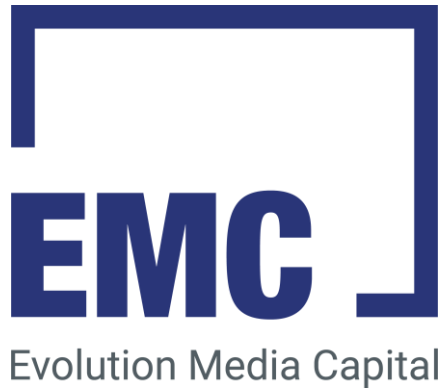




AMC Entertainment (AMC) 2019 Q3 Earnings Summary

November 2019



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Key Takeaways

AMC Entertainment Is Experimenting With New Revenue Streams Outside Of Traditional Film Exhibition

TVOD

- **First U.S. theater circuit to participate in more of the movie ecosystem by offering movies to rent or buy for home viewing**
 - Have so many people interested in movies already coming their platform, that just by accident, they will see a substantial number of transactions
 - It cost next to nothing to do it and they are not spending a lot of money marketing it, so will see how it builds over time
- **Studios are very happy with because it's one more player coming in and helping their home entertainment business ecosystem**
 - To the extent that they can do more things that make studios' lives better, ultimately that makes their lives better in the long run

A-LIST

- **A-List membership is now at an all-time high and is light years ahead of their original membership goals**
 - Currently represents about 16% of their total U.S. admissions and member visitation per month is in the sweet spot of 2.5 to 3
- **Finding ways to significantly enhance the A-List program for members, but doing so without immaterially increasing costs**
 - Launched A-List Entourage, where notable members, including family and/or friends, can link their account to purchase tickets together
 - Will introduce A-List gifting where someone can buy 3, 6, or 12 months memberships without having to disclose the credit card information

PLATFORM

- **Delivering a personalized end-to-end experience for their guests, leveraging modern technology and using data-driven insights**
 - Communicating to guests by e-mail, text, SMS, mobile push notifications, about 1.5 billion times a year
- **Developing innovative consumer engagement practices and state-of-the-art theater experiences**
 - Creates a positive flywheel effect that encourages incremental attendance and incremental revenue
 - Holistically and synergistically drives incremental value for guests and for studio partners

