

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2015

Commission File Number 001-33401

CINEMARK HOLDINGS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

20-5490327
(I.R.S. Employer
Identification No.)

**3900 Dallas Parkway
Suite 500
Plano, Texas**
(Address of principal executive offices)

75093
(Zip Code)

Registrant's telephone number, including area code: (972) 665-1000

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15 (d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting and non-voting common equity owned by non-affiliates of the registrant on June 30, 2015, computed by reference to the closing price for the registrant's common stock on the New York Stock Exchange on such date was approximately \$4,226,626,904 (105,218,494 shares at a closing price per share of \$40.17).

As of February 19, 2016, 115,923,909 shares of common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's definitive proxy statement, in connection with its 2016 annual meeting of stockholders, to be filed within 120 days of December 31, 2015, are incorporated by reference into Part III, Items 10-14, of this annual report on Form 10-K.

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Cautionary Statement Regarding Forward-Looking Statements

This annual report on Form 10-K includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The “forward looking statements” include our current expectations, assumptions, estimates and projections about our business and our industry. They include statements relating to:

- future revenues, expenses and profitability;
- the future development and expected growth of our business;
- projected capital expenditures;
- attendance at movies generally or in any of the markets in which we operate;
- the number or diversity of popular movies released and our ability to successfully license and exhibit popular films;
- national and international growth in our industry;
- competition from other exhibitors and alternative forms of entertainment; and
- determinations in lawsuits in which we are defendants.

You can identify forward-looking statements by the use of words such as “may,” “should,” “could,” “estimates,” “predicts,” “potential,” “continue,” “anticipates,” “believes,” “plans,” “expects,” “future” and “intends” and similar expressions which are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. In evaluating forward-looking statements, you should carefully consider the risks and uncertainties described in the “Risk Factors” section in Item 1A of this Form 10-K and elsewhere in this Form 10-K. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements and risk factors contained in this Form 10-K. Forward-looking statements contained in this Form 10-K reflect our view only as of the date of this Form 10-K. We undertake no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Certain Definitions

Unless the context otherwise requires, all references to “we,” “our,” “us,” the “issuer” or “Cinemark” relate to Cinemark Holdings, Inc. and its consolidated subsidiaries. All references to Latin America are to Brazil, Mexico (sold during November 2013), Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia and Curacao. Unless otherwise specified, all operating and other statistical data are as of and for the year ended December 31, 2015.

PART I

Item 1. Business

Our Company

Cinemark Holdings, Inc. and subsidiaries, or the Company, us or our, is a leader in the motion picture exhibition industry, with theatres in the United States, or U.S., Brazil, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia and Curacao.

As of December 31, 2015, we managed our business under two reportable operating segments: U.S. markets and international markets. See Note 20 to the consolidated financial statements.

Cinemark Holdings, Inc. is a Delaware corporation incorporated on August 2, 2006. Our principal executive offices are at 3900 Dallas Parkway, Suite 500, Plano, Texas 75093. Our telephone number is (972) 665-1000. We maintain a corporate website at www.cinemark.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, or the Exchange Act, are available on our website free of charge under the heading "About — Investor Relations — Financials — SEC Filings" as soon as practicable after such reports are filed or furnished electronically to the Securities and Exchange Commission, or the SEC. Additionally, all of our filings with the SEC can be accessed on the SEC's website at <http://www.sec.gov>.

Description of Business

We are one of the leaders in the motion picture exhibition industry. As of December 31, 2015, we operated 513 theatres and 5,796 screens in the U.S. and Latin America and approximately 280 million patrons attended our theatres worldwide during the year ended December 31, 2015. We are one of the most geographically diverse worldwide exhibitors, with theatres in fifteen countries as of December 31, 2015. As of December 31, 2015, our U.S. circuit had 337 theatres and 4,518 screens in 41 states and our international circuit had 176 theatres and 1,278 screens.

Revenues, operating income and net income attributable to Cinemark Holdings, Inc. for the year ended December 31, 2015, were \$2,852.6 million, \$423.2 million and \$216.9 million, respectively. At December 31, 2015 we had cash and cash equivalents of \$588.5 million and total long-term debt of \$1,814.6 million. Approximately \$579.0 million, or 32%, of our long-term debt accrues interest at variable rates and approximately \$8.4 million of our long-term debt matures in 2016.

We selectively build or acquire new theatres in markets where we can establish and maintain a strong market position. During the year ended December 31, 2015, we built 22 new theatres with 182 screens and acquired three theatres with 19 screens.

We believe our portfolio of modern high-quality theatres with multiple platforms provides a preferred destination for moviegoers and contributes to our solid and consistent cash flows from operating activities. Our significant and diverse presence in the U.S. and Latin America has made us an important distribution channel for movie studios, particularly considering the expanding worldwide box office.

We continue to develop and expand new platforms and market adaptive concepts for our theatre circuit, such as XD, Movie Bistro, Cinemark Reserve, Luxury Lounger reclining seats, D-BOX seating, CinèArts and other premium concepts.

Our XD screens represent the largest private label premium large format footprint in the industry. Our XD auditorium offers a premium experience utilizing the latest in digital projection and enhanced custom sound,

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including a Barco Auro 11.1 sound system or Dolby Atmos in select locations. The XD experience includes wall-to-wall and ceiling-to-floor screens, wrap-around sound, plush seating and a maximum comfort entertainment environment for an immersive experience. The exceptional XD technology does not require special format movie prints, which allows us the flexibility to play any available digital print we choose, including 3-D content, in the XD auditorium without any print enhancements required. As of December 31, 2015, we had 210 XD auditoriums in our worldwide circuit with plans to install 15 to 20 more XD auditoriums during 2016.

The Movie Bistro locations offer in-theatre dining with expanded food offerings, such as fresh wraps, hot sandwiches, burgers, and gourmet pizzas, and a selection of beers, wines, and frozen cocktails, all of which can be enjoyed in the comfort of the auditoriums. We currently have three domestic theatres and one international theatre with the bistro concept and we plan to expand this premium concept to two new domestic locations during 2016.

During 2014, we opened our first Cinemark Reserve theatre in the U.S., which features a VIP area with luxury recliner seating and other amenities, along with a wide variety of food and beverage products. We opened our second Cinemark Reserve theatre in the U.S. during 2015. We have a similar VIP concept offering recliner seating in five other domestic locations and in 22 of our international theatres, referred to locally as either Cinemark Premiere or Cinemark Prime. We plan to continue to incorporate this concept in four of our new domestic and international theatres and convert three of our existing locations during 2016.

We have incorporated Luxury Lounger reclining seats in the majority of our new domestic builds and have also repositioned some of our existing domestic theatres to offer this premium seating feature. We currently feature Luxury Loungers in 29 of our domestic theatres, representing 397 screens. We plan to offer the Luxury Loungers in approximately 20% of our domestic circuit by the end of 2016.

We currently have auditoriums throughout our worldwide circuit that offer seats with immersive cinematic motion, called D-BOX. These seats are programmed in harmony with the audio and video content of the film and makes the viewer feel as if they are part of the movie itself. We offer D-BOX seating in 96 auditoriums throughout our worldwide circuit. We expect to add D-BOX seating to 40 locations during 2016.

Our CinèArts locations provide moviegoers with the best selection of art and independent cinema in a captivating, unique environment and has set the industry standard for providing distinct, acclaimed and award-winning films. We currently have 14 domestic theatres that are dedicated to art and independent content and 57 of our other domestic theatres also offer art and independent films on a limited basis.

Motion Picture Exhibition Industry Overview

Technology Platform

The motion picture exhibition industry began its conversion to digital projection technology during 2009. Digital projection technology allows filmmakers the ability to showcase imaginative works of art exactly as they were intended, with incredible realism and detail. A digitally produced or digitally converted movie can be distributed to theatres via satellite, physical media, or fiber optic networks. The digitized movie is stored on a computer/server which “serves” it to a digital projector for each screening of the movie. This format enables us to more efficiently move titles between auditoriums within a theatre to appropriately address demand for each title.

Currently, all of our first-run domestic and international theatres are fully digital. Digital projection allows us to present 3-D content and alternative entertainment such as live and pre-recorded sports programs, concert events, the Metropolitan Opera, gaming events and other special presentations. Three-dimensional technology offers a premium experience with crisp, bright, ultra-realistic images. According to Motion Picture Association of America, or MPAA, approximately 17% and 13% of domestic box office for 2013 and 2014, respectively, was generated by 3-D tickets.

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During 2013, through a joint venture named Digital Cinema Distribution Coalition, or DCDC, the motion picture exhibition industry developed a content delivery network that allows for delivery of all digital content to U.S. theatres via satellite. Delivery of content via satellite reduces film transportation costs for both distributors and exhibitors, as a portion of the costs to produce and ship hard drives has been eliminated.

We have started to expand satellite delivery technology into some of our Latin American markets, initially for live event presentations. Approximately 59 of our international theatres have capabilities to receive live event feeds via satellite, with some of these locations also able to receive film content via satellite.

Domestic Markets

The U.S. motion picture exhibition industry set an all-time box office record during 2015 with an estimated \$11.1 billion in revenues. This represents an increase of approximately 7% over 2014 and an increase of 2% over box office revenues for the previous record set during 2013. The following table represents the results of a survey by MPAA published during March 2015, outlining the historical trends in U.S. box office performance for the ten year period from 2005 to 2014 (industry data for 2015 has not yet been released):

Year	U.S. Box Office Revenues (\$ in billions)	Attendance (in billions)	Average Ticket Price
2005	\$8.8	1.38	\$6.41
2006	\$9.2	1.40	\$6.55
2007	\$9.6	1.40	\$6.88
2008	\$9.6	1.34	\$7.18
2009	\$10.6	1.42	\$7.50
2010	\$10.6	1.34	\$7.89
2011	\$10.2	1.28	\$7.93
2012	\$10.8	1.36	\$7.96
2013	\$10.9	1.34	\$8.13
2014	\$10.4	1.27	\$8.17

Films leading the box office during the year ended December 31, 2015 included *Star Wars: The Force Awakens*, *Jurassic World*, *Avengers: Age of Ultron*, *Hunger Games: Mockingjay Part II*, *Furious 7*, *American Sniper*, *50 Shades of Grey*, *Inside Out*, *Minions*, *Spectre* and *Mission: Impossible 5*, among other films.

Films scheduled for release during 2016 include well-known franchise films such as *Captain America: Civil War*, *Batman V Superman: Dawn Of Justice*, *Finding Dory*, *Star Trek Beyond*, and *X-Men: Apocalypse*; action films such as *Deadpool*; family films such as *The Secret Life Of Pets*, *Zootopia*, *Alice Through The Looking Glass*, and *Sing*; and spin-off films such as *Rogue One: A Star Wars Story* and the Harry Potter spin-off *Fantastic Beasts And Where To Find Them*, among other films.

International Markets

According to MPAA, international box office revenues were \$26.0 billion for the year ended December 31, 2014, representing a 4% increase over 2013. International box office growth is a result of strong economies, ticket price increases and new theatre construction. According to MPAA, Latin American box office revenues were \$3.0 billion for the year ended December 31, 2014, consistent with 2013 performance.

Growth in Latin America continues to be fueled by a combination of growing populations, attractive demographics (i.e., a significant teenage population), continued retail development, and quality product from Hollywood, including 3-D and alternative content offerings. In many Latin American countries, including Brazil,

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Argentina, Colombia, Peru and Chile, successful local film product can also provide incremental box office growth opportunities.

