Agreement terminates pursuant to Section 5, the date on which this Agreement terminates.

"**Extraordinary Attendance Decrease**" means an ESA Party's Disposition of Theatres (whether through a single transaction or multiple transactions since the Prior Adjustment Date) resulting in an Attendance Decrease in excess of the Attendance Threshold.

"**Extraordinary Attendance Increase**" means an ESA Party's obtaining control of Acquisition Theatres or opening Newbuild Theatres (whether through a single transaction or multiple transactions since the Prior Adjustment Date) resulting in an Attendance Increase in excess of the Attendance Threshold.

"**Fiscal Month**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Fiscal Year**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Founding Member**" means each of the AMC Founding Member, the Cinemark Founding Member and the Regal Founding Member.

"**Founding Member Group**" means, with respect to each Founding Member, the Founding Member, its ESA Party and their Affiliates.

"**Founding Member Group Designee**" means a member of a Founding Member Group as designated in a written notice given by the ESA Party to the Company; provided that (i) the Founding Member Group Designee must agree in writing to become a party to, and be bound by the terms of, this Agreement and the NCM LLC Operating Agreement, and (ii) if the ESA Party does not properly designate a Founding Member

Group Designee or if the designated Founding Member Designee does not have sufficient Common Units to satisfy its obligations in connection with a negative Common Unit Adjustment, the Founding Member Group Designee shall be (1) the member of the Founding Member Group that has the largest number of Common Units (in descending order of all members of the Founding Member Group), or (2) the ESA Party if all members of the Founding Member Group (in the aggregate) do not have sufficient Common Units to satisfy the Founding Member Group Designee's obligations.

"**GAAP**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Independent Directors**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Loews Theatres**" has the meaning set forth in Article 1 of the Exhibitor Services Agreement between the AMC ESA Party and the Company.

"**Meeting Services**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**NCM Inc.**" has the meaning set forth in the preamble of this Agreement.

"**NCM Inc. Share Price**" means the arithmetic average of the volume weighted average prices for a share of NCM Inc. common stock on the principal United States securities exchange or automated or electronic quotation system on which NCM Inc. common stock trades, as reported by Bloomberg, L.P., or its successor, for each of the sixty (60) consecutive full Trading Days preceding the Adjustment Date or the Extraordinary Adjustment Date (as applicable), subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the NCM Inc. common stock. If the NCM Inc. common stock no longer trades on a securities exchange or automated or electronic quotation system, then a majority of the Independent Directors of NCM Inc. shall determine the NCM Inc. Share Price in good faith.

"**NCM LLC**" has the meaning set forth in the preamble of this Agreement.

"**NCM LLC Operating Agreement**" means that certain Third Amended and Restated Limited Liability Company Operating Agreement of National CineMedia, LLC, dated as of _____ ____, 2007, by and among all of the Founding Members and NCM Inc.

"**Net Attendance Adjustment**" means the total of a Founding Member Group's Attendance Increase less such Founding Member Group's Attendance Decrease since the Prior Adjustment Date.

"**Newbuild Theatre(s)**" when used with respect to an ESA Party, has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Options**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Outstanding Equity Equivalents**" means the sum of (i) the average number of shares of NCM Inc. common stock issuable upon exercise, conversion or exchange of the average number of Common Units, warrants, preferred stock, stock purchase rights or similar securities exercisable into, exchangeable for, or convertible into NCM Inc. common stock, plus (ii) the average number of outstanding shares of NCM Inc. common stock, plus (iii) the outstanding Options deemed exercised under the treasury stock method based upon the NCM Inc. Share Price, each during the 60 Trading Days preceding the Adjustment Date or the Extraordinary Adjustment Date (as applicable).

"**Parties**" means the parties listed in the preamble of this Agreement.

"**Permitted Transfer**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Person**" has the meaning set forth in Section 1.1 of the NCM LLC Operating Agreement.

