



**NCM**<sup>SM</sup>  
AMERICA'S MOVIE NETWORK

# Q3'23 Earnings

## Supplemental Presentation

## FORWARD-LOOKING STATEMENTS

---

This presentation contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events. Investors are cautioned that reliance on these forward-looking statements involves risks and uncertainties. Although the Company believes that the assumptions used in the forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, actual results could differ materially from those expressed or implied in the forward-looking statements. The factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements are, among others, 1) level of theater attendance or viewership of the Noovie® pre-show; 2) the availability and predictability of major motion pictures displayed in theaters, including as a result of strikes in the entertainment industry; 3) increased competition for advertising expenditures; 4) inability to implement or achieve new revenue opportunities; 5) failure to realize the anticipated benefits of the 2019 amendments to the Company's exhibitor service agreements with Cinemark; 6) technological changes and innovations; 7) economic conditions, including the level of expenditures on and perception of cinema advertising; 8) our ability to renew or replace expiring advertising and content contracts; 9) reinvestment in our network and product offerings may require significant funding and resulting reallocation of resources; 10) fluctuations in and timing of operating costs; and 11) the ongoing effects of NCM LLC's recent emergence from bankruptcy. In addition, the outlook provided does not include the impact of any future unusual or infrequent transactions; sales and acquisitions of operating assets and investments; any future non-cash impairments of intangible and fixed assets; amounts related to litigation or the related impact of taxes that may occur from time to time due to management decisions and changing business circumstances. The Company is currently unable to forecast precisely the timing and/or magnitude of any such amounts or events. Please refer to the Company's Securities and Exchange Commission filings, including the "Risk Factor" section of the Company's Annual Report on Form 10-K for the year ended December 29, 2022 and subsequent Quarterly Reports on Form 10-Q, for further information about these and other risks. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to update any forward-looking statement, whether as a result, of new information, future events or otherwise, except as required by law.

This presentation contains references to Non-GAAP financial measures including Adjusted OIBDA (Operating Income Before Depreciation and Amortization of intangibles recorded for network theater screen leases, excluding non-cash share-based compensation costs, termination of the Regal ESA, advisor fees related to the Cineworld proceeding and NCM LLC's Chapter 11 Case, certain sales force reorganization costs and impairment of long lived-assets. A reconciliation of these measures is available in this press release and on the investor page of the Company's website at [www.ncm.com](http://www.ncm.com).

# National CineMedia, LLC Q3 2023 Financial Results

## National CineMedia LLC

### Condensed Statements of Income <sup>(1)</sup>

(dollars in millions)

(unaudited)

	Quarter ended			Year to date
	March 23, 2023	June 29, 2023	September 28, 2023	Nine Months Ended
<b>REVENUE</b>	\$ 34.9	\$ 64.4	\$ 69.6	\$ 168.9
<b>OPERATING EXPENSES</b>				
Advertising operating costs	5.7	7.4	19.6	32.7
Network costs	2.4	2.2	2.2	6.8
Theater access fee and revenue share to founding members	19.6	23.9	16.7	60.2
Selling and marketing costs	9.5	10.1	11.8	31.4
Administrative and other costs <sup>(2)</sup>	15.9	27.7	21.3	64.9
Loss on impairment of Regal ESA	—	—	125.6	125.6
Impairment of long-lived assets	—	—	9.6	9.6
Administrative fee—managing member	4.9	6.4	4.7	16.0
Depreciation expense	1.3	1.3	1.0	3.6
Amortization of intangibles recorded for network theater screen leases	6.2	6.2	7.8	20.3
Total	65.5	85.2	220.3	371.1
<b>OPERATING LOSS</b>	\$ (30.6)	\$ (20.8)	\$ (150.7)	\$ (202.2)

#### Notes:

1) The financial information represents NCM LLC's operating results, which closely reflect NCM Inc.'s results without the impact of the deconsolidation and reconsolidation of NCM LLC's financials due to NCM LLC's Chapter 11 Case.

2) The quarter and six months ended June 29, 2023 includes reorganization items presented within our quarterly report on Form 10-Q filed with the SEC on August 1, 2023.

# National CineMedia, LLC Q3 2023 Financial Results

## Adjusted OIBDA Reconciliation

<i>(unaudited)</i>	Quarter ended			Year to date
	March 23, 2023	June 29, 2023	September 28, 2023	Nine Months Ended
<b>Operating loss</b>	\$ (30.6)	\$ (20.8)	\$ (150.7)	\$ (202.2)
Depreciation expense	1.3	1.3	1.0	3.6
Amortization of intangibles recorded for network theater screen leases <sup>(3)</sup>	6.2	6.2	7.8	20.3
Share-based compensation costs <sup>(4)</sup>	1.6	1.2	1.2	3.9
Fees and expenses related to the Cineworld Proceeding and Chapter 11 Case included within Operating Income <sup>(2)(5)</sup>	10.6	24.6	16.8	52.1
Impairment of long-lived assets <sup>(6)</sup>	—	—	9.6	9.6
Loss on termination on Regal ESA <sup>(7)</sup>	—	—	125.6	125.6
<b>Adjusted OIBDA</b>	\$ (10.9)	\$ 12.5	\$ 11.3	\$ 12.9

## Revenue Results

<i>(unaudited)</i>	Quarter ended			Year to date
	March 23, 2023	June 29, 2023	September 28, 2023	Nine Months Ended
National advertising revenue	\$ 22.5	\$ 43.7	\$ 52.0	\$ 118.2
Local and regional advertising revenue	8.0	14.0	12.9	34.9
Total advertising revenue excluding beverage	30.5	57.7	64.9	153.1
Beverage revenue	4.4	6.7	4.7	15.8
<b>TOTAL REVENUE</b>	\$ 34.9	\$ 64.4	\$ 69.6	\$ 168.9

### Notes (cont'd):

- 3) Following the adoption of ASC 842, as discussed within Note 9 to the unaudited Condensed Consolidated Financial Statements included elsewhere in this document, amortization of the ESA and affiliate intangible balances is considered a form of lease expense and has been reclassified to this account as of the adoption date, December 28, 2018. The Company adopted ASC 842 prospectively and thus, prior period balances remain within amortization expense.
- 4) Share-based compensation costs are included in network operations, selling and marketing and administrative expense in NCM LLC's unaudited Condensed Consolidated Financial Statements.
- 5) Advisor and legal fees and expenses incurred in connection with the Company's involvement in the Cineworld Proceeding and Chapter 11 Case during the nine months ended September 28, 2023, as well as retention related expenses and retainers to the members of the special and restructuring committees of the Company's Board of Directors.
- 6) The impairment of long-lived assets primarily relates to the write down of certain internally developed software no longer in use.
- 7) The net impact of the termination of the Regal ESA resulting from the disposal of the intangible asset partially offset by the surrender of Regal's ownership in the Company and the forgiveness of prepetition claims.

**INVESTOR CONTACT:**

Dan Dorenkamp

[investors@ncm.com](mailto:investors@ncm.com)

**MEDIA CONTACT:**

Pam Workman

[press@ncm.com](mailto:press@ncm.com)