We believe many international markets will continue to experience growth as new theatre technologies and platforms are introduced, as film and other product offerings continue to expand and as ancillary revenue opportunities grow.

Drivers of Continued Industry Success

We believe the following market trends will drive the continued strength of our industry:

Importance of Theatrical Success in Establishing Movie Brands. Theatrical exhibition has long been the primary distribution channel for new motion picture releases. A successful theatrical release “brands” a film and is one of the major contributors to a film’s success in “downstream” markets, such as digital downloads, video on-demand, pay-per-view television, DVDs, and network and syndicated television.

Increased Importance of International Markets for Box Office Success. International markets continue to be an increasingly important component of the overall box office revenues generated by Hollywood films, accounting for \$26.0 billion, or approximately 72%, of 2014 total worldwide box office revenues according to MPAA. (As of the date of this report, 2015 industry data was not yet available.) With the continued growth of the international motion picture exhibition industry, we believe the relative contribution of markets outside North America will become even more significant. Many of the top U.S. films released during 2015 also performed exceptionally well in international markets. Such films included *Furious 7*, which grossed approximately \$1,162.0 million in international markets, or approximately 77% of its worldwide box office, *Avengers: Age of Ultron*, which grossed approximately \$946.0 million in international markets, or approximately 67% of its worldwide box office, and *Jurassic World*, which grossed approximately \$1,014.0 million in international markets, or approximately 61% of its worldwide box office.

Stable Box Office Levels. Over the past ten years, industry statistics have shown slight increases and decreases in attendance from one year to another, however domestic box office revenues have remained relatively stable during this period. The industry has not experienced highly volatile results, even during recessionary periods, demonstrating the stability of the industry and its continued ability to attract consumers.

Convenient and Affordable Form of Out-Of-Home Entertainment. Movie going continues to be one of the most convenient and affordable forms of out-of-home entertainment, with an estimated average ticket price in the U.S. of \$8.17 in 2014. Average prices in 2014 for other forms of out-of-home entertainment in the U.S., including sporting events and theme parks, ranged from approximately \$28.00 to \$84.00 per ticket according to MPAA. (As of the date of this report, 2015 industry data was not available.)

Innovation Using Digital and Satellite Technology. Our industry began converting to digital projection technology during 2009. Our domestic circuit also converted to satellite technology during 2014 and our international circuit has started to implement satellite technology as a means to receive film and other content. Digital projection combined with satellite delivery allows exhibitors to expand their product offerings, including the presentation of 3-D content and alternative entertainment. Alternative entertainment may include pre-recorded programs as well as live sports programs, concert events, the Metropolitan Opera, e-sports gaming events and other special presentations. New and enhanced programming alternatives expands the industry’s offerings to attract a broader customer base.

Introduction of New Platforms and Product Offerings. The motion picture exhibition industry continues to develop new movie theatre platforms and concepts to respond to varying and changing consumer preferences. In addition to changing the overall style of, and amenities offered in some theatres, concession product offerings

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have continued to expand to more than just traditional popcorn and candy items. Some locations now offer hot foods, adult beverages and/or healthier snack options for patrons.

Competitive Strengths

We believe the following strengths allow us to compete effectively:

Experienced Management. Led by Chairman and founder Lee Roy Mitchell, Chief Executive Officer Mark Zoradi, Chief Financial Officer Sean Gamble, President and Chief Operating Officer Robert Copple and President-International Valmir Fernandes, our operational management team has many years of industry experience. Each of our international offices is led by general managers that are local citizens familiar with cultural, political and economic factors impacting each country. Our worldwide management team has successfully navigated us through many industry and economic cycles.

Disciplined Operating Philosophy. We generated operating income and net income attributable to Cinemark Holdings, Inc. of \$423.2 million and \$216.9 million, respectively, for the year ended December 31, 2015. Our solid operating performance is a result of our disciplined operating philosophy that centers on building high-quality theatres, while maintaining favorable theatre-level economics, controlling operating costs and effectively reacting to economic and market changes.

Leading Position in Our U.S. Markets. We have a leading market share in most of the U.S. markets we serve, which includes a presence in 41 states. For the year ended December 31, 2015, we ranked either first or second, based on box office revenues, in 22 out of our top 30 U.S. markets, including the San Francisco Bay Area, Dallas, Houston, Salt Lake City, Sacramento, Cleveland and Austin.

Located in Top Latin American Markets. We have continued to invest throughout Latin America. As of December 31, 2015, we operated 176 theatres and 1,278 screens in 14 countries. Our international screens generated revenues of \$728.7 million, or 25.5% of our total revenues, for the year ended December 31, 2015. We have successfully established a significant presence in major cities in the region, with theatres in thirteen of the fifteen largest metropolitan areas in South America. We are the largest exhibitor in Brazil and Argentina. Our geographic diversity makes us an important distribution channel for the movie studios.

State-of-the-Art Theatre Circuit. We offer state-of-the-art theatres, which we believe makes our theatres a preferred destination for moviegoers in our markets. During 2015, we built 182 new screens worldwide. We currently have commitments to open 184 additional new screens over the next three years. We have installed digital projection technology in all of our worldwide auditoriums. Currently, approximately 55% of our U.S. screens and 65% of our international screens are 3-D compatible. We currently have 14 digital IMAX screens. As of December 31, 2015, we had the industry-leading private label premium large format circuit with 210 XD auditoriums in our theatres. We have plans to install 15 to 20 additional XD auditoriums during 2016. We also continue to develop new market-adaptive theatre concepts in various markets. We believe we offer the brightest picture in the industry, with our Doremi servers and Barco digital projectors, and custom surround sound in our auditoriums. We have also established a centralized theatre support center that monitors and responds to projection performance and theatre network connectivity issues across our worldwide circuit on real-time basis.

Disciplined and Targeted Growth Strategy. We continue to grow organically as well as through the acquisition of high-quality theatres in select markets. Our growth strategy has centered around achieving a target return on investment while also complementing our existing theatre circuit. We continue to generate significant cash flows from operating activities, which demonstrates the success of our growth strategy. We believe a combination of our strong balance sheet and our expected level of cash flows will continue to provide us with the financial flexibility to pursue further growth opportunities, while also allowing us to efficiently service our debt obligations and continue to offer our stockholders a strong dividend yield under our current dividend policy.

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Our Strategy

We believe our disciplined operating philosophy and experienced operational management team will enable us to continue to enhance our leading position in the motion picture exhibition industry. Key components of our strategy include:

Focus on Operational Excellence and Customer Satisfaction. We continue to focus on achieving operational excellence by controlling theatre operating costs and training and motivating our staff all while focusing on making each of our customer's experiences memorable. We strive for first-rate customer service and focus on driving attendance. Our consistent industry-leading margins reflect our ability to deliver the highest quality presentation to our patrons while also managing changes in product and consumer preferences.

Growth in Existing and New Markets. We continue to seek growth opportunities by building or acquiring high-quality theatres that meet our strategic, financial and demographic criteria. We added 25 new theatres with 201 screens to our worldwide circuit during the year ended December 31, 2015. We also monitor economic and market trends to ensure our existing theatres offer a broad range of products, prices and platforms that satisfy our patrons and to develop new concepts to adapt to changes in preferences. During 2014, we acquired one theatre in Alabama, a new state for us and we opened our first theatre in Bolivia. During 2015, we opened our first theatre in Curacao, adding another new country to our diverse circuit. We have plans to open a theatre in Paraguay, another new country, in 2016.

Commitment to Technological and Product Innovation. Our commitment to technological innovation has resulted in us being 100% digital in our worldwide circuit as of December 31, 2015. In the U.S., 100% of our projectors are networked with satellite infrastructure and our Latin American theatres will be 100% capable by the end of 2016. We continue to expand our worldwide XD auditorium footprint. We are also committed to developing and expanding our new market-adaptive theatres. With our technological innovations, we have broadened the range of entertainment options offered at our theatres by expanding content to include concert events, e-sports gaming events and other special presentations. Approximately 57% of our worldwide screens are 3-D compatible. We are also committed to developing and expanding our market-adaptive concepts. Our concession and food offerings are progressing to selectively include upscale options, hot prepared food, offerings tailored to local demographics, alcoholic beverages, and healthy snack alternatives in addition to our more standard concession products. Theatre amenities we provide to our customers may include our private-label premium large format XD screens, Luxury Lounger reclining seats, VIP lounge areas, reserved seating, and seats with cinematic motion.

Sustained Investment in Existing Circuit. While we continue to grow our theatre circuit with new builds and acquisitions, we also remain committed to investing in our existing theatres to ensure they provide our customers with a comfortable, high-quality entertainment experience. We spent approximately \$140 million and \$199 million on capital expenditures for existing theatres during the years ended December 31, 2014 and 2015, respectively. Our efforts during 2015 included remodeling some of our existing theatres to include reclining seats and expanded concession offerings, the purchase of our corporate headquarters building in Plano, TX and routine improvements to ensure our theatres offer the highest quality guest experience.

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Theatre Operations

As of December 31, 2015, we operated 513 theatres and 5,796 screens in 41 U.S. states and 14 Latin American countries. The following tables summarize the geographic locations of our theatre circuit as of December 31, 2015.

United States Theatres

<u>State</u>	<u>Total Theatres</u>	<u>Total Screens</u>
Texas	87	1,136
California	67	837
Ohio	29	365
Utah	16	209
Nevada	10	154
Colorado	9	136
Pennsylvania	9	125
Kentucky	9	119
Illinois	8	118
Florida	6	110
Oregon	6	90
Arizona	6	90
Louisiana	5	74
Virginia	5	70
Oklahoma	5	65
Connecticut	4	58
Washington	4	55
New Mexico	4	54
Indiana	4	40
Iowa	3	50
Michigan	3	50
Massachusetts	3	46
Arkansas	3	44
Mississippi	3	41
South Carolina	3	34
North Carolina	3	31
Maryland	2	39
New Jersey	2	28
Georgia	2	27
New York	2	27
South Dakota	2	26
Montana	2	25
West Virginia	2	22
Delaware	2	22
Kansas	1	20
Alaska	1	16
Missouri	1	15
Tennessee	1	14
Wisconsin	1	14
Alabama	1	14
Minnesota	1	8
Total	<u>337</u>	<u>4,518</u>

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International Theatres

<u>Country</u>	<u>Total Theatres</u>	<u>Total Screens</u>
Brazil	74	568
Colombia	29	151
Argentina	20	179
Central America ⁽¹⁾	17	124
Chile	16	114
Peru	12	84
Ecuador	7	45
Bolivia	1	13
Total	176	1,278

⁽¹⁾ Includes Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala and Curacao.

We first entered Latin America when we opened a theatre in Chile in 1993. Since then, through our focused international growth strategy, we have developed the most geographically diverse theatre circuit in the region. We have balanced our risk through a diversified international portfolio, which includes theatres in thirteen of the fifteen largest metropolitan areas in South America. We have established significant presence in Brazil and Argentina, where we are the largest exhibitor, with 568 and 179 screens, respectively, as of December 31, 2015.

We believe that certain markets within Latin America continue to be underserved as penetration of movie screens per capita in these markets is substantially lower than in the U.S. and European markets. We intend to continue to build and expand our presence in international markets, with emphasis on Latin America, and fund our expansion primarily with cash flow generated in those markets. We are able to mitigate cash flow exposure to currency fluctuations by transacting local operating expenses primarily in their respective local currencies. Our geographic diversity throughout Latin America has allowed us to maintain consistent local currency revenue growth, notwithstanding currency and economic fluctuations that may affect any particular market.