"**Prior Adjustment Date**" means the Adjustment Date or Extraordinary Adjustment Date (as applicable) immediately preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable) for which the Common Unit Adjustment is being determined; provided that in the case of the initial Common Unit Adjustment, the Prior Adjustment Date shall be the date of this Agreement.

"**Projected Attendance**" means (i) with respect to any Newbuild Theatre, the Newbuild Theatre's estimated attendance during the first 12 Fiscal Months of operation as determined in approving development of the Newbuild Theatre by the ESA Party's board of directors (or other investment committee designated by the board), and (ii) with respect to any Acquisition Theatre that an ESA Party obtains control of and that has not been in operation for the 12 Fiscal Months preceding the Adjustment Date or Extraordinary Adjustment Date (as applicable), the Acquisition Theatre's estimated attendance during the first 12 Fiscal Months of operation used in approving the acquisition by the ESA Party's board of directors (or other investment committee designated by the board).

"**Regal Attendance**" has the meaning set forth in Schedule 1 of the Exhibitor Services Agreement between the Regal ESA Party and the Company; provided that, for purposes of this Agreement Encumbered Theatres with respect to which the Regal ESA

Party elects to make Run-Out Payments shall be treated as Regal Theatres and included in determining the Regal Attendance.

"**Regal ESA Party**" has the meaning set forth in the preamble of this Agreement.

"**Regal Founding Member**" has the meaning set forth in the Preamble of this Agreement.

"**Regal Theatres**" means Theatres (within the meaning set forth in Article 1 of the Exhibitor Services Agreement between the Regal ESA Party and the Company) and Encumbered Theatres with respect to which the Regal ESA Party elects to make Run-Out Payments.

"**Run-Out Payments**" means payments made by an ESA Party to the Company with respect to an Encumbered Theatre pursuant to Sections 4.08(b) and (c) of the applicable Exhibitor Services Agreement.

"**Services**" has the meaning set forth in Article 1 of the applicable Exhibitor Services Agreement.

"**Settlement Date**" has the meaning set forth in Section 4(b) of this Agreement.

"**Theatres**" means (i) when used with respect to an ESA Party, the AMC Theatres, Regal Theatres or Cinemark Theatres (as applicable), and (ii) when used with respect to all of the ESA Parties, all of the AMC Theatres, Regal Theatres and Cinemark Theatres.

"**Third Party Theatre Agreement**" means an agreement between the Company and a third party that gives the Company a right to provide Advertising Services with respect to the Theatres being Disposed of by an ESA Party to such third party and that meets the following minimum requirements: (i) the third party grants the Company exclusive access to and the exclusive right to provide Advertising Services with respect to the Theatres; (ii) the Third Party Theatre Agreement incorporates content standards no more restrictive than as set forth in Section 4.03 of the applicable Exhibitor Services Agreement; (iii) the fee payable by the Company to the third party for the Advertising Services does not exceed *** of the Company's total revenue attributable to such Advertising Services; (iv) the term of the Third Party Theatre Agreement (excluding extensions) is for the shorter of (1) the term of the longest lease (excluding extensions) being Disposed of by the ESA Party in the transaction, or (2) ***; (v) the Company has substantially similar penalties upon a breach of the Third Party Theatre Agreement by such third party than as set forth in the applicable Exhibitor Services Agreement for breaches by such ESA Party; and (vi) in all other material respects, the Third Party Theatre Agreement imposes obligations on the third party that are substantially similar to the obligations imposed upon the ESA Party in the applicable Exhibitor Services

Agreement, except that obligations arising exclusively from such ESA Party's status as an ESA Party shall be inapplicable to the third party.

"**Trading Days**" means a day on which the principal United States securities exchange on which NCM Inc. common stock is listed or admitted to trading, or the NASDAQ Stock Market if NCM Inc. common stock is not listed or admitted to trading on any such securities exchange, as applicable, is open for the transaction of business (unless such trading shall have been suspended for the entire day).

2. **Attendance Increases**.