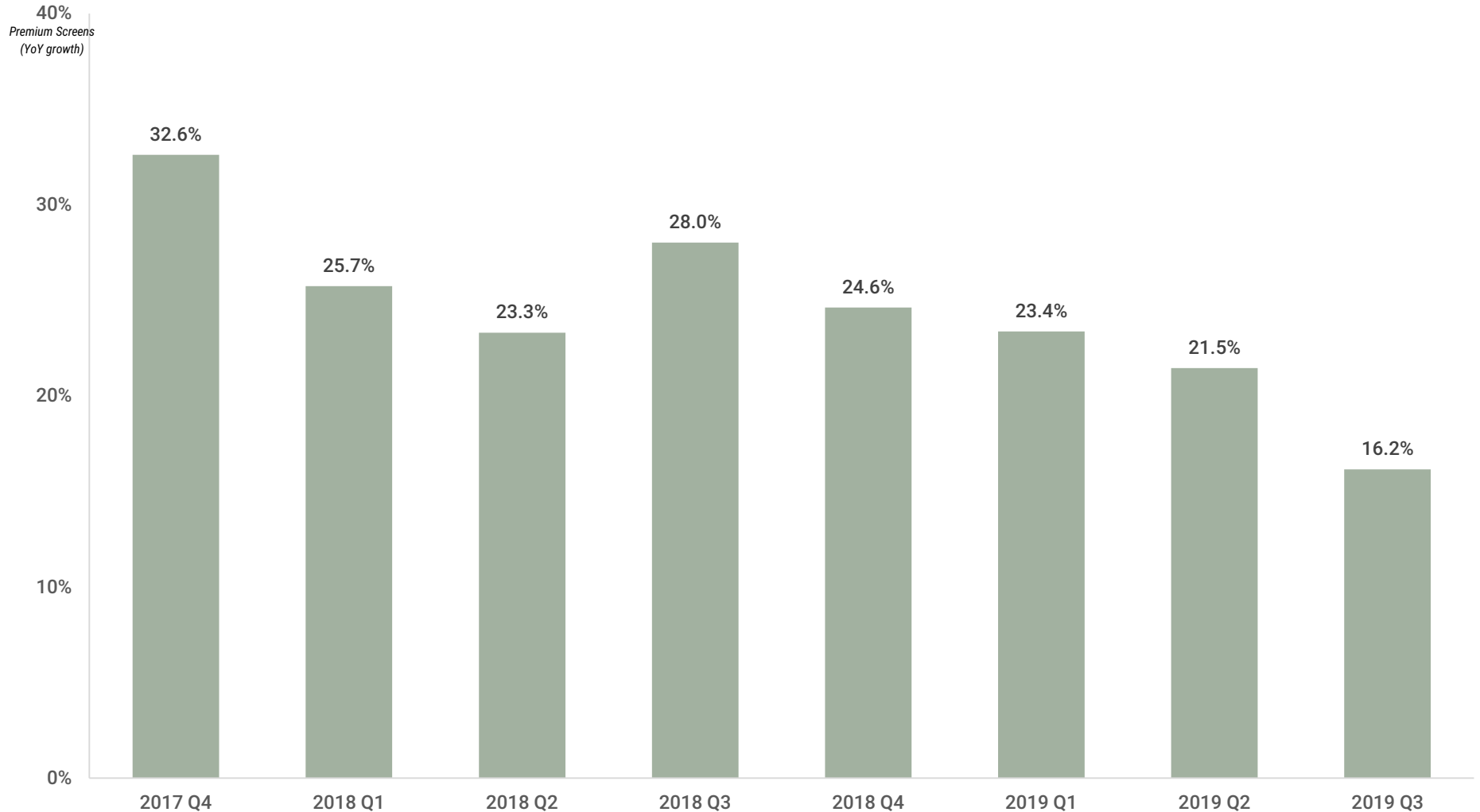
INTERNATIONAL

- **Single theater opened in Riyadh is more than double the highest grossing theater in the United States**
 - Most of the capital for their expansion in the Middle East is being provided by their sovereign wealth fund partner
 - Expect to have between 12 and 20 theaters opened by the end of next year 2020 and develop at least 40 to 50 theaters over the next 4 to 5 years
- **Continue to see significant ROI opportunities from renovations, especially across their European and Middle Eastern theaters**
 - Optimizing their price because of the big demand that they are seeing on those remodeled, reseeded theaters

The box office ebbs and flows, so their strategic focus is on optimizing performance relative to their competition

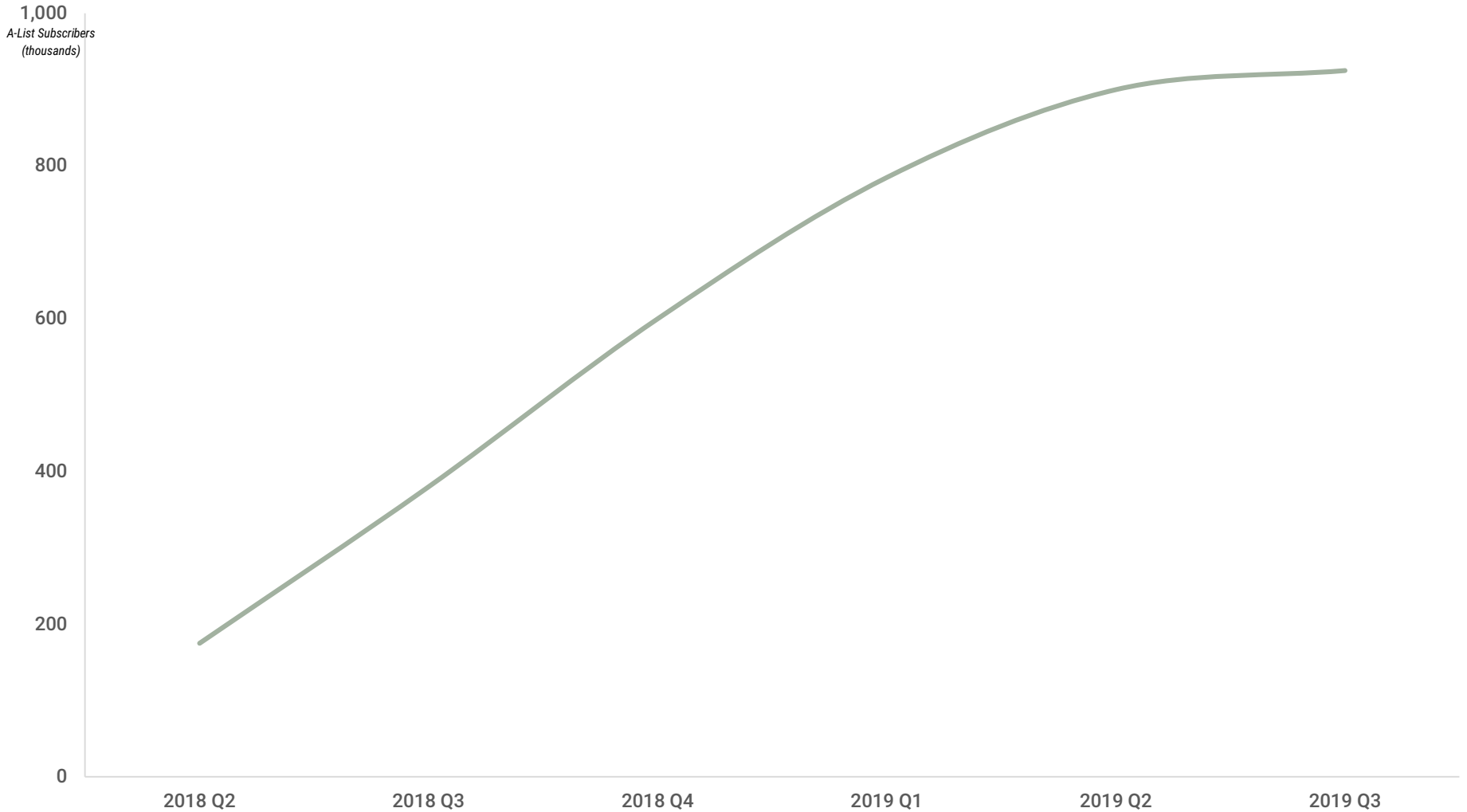
Recliners

There Are Many Theaters That Are Too Small To Make Fiscal Sense To Upgrade To Luxury Loungers