Content and Film Licensing

We offer a variety of content at our theatres. We monitor upcoming films and related events and work with film distributors to license the content that we believe will be most successful in our theatres. We play mainstream films from many different genres, such as animated films, family films, dramas, comedies, horror and action films. We offer content in both 2-D and 3-D formats in all of our theatres, and in select locations, we also offer a D-BOX format. The D-BOX format features moving seats and added sensory features in addition to the ultra-realistic images of 3-D technology.

We also regularly play art and independent films at many of our U.S. theatres and offer local film product in our international markets, providing a variety of film choices to our patrons. Bringing art and independent films to our theatres allows us to benefit from the growth in the art and independent market driven by the increased interest in art, foreign and documentary films.

We have also established a Classic Series at a majority of our U.S. theatres and some of our international theatres, which involves playing digitally re-mastered classic movies that change on a weekly basis. The program covers many genres of classic films that are generally exhibited during non-peak times.

During December 2013, we formed a joint venture, named AC JV, LLC, with Regal Entertainment Group, or Regal, and AMC Entertainment, Inc., or AMC, which then purchased the Fathom event business from National CineMedia, LLC. The Fathom event business generally focuses on the marketing and distribution of live and pre-recorded entertainment programming to movie theatres to augment theatres' feature film schedules.

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AC JV, LLC will continue to bring alternative events to our theatres, including the Metropolitan Opera, sports programs, concert events, e-sports gaming events and other special presentations, that may be live or pre-recorded. We, along with AC JV, LLC, continue to identify new ways to utilize our theatre platform to provide entertainment to consumers.

In the domestic marketplace, our corporate film department negotiates with film distributors to license films for each of our domestic theatres. The film distributors are responsible for determining film release dates and film marketing campaigns and the related expenditures. We are responsible for booking the films in film licensing zones, which are either free film licensing zones or competitive film licensing zones. In free film licensing zones, movies can be booked without regard to the film bookings of other exhibitors within that area. In competitive film licensing zones, the distributor allocates its movies generally based on demographics, the conditions, capacity and grossing potential of each theatre, and the terms of exhibition. We are generally able to book films without regard to the film bookings of other exhibitors at approximately 93% of our domestic theatres. We face competition from other exhibitors and other forms of entertainment, as discussed under *Competition* below, in both our free and competitive film licensing zones.

In each of our international offices, our local film personnel negotiate with local offices of major film distributors as well as local film distributors to license films for our international theatres. In the international marketplace, films are not allocated based on film licensing zones, but played by competitive theatres simultaneously. Our theatre personnel focus on providing excellent customer service, and we provide a high-quality facility with the most up-to-date sound systems, comfortable seating and other amenities preferred by our patrons, which we believe gives us a competitive advantage in markets where competing theatres play the same films.

In both our domestic and international locations, we pay film rental fees based on a film's box office receipts at each of our theatres. Film rental rates are negotiated based on either a firm terms formula under which we pay a negotiated rate as determined prior to a film's run; a sliding scale formula under which the rate is based on a standard rate matrix that is established prior to a film's run; or a rate that is negotiated after a film's run.

Food and Beverage

Concession sales are our second largest revenue source, representing approximately 33% of total revenues. Concession sales have a much higher margin than admissions sales. We have devoted considerable management effort to increasing concession sales by expanding our offerings and adapting to our customers' changing preferences, as discussed below.

Concession Product Mix. Common concession products offered at all of our theatres include various sizes and types of popcorn, soft drinks, coffees, juice blends, candy and quickly-prepared or pre-prepared food, such as hot dogs, pizza, pretzel bites, nachos and ice cream. Other varieties and flavors of candy, snacks and drinks are offered at theatres based on preferences in that particular market. We have recently introduced some healthier snack and beverage options for our patrons, which are available at some locations, and also offer a variety of alcoholic beverages in some locations.

Through our Movie Bistro, Cinemark Reserve and Cinemark Premier concepts, we have expanded concession product offerings to include more food and drink options, such as fresh wraps, hot sandwiches, burgers, and gourmet pizzas, and a selection of beers, wines, and frozen cocktails, all of which can be enjoyed in the comfort of the auditoriums. We also have lobby bars and VIP lounges in certain domestic and international theatres.

Our point of sale system allows us to monitor product sales and make changes to product mix when necessary, which also allows us to quickly take advantage of national as well as regional product launches and promotions.

Pricing. New products and promotions are introduced on a regular basis to increase concession purchases as well as to attract new buyers. We offer specially-priced product combinations at many of our theatres. We

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periodically offer discounts to our patrons on certain products by offering weekly coupons as well as reusable popcorn tubs and soft drink cups that can be refilled at a discounted price. In certain international countries, we offer a loyalty benefit program to frequent patrons.

Staff Training. Employees are continually trained in proper sales techniques. Consumer promotions usually include a motivational element that rewards theatre staff for exceptional sales of certain promotional items.

Theatre Design. Our theatres are designed to optimize efficiencies at the concession stands, which include multiple service stations throughout a theatre to facilitate serving patrons in an expedited manner. We strategically place large concession stands within theatres to heighten visibility, reduce the length of concession lines, and improve traffic flow around the concession stands. We have self-service cafeteria-style concession areas in many of our domestic theatres, which allow customers to select their own refreshments and proceed to the cash register when they are ready. This design allows for efficient service, enhanced choices, impulse purchases and superior visibility of concession items. In some of our international locations, we allow patrons to pre-order concession items, either online or at a kiosk, and pick them up in a dedicated line at the concession counter.

Cost Control. We negotiate prices for concession supplies directly with concession vendors and manufacturers to obtain volume discounts and negotiate rebates. Concession supplies are generally distributed through a distribution network. The concession distributor delivers inventory to the theatres, which place orders directly with the vendors to replenish stock. We conduct a weekly inventory of concession products at every theatre to ensure proper stock levels are maintained to appropriately serve our customers.

Pre-Feature Screen Advertising

In our domestic markets, our theatres are part of the in-theatre digital network operated by National CineMedia, LLC, or NCM. NCM provides advertising to our theatres through its branded “*First Look*” pre-feature entertainment program and also handles lobby promotions and displays for our theatres. We believe that the reach, scope and digital delivery capability of NCM’s network provides an effective platform for national, regional and local advertisers to reach an engaged audience. We receive a monthly theatre access fee for participation in the NCM network and also earn screen advertising revenue on a per patron basis. As of December 31, 2015, we had an approximate 19% ownership interest in NCM. See Note 6 to the consolidated financial statements for further discussion of our investment in NCM.

In our international markets, during 2011, our wholly-owned subsidiary Flix Media Publicidade E Entretenimento, Ltda., or Flix Media, began handling all of our screen advertising functions in Brazil. Our Flix Media marketing personnel work with local agencies and advertisers to coordinate screen advertising in our Brazil theatres. We have expanded the Flix Media advertising services to another exhibitor in Brazil through a revenue share agreement. In Argentina, we also have in-house personnel that work with local advertisers to arrange screen advertising in our Argentina theatres. We recently acquired an advertising business in Chile, which we will also integrate with our Flix Media division. In our other international markets, we outsource our screen advertising to local companies who have established relationships with local advertisers that provide similar benefits as NCM. The terms of our international screen advertising contracts vary by country. In some of these locations, we earn a percentage of the screen advertising revenues collected by our partners and in other locations we are paid a fixed annual fee for access to our screens. We will continue to expand Flix Media into our other international locations over the next few years. In addition to screen advertising in our theatres, we intend to expand Flix Media’s services to include, among other things, alternative content, online ticketing, and loyalty initiatives.

Technology Innovations

The motion picture exhibition industry has undertaken certain technology initiatives over the past few years, as discussed below.

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Digital Cinema Distribution Coalition

Through the joint venture DCDC with Regal, AMC, Warner Bros. Entertainment, Inc. and Universal Pictures, we began delivering digital content to domestic theatres via satellite during October 2013. As of December 31, 2015, 100% of our domestic auditoriums were capable of receiving content via satellite. Delivery of content via satellite reduces film transportation costs for both distributors and exhibitors, as a portion of the costs to produce and ship hard drives has been eliminated. The satellite delivery system established by DCDC is available to all exhibitors and content providers and allows live and store-and-forward content to be delivered to our theatres.

Satellite Delivery - International

The industry is beginning to expand satellite delivery technology to certain Latin American markets. Currently, 59 of our international theatres have the ability to receive live events via satellite, with some of these also able to receive film content via satellite. During 2016, we plan to install the necessary equipment in all of our international theatres to allow them to receive content via satellite.

Marketing

We generally market our theatres and events using Internet advertising and newspaper directory film schedules. Radio and television advertising spots are also used to promote certain motion pictures and special events, such as theatre grand openings and VIP events. We exhibit previews of coming attractions and current films as part of our on-screen pre-feature program. We offer patrons access to movie times, the ability to buy and print their tickets in advance and purchase gift cards at our website www.cinemark.com and via our smart phone and tablet applications. Customers can subscribe to our weekly emails to receive information about current and upcoming films at their preferred Cinemark theatre(s), including details about advanced ticket sales, screenings, special events, concerts and live broadcasts; as well as contests, promotions, and coupons for concession savings. We partner with film distributors on a regular basis to promote their films through local, regional and national programs that are exclusive to our theatres. These programs may involve customer contests, cross-promotions with the media and third parties and other means to increase patronage for a particular film showing at our theatres.

CineMode, which is a function within the app we developed, allows patrons the opportunity to earn rewards while being courteous during a show. Our innovative technology was designed to address texting and other cell phone distractions, which is the number one complaint of movie-goers. While in CineMode, the phone's screen is automatically dimmed and patrons are prompted to silence their volume. If CineMode is enabled for the duration of the movie, patrons are rewarded with exclusive digital rewards and offers that can be used at their next visit to Cinemark. CineMode connects us with our patrons and provides an opportunity for us to further expand our relationships with the studios and our vendors through promotions.

We also have loyalty programs in some of our international markets that allow customers to pay a nominal fee for a membership card that provides them with certain admissions and concession discounts.

Our domestic and international marketing departments also focus on expanding ancillary revenue, which includes the sale of our gift cards and our SuperSaver discount tickets. We generally market these programs to businesses as an employee-incentive or rewards program. Our marketing departments also coordinate the use of our auditoriums, generally during off-peak times, for corporate meetings, private movie screenings, brand and product launches, education and training sessions or other private events, which contribute to our ancillary revenue.

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Competition

We are one of the leaders in the motion picture exhibition industry. We compete against local, regional, national and international exhibitors with respect to attracting patrons, licensing films and developing new theatre sites. Our primary U.S. competitors include Regal, AMC and Carmike Cinemas, Inc. and our primary international competitors, which vary by country, include Cinépolis, Cine Colombia, CinePlanet, Kinoplex (GSR), and Araujo.

We are generally able to book films without regard to the film bookings of other exhibitors at approximately 93% of our theatres. In competitive film licensing zones, the distributor allocates its movies generally based on demographics, the conditions, capacity and grossing potential of each theatre, and the terms of exhibition. In all theatres, our success in attracting patrons depends on location, theatre capacity, quality of projection and sound equipment, film showtime availability, customer service quality, and ticket prices.