(a) Notice. At least 10 Business Days prior to the Acquisition Date, the ESA Party shall give the Company written notice of the estimated Attendance Increase resulting from the ESA Party's obtaining control of Acquisition Theatres or the opening of a Newbuild Theatre (the "**Attendance Increase Notice**").

(b) Extraordinary Attendance Increases. Within 5 Business Days of the date on which the Attendance Increase Notice is given, the Company shall determine and provide written notice to the ESA Party and its Founding Member whether such Attendance Increase results in an Extraordinary Attendance Increase. In the event of an Extraordinary Attendance Increase, a Common Unit Adjustment shall be made with respect to the Founding Member Group that caused the Extraordinary Attendance Increase in accordance with Section 4 below.

3. **Attendance Decreases**.

(a) Notice. At least 10 Business Days prior to the Disposition Date, the ESA Party shall give the Company written notice of the estimated Attendance Decrease resulting from the ESA Party's Disposition (the "**Attendance Decrease Notice**").

(b) Extraordinary Attendance Decreases. Within 5 Business Days of the date on which the Attendance Decrease Notice is given, the Company shall determine and provide written notice to the ESA Party and its Founding Member whether such Attendance Decrease results in an Extraordinary Attendance Decrease. In the event of an Extraordinary Attendance Decrease, a Common Unit Adjustment shall be made with respect to the Founding Member Group that caused the Extraordinary Attendance Decrease in accordance with Section 4 below.

4. **Adjustment of Common Units**.

(a) Determination of Common Unit Adjustment. Within (i) 90 calendar days after an Adjustment Date, or (ii) 10 Business Days after an Extraordinary Adjustment Date (the "**Determination Deadline Date**"), the Company shall determine each Founding Member Group's Common Unit Adjustment as of the Adjustment Date or, in

the case of the Founding Member Group that caused the Extraordinary Attendance Increase or Extraordinary Attendance Decrease, that Founding Member Group's Common Unit Adjustment as of the Extraordinary Adjustment Date, and shall give the applicable Founding Member Group Designees, ESA Parties and NCM Inc. written notice (the "**Determination Notice**"), on or before the Determination Deadline Date, of the Founding Member Group's Common Unit Adjustment.

(b) Settlement of Common Unit Adjustment. On the day that is 10 Business Days following the date on which the Determination Notice is given (the "**Settlement Date**"): (i) if a Founding Member Group's Common Unit Adjustment is a positive number the Company shall (1) issue to the Founding Member Group Designee a number of whole Common Units equal to the Founding Member Group's Common Unit Adjustment (rounded down to the nearest whole number), and (2) pay to the Founding Member Group Designee, in immediately available funds, an amount equal to such Founding Member Group's Common Unit Adjustment Equivalent based upon the difference between the Founding Member Group's Common Unit Adjustment and the number of whole Common Units issued under clause (i)(1); and (ii) if a Founding Member Group's Common Unit Adjustment is a negative number the Founding Member Group Designee shall, at the election of the ESA Party made by giving written notice to the Company on or before the Settlement Date, either (1) transfer and surrender to the Company, and the Company shall cancel, a number of whole Common Units equal to all or part of such Founding Member Group's Common Unit Adjustment (rounded down to the nearest whole number), or (2) pay to the Company, in immediately available funds, an amount equal to such Founding Member Group's Common Unit Adjustment Equivalent based upon that part of the Founding Member Group's Common Unit Adjustment not satisfied through the surrender of Common Units under clause (ii)(1) (including any difference between the Founding Member Group's Common Unit Adjustment and the number of whole Common Units surrendered under clause (ii)(1)); provided that, in the event of a negative Common Unit Adjustment, if the ESA Party does not elect by the Settlement Date to satisfy the Founding Member Group Designee's obligation through a payment under clause (ii)(2), the Founding Member Group Designee shall be obligated to satisfy its obligation in Common Units under clause (ii)(1) (or funds under clause (ii)(2) to the extent the Founding Member Group Designee does not have sufficient Common Units to satisfy the Founding Member Group's Common Unit Adjustment). The transfer of Common Units under clause (i)(1) or (ii)(1) shall be effective immediately prior to the close of business on the date on which the Determination Notice is given.