In Europe, they are actively investing into massive renovations because they are seeing ROI returns of 50% or more

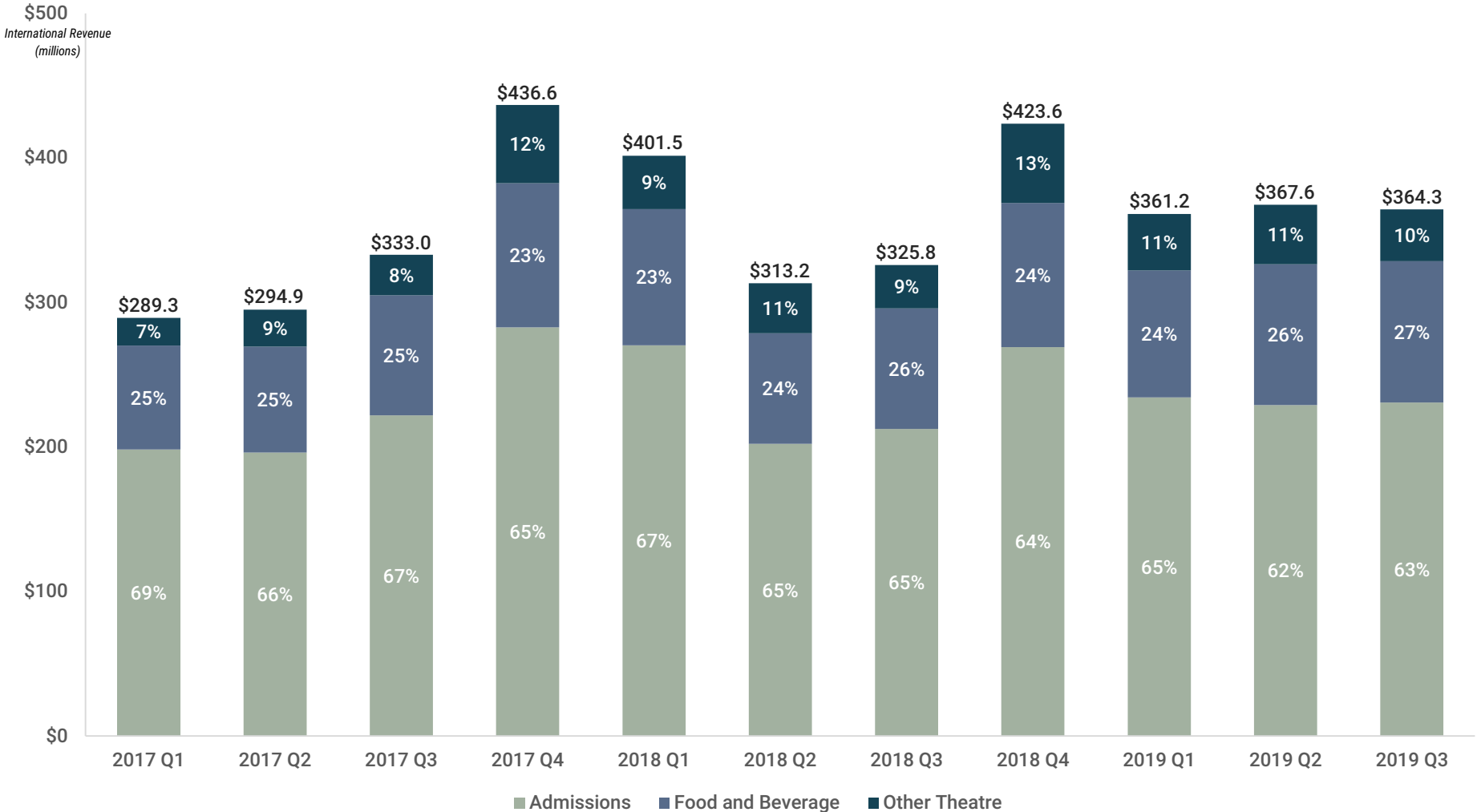
A-List Subscription Experienced Rapid Growth At Launch, But Is Starting To Slow Down After Price Increases



There is a bigger focus on the free loyalty program to utilize more consumer data to improve the guest experience

International

Several Competitors, Especially In The U.K., Have Introduced Low Prices In Order To Take Market Share



The Middle East is a potentially lucrative market, and they are moving quickly to build an advantage as the first entrant