We compete for new theatre sites with other movie theatre exhibitors as well as other entertainment venues. Securing a potential site depends upon factors such as committed investment and resources, theatre design and capacity, revenue and patron potential, and financial stability.

We also face competition from a number of other motion picture exhibition delivery systems, such as digital downloads, video on-demand, pay-per-view television, DVDs, network and syndicated television. We also face competition from other forms of entertainment competing for the public's leisure time and disposable income, such as concerts, theme parks and sporting events.

Seasonality

Our revenues have historically been seasonal, coinciding with the timing of releases of motion pictures by the major distributors. Generally, the most successful motion pictures have been released during the summer, extending from May to July, and during the holiday season, extending from early November through year-end. The unexpected emergence of a hit film during other periods can alter this seasonality trend. The timing and quality of such film releases can have a significant impact on our results of operations, and the results of one quarter are not necessarily indicative of results for the next quarter or for the same period in the following year.

Corporate Operations

Our worldwide headquarters is located in Plano, Texas. Personnel at our corporate headquarters provide oversight and support for our domestic and international theatres, including our executive team and department heads in charge of film licensing, food and beverage, theatre operations, theatre construction and maintenance, real estate, human resources, marketing, legal, finance, accounting, tax, audit and information technology. Our U.S. operations are divided into nineteen regions, each of which is headed by a region leader. We have eight regional offices in Latin America responsible for the local management of theatres in fourteen countries (Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala and Curacao are operated out of one Central American regional office). Each regional office is headed by a general manager with additional personnel responsible for film licensing, marketing, human resources, information technology, operations and accounting. We have chief financial officers in Brazil and Argentina, which are our two largest international markets.

Employees

We have approximately 19,300 employees in the U.S., approximately 19% of whom are full time employees and 81% of whom are part time employees. We have approximately 9,000 employees in our international markets, approximately 37% of whom are full time employees and approximately 63% of whom are part time employees. Due to the seasonal nature of our business as discussed above, our headcount can vary throughout the year, depending on the timing and success of movie releases. Some of our international locations are subject to union regulations. We regard our relations with our employees to be satisfactory.

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Regulations

The distribution of motion pictures is largely regulated by federal and state antitrust laws and has been the subject of numerous antitrust cases. The manner in which we can license films from certain major film distributors is subject to consent decrees resulting from these cases. Consent decrees bind certain major film distributors and require the films of such distributors to be offered and licensed to exhibitors, including Cinemark, on a theatre-by-theatre and film-by-film basis. Consequently, exhibitors cannot enter into long-term arrangements with major distributors, but must negotiate for licenses on a theatre-by-theatre and film-by-film basis.

We are subject to various general regulations applicable to our operations including the Americans with Disabilities Act of 1990, or the ADA, and regulations recently issued by the U.S. Food and Drug Administration that require nutrition labels for certain menu items. Our theatre operations are also subject to federal, state and local laws governing such matters as wages, working conditions, citizenship, health and sanitation requirements and various business licensing and permitting.

Financial Information About Geographic Areas

We currently have operations in the U.S., Brazil, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia, and Curacao which are reflected in the consolidated financial statements. See Note 20 to the consolidated financial statements for segment information and financial information by geographic area.

Item 1A. Risk Factors

Our business depends on film production and performance.

Our business depends on both the availability of suitable films for exhibition in our theatres and the success of those films in our markets. Poor performance of films, the disruption in the production of films due to events such as a strike by directors, writers or actors, a reduction in financing options for the film distributors, or a reduction in the marketing efforts of the film distributors to promote their films could have an adverse effect on our business by resulting in fewer patrons and reduced revenues.

Our results of operations fluctuate on a seasonal basis.

Our results of operations vary from period to period based upon the quantity and quality of the motion pictures that we show in our theatres. The major film distributors generally release the films they anticipate will be most successful during the summer and holiday seasons. Consequently, we typically generate higher revenues during these periods. The unexpected emergence of a successful film during other periods or the failure of an expected success at a key time could alter this seasonality trend. Due to the dependency on the success of films released from one period to the next, results of operations for one period may not be indicative of the results for the following period or the same period in the following year.

A deterioration in relationships with film distributors could adversely affect our ability to obtain commercially successful films.

We rely on the film distributors to supply the films shown in our theatres. The film distribution business is highly concentrated, with six major film distributors accounting for approximately 84.4% of U.S. box office revenues and 46 of the top 50 grossing films during 2015. Numerous antitrust cases and consent decrees resulting from the antitrust cases impact the distribution of films. Film distributors license films to exhibitors on a theatre-by-theatre and film-by-film basis. Consequently, we cannot guarantee a supply of films by entering into long-term arrangements with major distributors. We are therefore required to negotiate licenses for each film and for each theatre. A deterioration in our relationship with any of the seven major film distributors could adversely affect our ability to obtain commercially successful films and to negotiate favorable licensing terms for such films, both of which could adversely affect our business and operating results.

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We face intense competition for patrons and films which may adversely affect our business.

The motion picture exhibition industry is highly competitive. We compete against local, regional, national and international exhibitors in many of our markets. We compete for both patrons and licensing of films. In markets where we do not face competitive theatres, there is a risk of new theatres being built. The competition for patrons is dependent upon such factors as location, theatre capacity, quality of projection and sound equipment, film showtime availability, customer service quality, products and amenities offered, and ticket prices. The principal competitive factors with respect to film licensing include the theatre's location and its demographics, the condition, capacity and grossing potential of each theatre, and licensing terms. If we are unable to attract patrons or to license successful films, our business may be adversely affected.

An increase in the use of alternative film distribution channels or other competing forms of entertainment may reduce movie theatre attendance and limit revenue growth.

We face competition for patrons from a number of alternative film distribution channels, such as digital downloads, video on-demand, pay-per-view television, DVDs, network and syndicated television. We also compete with other forms of entertainment, such as concerts, theme parks, gaming and sporting events, for our patrons' leisure time and disposable income. A significant increase in popularity of these alternative film distribution channels, competing forms of entertainment or improvements in technologies available at home could have an adverse effect on our business and results of operations.

Our results of operations may be impacted by shrinking video and digital release windows.

Over the last decade, the average video and digital release window, which represents the time that elapses from the date of a film's theatrical release to the date a film is available to consumers at home, has decreased from approximately six months to approximately three to four months. If patrons choose to wait for an in-home release rather than attend a theatre to view the film, it may adversely impact our business and results of operations, financial condition and cash flows. Film studios occasionally offer consumers a premium video on-demand option for certain films shortly after the theatrical release. These release windows, which are determined by the studios, may shrink further or be eliminated altogether, which could have an adverse impact on our business and results of operations.

General political, social and economic conditions can adversely affect our attendance.

Our results of operations are dependent on general political, social and economic conditions, and the impact of such conditions on our theatre operating costs and on the willingness of consumers to spend money at movie theatres. If consumers' discretionary income declines as a result of an economic downturn, our operations could be adversely affected. If theatre operating costs, such as utility costs, increase due to political or economic changes, our results of operations could be adversely affected. Political events, such as terrorist attacks, and health-related epidemics, such as flu outbreaks, could cause people to avoid our theatres or other public places where large crowds are in attendance. In addition, a natural disaster, such as a hurricane or an earthquake, could impact our ability to operate certain of our theatres, which could adversely affect our results of operations.

Our foreign operations are subject to adverse regulations, economic instability and currency exchange risk.

We have 176 theatres with 1,278 screens in fourteen countries in Latin America. Brazil represented approximately 10.2% of our consolidated 2015 revenues. Governmental regulation of the motion picture industry in foreign markets differs from that in the United States. Changes in regulations affecting prices, quota systems requiring the exhibition of locally-produced films and restrictions on ownership of property may adversely affect our international operations. Our international operations are subject to certain political, economic and other uncertainties not encountered by our domestic operations, including risks of severe economic downturns and high inflation. We also face risks of currency fluctuations, hard currency shortages and controls of foreign currency exchange and cash transfers to the U.S., all of which could have an adverse effect on the results of our operations.

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We have substantial long-term lease and debt obligations, which may restrict our ability to fund current and future operations and that restrict our ability to enter into certain transactions.

We have, and will continue to have, significant long-term debt service obligations and long-term lease obligations. As of December 31, 2015, we had \$1,814.6 million in long-term debt obligations, \$227.7 million in capital lease obligations and \$1,699.9 million in long-term operating lease obligations. Our substantial lease and debt obligations pose risk by:

- requiring us to dedicate a substantial portion of our cash flows to payments on our lease and debt obligations, thereby reducing the availability of our cash flows from operations to fund working capital, capital expenditures, acquisitions and other corporate requirements and to pay dividends;
- impeding our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions and general corporate purposes;
- subjecting us to the risk of increased sensitivity to interest rate increases on our variable rate debt, including our borrowings under our senior secured credit facility;
- limiting our ability to invest in innovations in technology and implement new platforms or concepts in our theatres; and
- making us more vulnerable to a downturn in our business and competitive pressures and limiting our flexibility to plan for, or react to, changes in our industry or the economy.

Our ability to make scheduled payments of principal and interest with respect to our indebtedness will depend on our ability to generate positive cash flows and on our future financial results. Our ability to generate positive cash flows is subject to general economic, financial, competitive, regulatory and other factors that are beyond our control. We may not be able to continue to generate cash flows at current levels, or guarantee that future borrowings will be available under our senior secured credit facility, in an amount sufficient to enable us to pay our indebtedness. If our cash flows and capital resources are insufficient to fund our lease and debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We may not be able to take any of these actions, and these actions may not be successful or permit us to meet our scheduled debt service obligations and these actions may be restricted under the terms of our existing or future debt agreements, including our senior secured credit facility.

If we fail to make any required payment under the agreements governing our leases and indebtedness or fail to comply with the financial and operating covenants contained in them, we would be in default, and as a result, our debt holders would have the ability to require that we immediately repay our outstanding indebtedness and the lenders under our senior secured credit facility could terminate their commitments to lend us money and foreclose against the assets securing their borrowings. We could be forced into bankruptcy or liquidation. The acceleration of our indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross-default and cross-acceleration provisions. If our indebtedness is accelerated, we may not be able to repay our indebtedness or borrow sufficient funds to refinance it. Even if we are able to obtain new financing, it may not be on commercially reasonable terms or on terms that are acceptable to us. If our debt holders require immediate payment, we may not have sufficient assets to satisfy our obligations under our indebtedness.

We may not be able to generate additional revenues or continue to realize value from our investment in NCM.

As of December 31, 2015, we had an ownership interest in NCM of approximately 19%. We receive a monthly theatre access fee under our Exhibitor Services Agreement with NCM and we are entitled to receive mandatory quarterly distributions of excess cash from NCM. During the years ended December 31, 2014 and 2015, the Company received approximately \$9.2 million and \$11.3 million in other revenues from NCM,

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respectively, and \$18.5 million and \$18.1 million in cash distributions in excess of our investment in NCM, respectively. Cinema advertising is a small component of the U.S. advertising market and therefore, NCM competes with larger, more established and well known media platforms such as broadcast radio and television, cable and satellite television, outdoor advertising and Internet portals. In-theatre advertising may not continue to attract advertisers or NCM's in-theatre advertising format may not continue to be received favorably by theatre patrons. If NCM is unable to continue to generate consistent advertising revenues, its results of operations may be adversely affected and our investment in and distributions and revenues from NCM may be adversely impacted.

A failure to adapt to future technological innovations could impact our ability to compete effectively and could adversely affect our results of operations.