5. **Term and Termination**.

(a) Duration. The term of this Agreement shall begin on the Effective Date. This Agreement shall terminate with respect to a Founding Member Group on the same date that the applicable Exhibitor Services Agreement terminates (including any

extensions or renewals) with respect to Services other than Digital Programming Services and Meeting Services.

(b) Extraordinary Adjustment. Upon termination of this Agreement with respect to a Founding Member Group, a Common Unit Adjustment shall be made with respect to the Founding Member Group in accordance with Section 4 above; provided that a termination of this Agreement shall not result in a deemed Disposition of the ESA Party's Theatres.

6. **Miscellaneous**

(a) 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.

(b) Notices. All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall 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. All notices hereunder shall be delivered as set forth in Exhibit A to the NCM LLC Operating Agreement (in the case of NCM Inc. and the Founding Members), and as set forth in Section 15.01 of each of the Exhibitor Services Agreements (in the case of NCM LLC and the ESA Parties), or pursuant to such other instructions as may be designated in writing by the Party to receive such notice. Any Party may change its address or fax number by giving the other Parties written notice of its new address or fax number in the manner set forth above.

(c) Waiver; Remedies.

(i) 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.

(ii) All remedies available to a 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.

(iii) 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. In the event of a breach of this Agreement by a member

of a Founding Member Group, NCM LLC shall be entitled to stop the transfer of Common Units by the Founding Member Group on NCM LLC's books and obtain equitable relief on behalf of itself and all other Parties to this Agreement. The Parties shall be entitled to the relief described in this Section 6(c) 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.

(d) 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 the prior written consent of (i) NCM LLC in the case of an assignment or transfer by an ESA Party or Founding Member, or (ii) all of the Founding Members in the case of an assignment or transfer by NCM LLC. Notwithstanding the foregoing, this Agreement shall not be assignable by a Party unless the assignee/transferee enters into an agreement in writing to be bound by the terms of this Agreement to the same extent as if such assignee/transferee were a party hereto (an "**Assignment and Assumption**"). A Permitted Transfer shall not be deemed an assignment or transfer for purposes of this Agreement; provided, however, any Permitted Transfer by assignment to an Affiliate of ESA Party shall be (i) conditioned upon (1) the transferee entering into an Assignment and Assumption, (2) the ESA Party 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.

(e) Amendment. This Agreement may not be amended, modified, altered or supplemented except by means of a written instrument executed on behalf of all of the Parties.

(f) 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.

(g) 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.

(h) Entire Agreement. This Agreement sets forth the entire understanding of Parties with respect to the subject matter hereof and supersedes all other agreements and understandings between the Parties relating to the subject matter hereof.

(i) 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.

(j) Interpretation of Agreement.

(i) 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."

(ii) Unless otherwise specified, references in this Agreement to "Sections" and "Exhibits" are intended to refer to Sections of, and Exhibits to, this Agreement.

(iii) 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.

(iv) Each Party hereto and its counsel cooperated in drafting and preparation of 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:

By:_____
Name:_____
Title:_____

REGAL FOUNDING MEMBER:

REGAL CINEMEDIA HOLDINGS, LLC

By:_____
Name:_____
Title:_____

REGAL ESA PARTY:

By:_____
Name:_____
Title:_____

AMC FOUNDING MEMBER and AMC ESA PARTY:

AMERICAN MULTI-CINEMA, INC.

By:_____
Name:_____
Title:_____

CINEMARK FOUNDING MEMBER:

CINEMARK MEDIA, INC.

By:_____
Name:_____
Title:_____

CINEMARK ESA PARTY:

CINEMARK USA, INC.

By:_____
Name:_____
Title:_____

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 2 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. 2 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. 2 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.

Denver, Colorado
December 20, 2006