While we continue to implement the latest technological innovations, such as 3-D, D-BOX and satellite distribution technologies, new technological innovations continue to impact our industry. If we are unable to respond to or invest in changes in technology and the technological preferences of our customers, we may not be able to compete with other exhibitors or other entertainment venues, which could adversely affect our results of operations.

We are subject to uncertainties relating to future expansion plans, including our ability to identify suitable acquisition candidates or site locations, and to obtain financing for such activities on favorable terms or at all.

We have greatly expanded our operations over the last decade through targeted worldwide theatre development and acquisitions. We will continue to pursue a strategy of expansion that will involve the development of new theatres and may involve acquisitions of existing theatres and theatre circuits both in the U.S. and internationally. There is significant competition for new site locations and for existing theatre and theatre circuit acquisition opportunities. As a result of such competition, we may not be able to acquire attractive site locations, existing theatres or theatre circuits on terms we consider acceptable. The pace of our growth may also be impacted by delays in site development caused by other parties. Acquisitions and expansion opportunities may divert a significant amount of management's time away from the operation of our business. Growth by acquisition also involves risks relating to difficulties in integrating the operations and personnel of acquired companies and the potential loss of key employees of acquired companies. Our expansion strategy may not result in improvements to our business, financial condition, profitability, or cash flows. Further, our expansion programs may require financing above our existing borrowing capacity and operating cash flows. We may not be able to obtain such financing or ensure that such financing will be available to us on acceptable terms or at all.

If we do not comply with the ADA and the safe harbor framework included in the consent order we entered into with the Department of Justice, or the DOJ, we could be subject to further litigation.

Our theatres must comply with Title III of the ADA and analogous state and local laws. Compliance with the ADA requires among other things that public facilities "reasonably accommodate" individuals with disabilities and that new construction or alterations made to "commercial facilities" conform to accessibility guidelines unless "structurally impracticable" for new construction or technically infeasible for alterations. On November 15, 2004, Cinemark and the Department of Justice, or DOJ, entered into a consent order, which was filed with the U.S. District Court for the Northern District of Ohio, Eastern Division. Under the consent order, the DOJ approved a safe harbor framework for us to construct all of our future stadium-style movie theatres. The DOJ has stipulated that all theatres built in compliance with the consent order will comply with the wheelchair seating requirements of the ADA. If we fail to comply with the ADA, remedies could include imposition of injunctive relief, fines, awards for damages to private litigants and additional capital expenditures to remedy non-compliance. Imposition of significant fines, damage awards or capital expenditures to cure non-compliance could adversely affect our business and operating results.

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We may be subject to increased labor and benefits costs.

In the U.S., we are subject to United States federal and state laws governing such matters as minimum wages, working conditions and overtime. As federal and state minimum wage rates increase, we may need to increase not only the wages of our minimum wage employees, but also the wages paid to employees at wage rates that are above minimum wage. Labor shortages, increased employee turnover and health care mandates could also increase our labor costs. This in turn could lead us to increase prices which could impact our sales. Conversely, if competitive pressures or other factors prevent us from offsetting increased labor costs by increases in prices, our results of operations may be adversely impacted. We are also subject to union regulations in certain of our international markets, which can specify wage rates as well as minimum hours to be paid to certain employees. As union wage rates and other requirements change, our results of operations could be adversely affected.

We are subject to impairment losses due to potential declines in the fair value of our assets.

We have a significant amount of long-lived assets. We evaluate long-lived assets for impairment at the theatre level, therefore if a theatre is directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or condition of the areas surrounding the theatre, we may record impairment charges to reflect the decline in estimated fair value of that theatre.

We also have a significant amount of goodwill and tradename intangible assets. Declines in our stock price or market capitalization, declines in our attendance due to increased competition in certain regions and/or countries or economic factors that lead to a decline in attendance in any given region or country could result in impairments of goodwill and our intangible assets. As of December 31, 2015, we performed a qualitative analysis on our goodwill and tradename intangible assets and determined that it is not more likely than not that the fair values of such assets are below their respective carrying values.

A credit market crisis may adversely affect our ability to raise capital and may materially impact our operations.

Severe dislocations and liquidity disruptions in the credit markets could materially impact our ability to obtain debt financing on reasonable terms or at all. The inability to access debt financing on reasonable terms could materially impact our ability to make acquisitions, invest in technology innovations or significantly expand our business in the future.

We may be subject to liability under environmental laws and regulations.

We own and operate a large number of theatres and other properties within the U.S. and internationally, which may be subject to various foreign, federal, state and local laws and regulations relating to the protection of the environment or human health. Such environmental laws and regulations include those that impose liability for the investigation and remediation of spills or releases of hazardous materials. We may incur such liability, including for any currently or formerly owned, leased or operated property, or for any site, to which we may have disposed, or arranged for the disposal of, hazardous materials or wastes. Certain of these laws and regulations may impose liability, including on a joint and several liability, which can result in a liable party being obliged to pay for greater than its share, regardless of fault or the legality of the original disposal. Environmental conditions relating to our properties or operations could have an adverse effect on our business and results of operations and cash flows.

Our ability to pay dividends may be limited or otherwise restricted.

Our ability to pay dividends is limited by our status as a holding company and the terms of our senior notes indentures, our senior subordinated notes indenture, and our senior secured credit facility, which restrict our ability to pay dividends and the ability of certain of our subsidiaries to pay dividends, directly or indirectly, to us. Under our debt instruments, we may pay a cash dividend up to a specified amount, provided we have satisfied

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certain financial covenants in, and are not in default under, our debt instruments. The declaration of future dividends on our common stock, par value \$0.001 per share, or Common Stock, will be at the discretion of our board of directors and will depend upon many factors, including our results of operations, financial condition, earnings, capital requirements, limitations in our debt agreements and legal requirements.

Provisions in our corporate documents and certain agreements, as well as Delaware law, may hinder a change of control.

Provisions in our amended and restated certificate of incorporation and bylaws, as well as provisions of the Delaware General Corporation Law, could discourage unsolicited proposals to acquire us. These provisions include:

- authorization of our board of directors to issue shares of preferred stock without stockholder approval;
- a board of directors classified into three classes of directors with the directors of each class having staggered, three-year terms;
- provisions regulating the ability of our stockholders to nominate directors for election or to bring matters for action at annual meetings of our stockholders; and
- provisions of Delaware law that restrict many business combinations and provide that directors serving on classified boards of directors, such as ours, may be removed only for cause.

Certain provisions of our 4.875% senior notes indenture, our 5.125% senior notes indenture, our 7.375% senior subordinated notes indenture and our senior secured credit facility may have the effect of delaying or preventing future transactions involving a “change of control.” A “change of control” would require us to make an offer to the holders of each of our 4.875% senior notes, our 5.125% senior notes, and our 7.375% senior subordinated notes to repurchase all of the outstanding notes at a purchase price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest to the date of purchase. A “change of control” would also be an event of default under our senior secured credit facility.

Future sales of our Common Stock may adversely affect the prevailing market price.

If a large number of shares of our Common Stock is sold in the open market, or if there is a perception that such sales will occur, the trading price of our Common Stock could decrease. In addition, the sale of these shares could impair our ability to raise capital through the sale of additional Common Stock. As of December 31, 2015, we had an aggregate of 178,561,563 shares of our Common Stock authorized but unissued and not reserved for specific purposes. In general, we may issue all of these shares without any action or approval by our stockholders. We may issue shares of our Common Stock in connection with acquisitions.

As of December 31, 2015, we had 115,924,059 shares of our Common Stock outstanding. Of these shares, approximately 104,622,631 shares were freely tradable. The remaining shares of our Common Stock were “restricted securities” as that term is defined in Rule 144 under the Securities Act. Restricted securities may not be resold in a public distribution except in compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom, including the exemptions provided by Regulation S and Rule 144 promulgated under the Securities Act.

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 any of our large stockholders, our directors or executive officers of their shares of Common Stock.

As of December 31, 2015, there were 7,361,757 shares of our Common Stock reserved for issuance under our Amended and Restated 2006 Long Term Incentive Plan.

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Legislative or regulatory initiatives related to global warming/climate change concerns may negatively impact our business.

Recently, there has been an increasing focus and continuous debate on global climate change including increased attention from regulatory agencies and legislative bodies. This increased focus may lead to new initiatives directed at regulating an as yet unspecified array of environmental matters. Legislative, regulatory or other efforts in the U.S. to combat climate change could result in future increases in the cost of raw materials, taxes, transportation and utilities for our vendors and for us which would result in higher operating costs for the Company. Also, compliance of our theatres and accompanying real estate with new and revised environmental, zoning, land-use or building codes, laws, rules or regulations, could have a material and adverse effect on our business. However, we are unable to predict at this time, the potential effects, if any, that any future environmental initiatives may have on our business.

Cyber security threats and our failure to protect our electronically stored data could adversely affect our business.

We store and maintain electronic information and data necessary to conduct our business, including confidential and proprietary information of our customers and employees. Data maintained in electronic form is subject to the risk of intrusion, tampering and theft. While we have adopted industry-accepted security measures and technology to protect the confidential and proprietary information, the development and maintenance of these systems is costly and require ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated. As such, we may be unable to anticipate and implement adequate preventive measures in time. This may adversely affect our business, including exposure to government enforcement actions and private litigation, and our reputation with our customers and employees may be injured. In addition to Company-specific cyber threats or attacks, our business and results of operations could also be impacted by breaches affecting our peers and partners within the entertainment industry, as well as other retail companies.

Product recalls and associated costs could adversely affect our reputation and financial condition.

We are resellers of food and we may be liable if the consumption of any of the products we sell causes illness or injury. We are also subject to recall by product manufacturers or if the food products become contaminated. Recalls could result in losses due to the cost of the recall, the destruction of the product and lost sales due to the unavailability of the product for a period of time.

Changes in privacy laws could adversely affect our ability to market our products effectively.

Our cinemas rely on a variety of direct marketing techniques, including email marketing. Any expansion on existing and/or new laws and regulations regarding marketing, solicitation or data protection could adversely affect the continuing effectiveness of our email and other marketing techniques and could result in changes to our marketing strategy which could adversely impact our attendance levels and revenues.

We are subject to complex taxation and could be subject to changes in our tax rates, the adoption of new U.S. or international tax legislation or exposure to additional tax liabilities.

We are subject to many different forms of taxation both in the U.S. and in the foreign jurisdictions where we operate. The tax authorities may not agree with the determinations that we made and such disagreements could result in lengthy legal disputes and, ultimately, in the payment of substantial amounts for tax, interest and penalties, which could have a material impact on our results. Additionally, current economic and political conditions make tax rates in any jurisdiction, including the U.S., subject to significant change. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. If the Company's effective tax rates were to increase, or if the ultimate determination of the Company's taxes owed in the U.S. or foreign jurisdictions is for an amount in excess of amounts previously accrued, the Company's operating results, cash flows, and financial condition could be adversely affected.

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Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

United States

As of December 31, 2015, in the U.S., we operated 295 theatres with 3,904 screens pursuant to leases and own the land and building for 42 theatres with 614 screens. Our leases are generally entered into on a long-term basis with terms, including optional renewal periods, generally ranging from 20 to 45 years. As of December 31, 2015, approximately 8.1% of our theatre leases in the U.S., covering 24 theatres with 177 screens, have remaining terms, including optional renewal periods, of less than six years. Approximately 7.5% of our theatre leases in the U.S., covering 22 theatres with 229 screens, have remaining terms, including optional renewal periods, of between six and 15 years and approximately 84.4% of our theatre leases in the U.S., covering 249 theatres with 3,498 screens, have remaining terms, including optional renewal periods, of more than 15 years. The leases generally provide for a fixed monthly minimum rent payment, with certain leases also subject to additional percentage rent if a target annual revenue level is achieved. We currently own an office building in Plano, Texas, which is our worldwide headquarters. We lease office space in Frisco, Texas and McKinney, Texas for theatre support and maintenance personnel.

International

As of December 31, 2015, internationally, we operated 176 theatres with 1,278 screens, all of which are leased. Our international leases are generally entered into on a long term basis with terms, including optional renewal periods, generally ranging from 10 to 30 years. The leases generally provide for contingent rental based upon operating results with an annual minimum. As of December 31, 2015, approximately 15% of our international theatre leases, covering 26 theatres with 225 screens, have remaining terms, including optional renewal periods, of less than six years. Approximately 47% of our international theatre leases, covering 82 theatres and 613 screens, have remaining terms, including optional renewal periods, of between six and 15 years and approximately 38% of our international theatre leases, covering 68 theatres and 440 screens, have remaining terms, including optional renewal periods, of more than 15 years. The leases generally provide for a fixed monthly minimum rent payment, with certain leases also subject to additional percentage rent if a target annual revenue level is achieved. We also lease office space in seven regions in Latin America for our local management.

See Note 19 to the consolidated financial statements for information regarding our minimum lease commitments. We periodically review the profitability of each of our theatres, particularly those whose lease terms are nearing expiration, to determine whether to continue its operations.

Item 3. Legal Proceedings

Joseph Amey, et al. v. Cinemark USA, Inc., Case No. 3:13cv05669, In the United States District Court for the Northern District of California, San Francisco Division

The case presents putative class action claims for damages and attorney's fees arising from employee wage and hour claims under California law for alleged meal period, rest break, reporting time pay, unpaid wages, pay upon termination, and wage statements violations. The claims are also asserted as a representative action under the California Private Attorney General Act ("PAGA"). We deny the claims, deny that class certification is appropriate and deny that a PAGA representative action is appropriate, and are vigorously defending against the claims. We deny any violation of law and plan to vigorously defend against all claims. The Court recently determined that class certification is not appropriate and determined that a PAGA representative action is not appropriate. The plaintiff may appeal these rulings. We are unable to predict the outcome of the litigation or the range of potential loss.

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We received a Civil Investigative Demand, or CID, from the Antitrust Division of the United States Department of Justice. The CID relates to an investigation under Sections 1 and 2 of the Sherman Act. We also received CIDs from the Antitrust Section of the Office of the Attorney General of the State of Ohio and later from other states regarding similar inquiries under state antitrust laws. The CIDs request us to answer interrogatories, and produce documents, or both, related to the investigation of matters including film clearances, potential coordination and/or communication with other major theatre circuits and related joint ventures. We intend to fully cooperate with all federal and state government agencies. Although we do not believe that we have violated any federal or state antitrust or competition laws, we cannot predict the ultimate scope, duration or outcome of these investigations.

From time to time, we are involved in other various legal proceedings arising from the ordinary course of our business operations, such as personal injury claims, employment matters, landlord-tenant disputes, patent claims and contractual disputes, some of which are covered by insurance or by indemnification from vendors. We believe our potential liability, with respect to these types of proceedings currently pending, is not material, individually or in the aggregate, to our financial position, results of operations and cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

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PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common equity consists of common stock, which has traded on the New York Stock Exchange since April 24, 2007 under the symbol "CNK." The following table sets forth the historical high and low sales prices per share of our Common Stock as reported by the New York Stock Exchange for the years indicated.

	2014		2015	
	High	Low	High	Low
First Quarter (January 1 – March 31)	\$33.40	\$27.34	\$45.30	\$32.98
Second Quarter (April 1 – June 30)	\$35.37	\$27.29	\$45.68	\$39.06
Third Quarter (July 1 – September 30)	\$36.51	\$32.69	\$41.91	\$30.91
Fourth Quarter (October 1 – December 31)	\$36.87	\$29.42	\$37.63	\$31.65

Holders of Common Stock

As of December 31, 2015, there were 457 holders of record of the Company's common stock and there were no other classes of stock issued and outstanding.

Dividend Policy

Below is a summary of dividends declared for the fiscal periods indicated:

Date Declared	Date of Record	Date Paid	Amount per Common Share ⁽¹⁾	Total Dividends ⁽²⁾ (in millions)
02/14/14	03/04/14	03/19/14	\$0.25	\$29.0
05/22/14	06/06/14	06/20/14	\$0.25	29.0
08/13/14	08/28/14	09/12/14	\$0.25	29.1
11/12/14	12/02/14	12/11/14	\$0.25	29.1
Total – Year ended December 31, 2014				\$116.2
02/17/15	03/04/15	03/18/15	\$0.25	\$29.0
05/18/15	06/05/15	06/19/15	\$0.25	29.1
08/20/15	08/31/15	09/11/15	\$0.25	29.1
11/13/15	12/02/15	12/16/15	\$0.25	29.3
Total – Year ended December 31, 2015				\$116.5

⁽¹⁾ Includes amounts related to restricted stock unit awards that will not be paid until such awards vest.

We, at the discretion of the board of directors and subject to applicable law, anticipate paying regular quarterly dividends on our common stock. The amount, if any, of the dividends to be paid in the future will depend upon our then available cash, anticipated cash needs, overall financial condition, loan agreement restrictions, future prospects for earnings and cash flows, as well as other relevant factors. See Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operation — Liquidity and Capital Resources — Financing Activities* for a discussion of dividend restrictions under our debt agreements.

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Performance Graph

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding securities authorized for issuance under the Company's long-term compensation plan is incorporated by reference to the Company's proxy statement for its annual stockholders meeting to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Item 6. Selected Financial Data

The following table provides our selected consolidated financial and operating data for the periods and at the dates indicated for each of the five most recent years ended December 31, 2015. During August 2011, we acquired ten theatres with 95 screens in Argentina. During May 2013, we acquired 32 theatres with 483 screens in the U.S. The results of operations for these theatres are included in our consolidated results of operations beginning on the dates of the respective acquisitions. During November 2013, we sold our Mexico theatres, which included 31 theatres and 290 screens. You should read the selected consolidated financial and operating data set forth below in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements and related notes appearing elsewhere in this report.

	Year Ended December 31,				
	2011	2012	2013	2014	2015
(Dollars in thousands, except per share data)					
Statement of Income Data:					
Revenues:					
Admissions	\$ 1,471,627	\$ 1,580,401	\$ 1,706,145	\$ 1,644,169	\$ 1,765,519
Concession	696,754	771,405	845,168	845,376	936,970
Other	111,232	121,725	131,581	137,445	150,120
Total revenues	2,279,613	2,473,531	2,682,894	2,626,990	2,852,609
Film rentals and advertising	798,606	845,107	919,511	883,052	976,590
Concession supplies	112,122	123,471	135,715	131,985	144,270
Salaries and wages	226,475	247,468	269,353	273,880	301,099
Facility lease expense	276,278	281,615	307,851	317,096	319,761
Utilities and other	259,703	280,670	305,703	308,445	324,851
General and administrative expenses	127,621	148,624	165,351	151,444	156,736
Depreciation and amortization	154,449	147,675	163,970	175,656	189,206
Impairment of long-lived assets	7,033	3,031	3,794	6,647	8,801
(Gain) loss on sale of assets and other	8,792	12,168	(3,845)	15,715	8,143
Total cost of operations	\$ 1,971,079	\$ 2,089,829	\$ 2,267,403	\$ 2,263,920	\$ 2,429,457
Operating income	\$ 308,534	\$ 383,702	\$ 415,491	\$ 363,070	\$ 423,152
Interest expense	\$ 123,102	\$ 123,665	\$ 124,714	\$ 113,698	\$ 112,741
Net income	\$ 132,582	\$ 171,420	\$ 150,548	\$ 193,999	\$ 218,728
Net income attributable to Cinemark Holdings, Inc.	\$ 130,557	\$ 168,949	\$ 148,470	\$ 192,610	\$ 216,869
Net income attributable to Cinemark Holdings, Inc. per share:					
Basic	\$ 1.15	\$ 1.47	\$ 1.28	\$ 1.66	\$ 1.87
Diluted	\$ 1.14	\$ 1.47	\$ 1.28	\$ 1.66	\$ 1.87
Cash dividends declared per common share	\$ 0.84	\$ 0.84	\$ 0.92	\$ 1.00	\$ 1.00

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	Year Ended December 31,				
	2011	2012	2013	2014	2015
	(Dollars in thousands)				
Other Financial Data:					
Ratio of earnings to fixed charges ⁽¹⁾	2.00x	2.44x	2.23x	2.40x	2.67x
Cash flow provided by (used for):					
Operating activities	\$ 391,201	\$ 395,205	\$ 309,666	\$ 454,634	\$ 455,871
Investing activities	(247,067)	(234,311)	(364,701)	(253,339)	(328,122)
Financing activities	(78,414)	63,424	(76,184)	(146,833)	(151,147)
Capital expenditures	(184,819)	(220,727)	(259,670)	(244,705)	(331,726)
	As of December 31,				
	2011	2012	2013	2014	2015
	(Dollars in thousands)				
Balance Sheet Data:					
Cash and cash equivalents	\$ 521,408	\$ 742,664	\$ 599,929	\$ 638,869	\$ 588,539
Theatre properties and equipment, net	1,238,850	1,304,958	1,427,190	1,450,812	1,505,069
Total assets ⁽²⁾	3,495,677	3,822,814	4,107,515	4,120,561	4,126,497
Total long-term debt and capital lease obligations, including current portion ⁽²⁾	1,686,662	1,873,769	2,012,508	1,791,578	1,781,335
Equity	1,023,639	1,094,984	1,102,417	1,123,129	1,110,813
	Year Ended December 31,				
	2011	2012	2013	2014	2015
Operating Data:					
United States					
Theatres operated (at period end)	297	298	334	335	337
Screens operated (at period end)	3,878	3,916	4,457	4,499	4,518
Total attendance (in 000s)	158,486	163,639	177,156	173,864	179,601
International					
Theatres operated (at period end)	159	167	148	160	176
Screens operated (at period end)	1,274	1,324	1,106	1,177	1,278
Total attendance (in 000s)	88,889	100,084	99,402	90,009	100,499
Worldwide					
Theatres operated (at period end)	456	465	482	495	513
Screens operated (at period end)	5,152	5,240	5,563	5,676	5,796
Total attendance (in 000s)	247,375	263,723	276,558	263,873	280,100

⁽¹⁾ For the purposes of calculating the ratio of earnings to fixed charges, earnings consist of income from continuing operations before taxes plus fixed charges excluding capitalized interest. Fixed charges consist of interest expense, capitalized interest, amortization of debt issue costs and that portion of rental expense which we believe to be representative of the interest factor.

⁽²⁾ Effective December 31, 2015, the Company adopted Accounting Standards Update 2015-03 *Interest — Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* (“ASU 2015-03”), which resulted in the presentation of debt issuance costs as a contra-account to the related debt instruments. The revised presentation was applied for all periods presented. See Note 2 to the consolidated financial statements for additional information.

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Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the financial statements and accompanying notes included in this report. This discussion contains forward-looking statements. See “Cautionary Statement Regarding Forward-Looking Statements” and “Risk Factors” for a discussion of the uncertainties and risk associated with these statements.

Overview

We are a leader in the motion picture exhibition industry, with theatres in the U.S., Brazil, Argentina, Chile, Colombia, Ecuador, Peru, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia and Curacao. We operated theatres in Mexico until November 15, 2013. As of December 31, 2015, we managed our business under two reportable operating segments — U.S. markets and international markets. See Note 20 to the consolidated financial statements.

Revenues and Expenses

We generate revenues primarily from box office receipts and concession sales with additional revenues from screen advertising sales and other revenue streams, such as vendor marketing promotions, meeting rentals and electronic video games located in some of our theatres. Our relationship with NCM has assisted us in expanding our offerings to domestic advertisers and broadening ancillary revenue sources such as digital video monitor advertising. We also offer alternative entertainment, such as live and pre-recorded sports programs, concert events, the Metropolitan Opera, in-theatre gaming and other special events in our theatres through our recently formed joint venture, AC JV, LLC. Our Flix Media initiative has allowed us to expand our screen advertising within our international circuit and to other international exhibitors.

Films leading the box office during the year ended December 31, 2015 included *Star Wars: The Force Awakens*, *Jurassic World*, *Avengers: Age of Ultron*, *Hunger Games: Mockingjay Part II*, *Furious 7*, *American Sniper*, *50 Shades of Grey*, *Inside Out*, *Minions*, *Spectre* and *Mission: Impossible 5*, among other films. Films scheduled for release during 2016 include sequels such as *Captain America: Civil War*, *Batman V Superman: Dawn Of Justice*, *Finding Dory*, *Star Trek Beyond*, and *X-Men: Apocalypse*; action films such as *Deadpool*; family films such as *The Secret Life Of Pets*, *Zootopia*, *Alice Through The Looking Glass*, and *Sing*; and spin-off films such as *Rogue One: A Star Wars Story* and the Harry Potter spin-off *Fantastic Beasts And Where To Find Them*, among other films.

Film rental costs are variable in nature and fluctuate with our admissions revenues. Film rental costs as a percentage of revenues are generally higher for periods in which more blockbuster films are released. Film rental costs can also vary based on the length of a film’s run. Film rental rates are generally negotiated on a film-by-film and theatre-by-theatre basis. Advertising costs, which are expensed as incurred, are primarily fixed at the theatre level as daily movie directories placed in newspapers represent the largest component of advertising costs. The monthly cost of these advertisements is based on, among other things, the size of the directory and the frequency and size of the newspaper’s circulation.

Concession supplies expense is variable in nature and fluctuates with our concession revenues. We purchase concession supplies to replace units sold. We negotiate prices for concession supplies directly with concession vendors and manufacturers to obtain volume rates.

Although salaries and wages include a fixed cost component (i.e. the minimum staffing costs to operate a theatre facility during non-peak periods), salaries and wages move in relation to revenues as theatre staffing is adjusted to respond to changes in attendance. In some international locations, staffing levels are also subject to local regulations.

Facility lease expense is primarily a fixed cost at the theatre level as most of our facility leases require a fixed monthly minimum rent payment. Certain of our leases are subject to percentage rent only while others are

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subject to percentage rent in addition to their fixed monthly rent if a target annual revenue level is achieved. Facility lease expense as a percentage of revenues is also affected by the number of theatres under operating leases, the number of theatres under capital leases and the number of fee-owned theatres.

Utilities and other costs include both fixed and variable costs and primarily includes utilities, property taxes, janitorial costs, repairs and maintenance and security services.

Critical Accounting Policies

We prepare our consolidated financial statements in conformity with generally accepted accounting principles in the U.S., or U.S. GAAP. As such, we are required to make certain estimates and assumptions that we believe are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. The significant accounting policies, which we believe are the most critical to aid in fully understanding and evaluating our reported consolidated financial results, include the following:

Revenue and Expense Recognition

Revenues are recognized when admissions and concession sales are received at the box office. Other revenues primarily consist of screen advertising. Screen advertising revenues are recognized over the period that the related advertising is delivered on-screen or in-theatre. We record proceeds from the sale of gift cards and other advanced sale-type certificates in current liabilities and recognize admissions or concession revenue when a holder redeems the card or certificate. We recognize unredeemed gift cards and other advanced sale-type certificates as revenue only after such a period of time indicates, based on historical experience, the likelihood of redemption is remote, and based on applicable laws and regulations. In evaluating the likelihood of redemption, we consider the period outstanding, the level and frequency of activity, and the period of inactivity.

Film rental costs are accrued based on the applicable box office receipts and either firm terms or a sliding scale formula, which are generally established prior to the opening of the film, or estimates of the final rate, which occurs at the conclusion of the film run, subject to the film licensing arrangement. Under a firm terms formula, we pay the distributor a percentage of box office receipts, which reflects either an aggregate rate for the life of the film or rates that decline over the term of the run. Under a sliding scale formula, we pay a percentage of box office revenues using a pre-determined matrix that is based upon box office performance of the film. The settlement process allows for negotiation of film rental fees upon the conclusion of the film run based upon how the film performs. Estimates are based on the expected success of a film. The success of a film can typically be determined a few weeks after a film is released when initial box office performance of the film is known. If actual settlements are different than those estimates, film rental costs are adjusted at that time. Our advertising costs are expensed as incurred.

Facility lease expense is primarily a fixed cost at the theatre level as most of our facility leases require a fixed monthly minimum rent payment. Certain of our leases are subject to monthly percentage rent only, which is accrued each month based on actual revenues. Certain of our other theatres require payment of percentage rent in addition to fixed monthly rent if an annual target revenue level is achieved. Percentage rent expense is estimated and recorded for these theatres on a monthly basis if the theatre's historical performance or forecasted performance indicates that the annual target revenue level will be reached. Once annual revenues are known, which is generally at the end of the year, the percentage rent expense is adjusted at that time. We record the fixed minimum rent payments on a straight-line basis over the lease term.

Theatre properties and equipment are depreciated using the straight-line method over their estimated useful lives. In estimating the useful lives of our theatre properties and equipment, we have relied upon our experience with such assets and our historical replacement period. We periodically evaluate these estimates and assumptions

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and adjust them as necessary. Adjustments to the expected lives of assets are accounted for on a prospective basis through depreciation expense. Leasehold improvements for which we pay and to which we have title are amortized over the lesser of useful life or the lease term.

Impairment of Long-Lived Assets

We review long-lived assets for impairment indicators on a quarterly basis or whenever events or changes in circumstances indicate the carrying amount of the assets may not be fully recoverable. We assess many factors including the following to determine whether to impair individual theatre assets:

- actual theatre level cash flows;
- budgeted theatre level cash flows;
- theatre property and equipment carrying values;
- amortizing intangible asset carrying values;
- the age of a recently built theatre;
- competitive theatres in the marketplace;
- the impact of recent ticket price changes;
- available lease renewal options; and
- other factors considered relevant in our assessment of impairment of individual theatre assets.

Long-lived assets are evaluated for impairment on an individual theatre basis, which we believe is the lowest applicable level for which there are identifiable cash flows. The impairment evaluation is based on the estimated undiscounted cash flows from continuing use through the remainder of the theatre's useful life. The remainder of the theatre's useful life correlates with the available remaining lease period, which includes the probability of renewal periods for leased properties and the lesser of twenty years or the building's remaining useful life for fee owned properties. If the estimated undiscounted cash flows are not sufficient to recover a long-lived asset's carrying value, we then compare the carrying value of the asset group (theatre) with its estimated fair value. When estimated fair value is determined to be lower than the carrying value of the asset group (theatre), the asset group (theatre) is written down to its estimated fair value. Significant judgment is involved in estimating cash flows and fair value. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35, are based on historical and projected operating performance, recent market transactions and current industry trading multiples. Fair value is determined based on a multiple of cash flows, which was six and a half times for the evaluations performed during 2013, 2014 and 2015. The long-lived asset impairment charges related to theatre properties recorded during each of the periods presented are specific to theatres that were directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or the conditions of the areas surrounding the theatre.

Impairment of Goodwill and Intangible Assets

We evaluate goodwill for impairment annually during the fourth quarter or whenever events or changes in circumstances indicate the carrying value of the goodwill may not be fully recoverable. We evaluate goodwill for impairment at the reporting unit level and have allocated goodwill to the reporting unit based on an estimate of its relative fair value. Management considers the reporting unit to be each of its nineteen regions in the U.S. and seven countries internationally (Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala are considered one reporting unit).

Goodwill impairment was evaluated using a two-step approach during 2013 and 2014, requiring the Company to compute the fair value of a reporting unit and compare it with its carrying value. If the carrying

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value of the reporting unit exceeds its estimated fair value, a second step is performed to measure the potential goodwill impairment. Significant judgment is involved in estimating cash flows and fair value. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35, are based on historical and projected operating performance, recent market transactions and current industry trading multiples. Fair value is determined based on a multiple of cash flows, which was eight times for the evaluations performed during 2013 and 2014. As of December 31, 2014, the estimated fair value of our goodwill exceeded their carrying values by at least 10%.

For the year ended December 31, 2015, we performed a qualitative goodwill impairment assessment on all reporting units except one, in accordance with ASU 2011-08 *Testing Goodwill for Impairment* ("ASU 2011-08"). The qualitative assessment included consideration of historical and expected future industry performance, our estimated future performance, current industry trading multiples and other economic factors. Based on the qualitative assessment performed, we determined that it was not more likely than not that the fair value of the reporting units were less than their carrying values. We performed the quantitative two-step approach on a new U.S. region that had not previously been assessed for goodwill impairment. The fair value for the new reporting unit was determined based on a multiple of estimated cash flows, which was eight times, and exceeded its carrying value by more than 10%.

Tradename intangible assets are tested for impairment at least annually during the fourth quarter or whenever events or changes in circumstances indicate the carrying value may not be fully recoverable. During 2013 and 2014, we estimated the fair value of our tradenames by applying an estimated market royalty rate that could be charged for the use of our tradename to forecasted future revenues, with an adjustment for the present value of such royalties. If the estimated fair value is less than the carrying value, the tradename intangible asset is written down to its estimated fair value. Significant judgment is involved in estimating market royalty rates and long-term revenue forecasts. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35, are based on historical and projected revenue performance and industry trends. As of December 31, 2014, the estimated fair value of our tradename intangible assets exceeded their carrying values by at least 10%. For the year ended December 31, 2015, the Company performed a qualitative tradename intangible asset impairment assessment in accordance with ASU 2011-08. The qualitative assessment included consideration of our historical and forecasted revenues and estimated royalty rates for each tradename intangible asset. Based on the qualitative assessment performed, the Company determined that it was not more likely than not that the fair values of tradename intangible assets were less than their carrying values.

Income Taxes

We use an asset and liability approach to financial accounting and reporting for income taxes. Deferred income taxes are provided when tax laws and financial accounting standards differ with respect to the amount of income for a year and the basis of assets and liabilities. A valuation allowance is recorded to reduce the carrying amount of deferred tax assets unless it is more likely than not that such assets will be realized. Income taxes are provided on unremitted earnings from foreign subsidiaries unless such earnings are expected to be indefinitely reinvested. Income taxes have also been provided for potential tax assessments. The evaluation of an uncertain tax position is a two-step process. The first step is recognition: We determine whether it is more likely than not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, we presume that the position would be examined by the appropriate taxing authority that would have full knowledge of all relevant information. The second step is measurement: A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Differences between tax positions taken in a tax return and amounts recognized in the financial statements result in (1) a change in a liability for income taxes payable or (2) a change in an income tax refund receivable, a deferred tax asset or a deferred tax liability or both (1) and (2). We accrue interest and penalties on uncertain tax positions.

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Accounting for Investment in National CineMedia, LLC and Related Agreements

We have an investment in NCM. NCM operates a digital in-theatre network in the U.S. for providing cinema advertising and non-film events. Upon joining NCM, the Company and NCM entered into an Exhibitor Services Agreement, pursuant to which NCM provides advertising, promotion and event services to the Company's theatres. On February 13, 2007, National CineMedia, Inc., or NCM Inc., a newly formed entity that serves as a member and the sole manager of NCM, completed an initial public offering of its common stock. In connection with the NCM Inc. initial public offering, the Company amended its operating agreement and the Exhibitor Services Agreement, or ESA, with NCM and received proceeds related to the modification of the ESA and the Company's sale of certain of its shares in NCM. The ESA modification reflected a shift from circuit share expense under the prior Exhibitor Services Agreement, which obligated NCM to pay the Company a percentage of revenue, to a monthly theatre access fee, which significantly reduced the contractual amounts paid to the Company by NCM. The Company recorded the proceeds related to the ESA modification as deferred revenue, which is being amortized into other revenues over the life of the agreement using the units of revenue method. As a result of the proceeds received as part of the NCM, Inc. initial public offering, the Company had a negative basis in its original membership units in NCM (referred to herein as its Tranche 1 Investment). The Company does not recognize undistributed equity in the earnings on its Tranche 1 Investment until NCM's future net earnings, less distributions received, surpass the amount of the excess distribution. The Company recognizes equity in earnings on its Tranche 1 Investment only to the extent it receives cash distributions from NCM. The Company believes that the accounting model provided by ASC 323-10-35-22 for recognition of equity investee losses in excess of an investor's basis is analogous to the accounting for equity income subsequent to recognizing an excess distribution.

Pursuant to a Common Unit Adjustment Agreement dated as of February 13, 2007 between NCM, Inc. and Cinemark, AMC and Regal, collectively referred to as its Founding Members, annual adjustments to the common membership units are made primarily based on increases or decreases in the number of theatre screens operated and theatre attendance generated by each Founding Member. To account for the receipt of additional common units under the Common Unit Adjustment Agreement, the Company follows the guidance in ASC 323-10-35-29 (formerly EITF 02-18, *Accounting for Subsequent Investments in an Investee after Suspension of Equity Loss Recognition*) by analogy, which also refers to AICPA Technical Practice Aid 2220.14, which indicates that if a subsequent investment is made in an equity method investee that has experienced significant losses, the investor must determine if the subsequent investment constitutes funding of prior losses. The Company concluded that the construction or acquisition of new theatres that has led to the common unit adjustments equates to making additional investments in National CineMedia. The Company evaluated the receipt of the additional common units in National CineMedia and the assets exchanged for these additional units and has determined that the right to use its incremental new screens would not be considered funding of prior losses. The Company accounts for these additional common units (referred to herein as its Tranche 2 Investment) as a separate investment than its Tranche 1 Investment. The common units received are recorded at fair value as an increase in the Company's investment in NCM with an offset to deferred revenue. The deferred revenue is amortized over the remaining term of the ESA. The Tranche 2 Investment is accounted for following the equity method, with undistributed equity earnings related to its Tranche 2 Investment included as a component of equity in income of affiliates and distributions received related to its Tranche 2 Investment are recorded as a reduction of its investment basis.

Recent Developments

On February 16, 2016, the Compensation Committee of our board of directors approved the Amended and Restated Employment Agreement of Mark Zoradi, to be effective February 19, 2016 (the "Amended Agreement"). The Amended Agreement amends Section 3.2(c) by providing that the Equity Awards (as defined in the Amended Agreement) shall be at least 200% of Mr. Zoradi's base salary and providing for an additional amount for personal expenses. The amendments conform the Amended Agreement to the terms of Mr. Zoradi's employment offer in August 2015.

Our board of directors approved a cash dividend for the fourth quarter of 2015 of \$0.27 per share of common stock payable to stockholders of record on March 7, 2016. The dividend will be paid on March 18, 2016.

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Results of Operations

The following table sets forth, for the periods indicated, the amounts for certain items reflected in our consolidated statements of income along with each of those items as a percentage of revenues. During May 2013, we acquired 32 theatres with 483 screens in the U.S. The results of operations for these theatres are included in our consolidated results of operations beginning on the date of the acquisition. During November 2013, we sold our Mexico theatres, which included 31 theatres and 290 screens.

	Year Ended December 31,		
	2013	2014	2015
Operating data (in millions):			
Revenues			
Admissions	\$ 1,706.1	\$ 1,644.2	\$ 1,765.5
Concession	845.2	845.4	937.0
Other	131.6	137.4	150.1
Total revenues	2,682.9	2,627.0	2,852.6
Cost of operations			
Film rentals and advertising	919.5	883.1	976.6
Concession supplies	135.7	132.0	144.3
Salaries and wages	269.3	273.9	301.1
Facility lease expense	307.9	317.1	319.7
Utilities and other	305.7	308.4	324.9
General and administrative expenses	165.4	151.4	156.7
Depreciation and amortization	164.0	175.7	189.2
Impairment of long-lived assets	3.8	6.6	8.8
(Gain) loss on sale of assets and other	(3.9)	15.7	8.1
Total cost of operations	2,267.4	2,263.9	2,429.4
Operating income	\$ 415.5	\$ 363.1	\$ 423.2
Operating data as a percentage of total revenues:			
Revenues			
Admissions	63.6%	62.6%	61.9%
Concession	31.5%	32.2%	32.8%
Other	4.9%	5.2%	5.3%
Total revenues	100.0%	100.0%	100.0%
Cost of operations ⁽¹⁾			
Film rentals and advertising	53.9%	53.7%	55.3%
Concession supplies	16.1%	15.6%	15.4%
Salaries and wages	10.0%	10.4%	10.6%
Facility lease expense	11.5%	12.1%	11.2%
Utilities and other	11.4%	11.7%	11.4%
General and administrative expenses	6.2%	5.8%	5.5%
Depreciation and amortization	6.1%	6.7%	6.6%
Impairment of long-lived assets	0.1%	0.3%	0.3%
(Gain) loss on sale of assets and other	(0.1%)	0.6%	0.3%
Total cost of operations	84.5%	86.2%	85.2%
Operating income	15.5%	13.8%	14.8%
Average screen count (month end average)	5,548	5,613	5,725
Revenues per average screen (dollars)	\$483,579	\$468,019	\$498,272

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- (1) All costs are expressed as a percentage of total revenues, except film rentals and advertising, which are expressed as a percentage of admissions revenues and concession supplies, which are expressed as a percentage of concession revenues.

Comparison of Years Ended December 31, 2015 and December 31, 2014

Revenues. Total revenues increased \$225.6 million to \$2,852.6 million for 2015 from \$2,627.0 million for 2014, representing an 8.6% increase. The table below, presented by reportable operating segment, summarizes our year-over-year revenue performance and certain key performance indicators that impact our revenues.

	U.S. Operating Segment			International Operating Segment			Consolidated		
	Year Ended			Year Ended			Year Ended		
	December 31,			December 31,			December 31,		
	2015	2014	% Change	2015	2014	% Change	2015	2014	% Change
Admissions revenues ⁽¹⁾	\$ 1,338.0	\$ 1,220.8	9.6%	\$ 427.5	\$ 423.4	1.0%	\$ 1,765.5	\$ 1,644.2	7.4%
Concession revenues ⁽¹⁾	\$ 709.7	\$ 635.6	11.7%	\$ 227.3	\$ 209.8	8.3%	\$ 937.0	\$ 845.4	10.8%
Other revenues ⁽¹⁾⁽²⁾	\$ 76.2	\$ 66.0	15.5%	\$ 73.9	\$ 71.4	3.5%	\$ 150.1	\$ 137.4	9.2%
Total revenues ⁽¹⁾⁽²⁾	\$ 2,123.9	\$ 1,922.4	10.5%	\$ 728.7	\$ 704.6	3.4%	\$ 2,852.6	\$ 2,627.0	8.6%
Attendance ⁽¹⁾	179.6	173.9	3.3%	100.5	90.0	11.7%	280.1	263.9	6.1%

(1) Amounts in millions.

(2) U.S. operating segment revenues include eliminations of intercompany transactions with the international operating segment. See Note 20 of our consolidated financial statements.

- U.S.* The \$117.2 million increase in admissions revenues was primarily attributable to a 3.3% increase in attendance and a 6.1% increase in average ticket price, which increased from \$7.02 for 2014 to \$7.45 for 2015. The increase in attendance was due to the solid slate of films released during 2015 and new theatres. The increase in average ticket price was primarily due to price increases and ticket type mix. The \$74.1 million increase in concession revenues was primarily attributable to the 3.3% increase in attendance and an 8.2% increase in concession revenues per patron, which increased from \$3.65 for 2014 to \$3.95 for 2015. The increase in concession revenues per patron was primarily due to incremental sales and price increases. Other revenues increased \$10.2 million primarily due to increases in screen advertising revenues.
- International.* The \$4.1 million increase in admissions revenues was primarily attributable to an 11.7% increase in attendance, partially offset by a 9.6% decrease in average ticket price, which declined from \$4.70 for 2014 to \$4.25 for 2015. The \$ 17.5 million increase in concession revenues was primarily attributable to the 11.7% increase in attendance, partially offset by a 3.0% decrease in concession revenues per patron from \$2.33 for 2014 to \$2.26 for 2015. The increase in attendance was due to the solid slate of films released during 2015 and new theatres. The decrease in average ticket price and concession revenues per patron was primarily due to the unfavorable impact of foreign currency exchange rates in certain countries in which we operate, partially offset by price increases.

Cost of Operations. The table below summarizes certain of our theatre operating costs by reportable operating segment (in millions).

	U.S. Operating Segment		International Operating Segment		Consolidated	
	Year Ended		Year Ended		Year Ended	
	December 31,		December 31,		December 31,	
	2015	2014	2015	2014	2015	2014
Film rentals and advertising	\$ 768.2	\$ 681.1	\$ 208.4	\$ 202.0	\$ 976.6	\$ 883.1
Concession supplies	95.4	86.4	48.9	45.6	144.3	132.0
Salaries and wages	226.9	202.8	74.2	71.1	301.1	273.9
Facility lease expense	239.4	235.2	80.3	81.9	319.7	317.1
Utilities and other	228.0	217.2	96.9	91.2	324.9	308.4

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- U.S. Film rentals and advertising costs were \$768.2 million, or 57.4% of admissions revenues, for 2015 compared to \$681.1 million, or 55.8% of admissions revenues, for 2014. The increase in the film rentals and advertising rate was primarily due to the higher concentration of blockbuster films leading to stronger box office performance during the 2015 period and increased film presentation costs. The 2015 period included such blockbuster releases as *Star Wars: The Force Awakens*, *Jurassic World*, *The Avengers: Age of Ultron*, *Furious 7*, *American Sniper*, *Inside Out* and *Minions*, which grossed in excess of \$900 million, \$650 million, \$450 million, \$350 million, \$350 million, \$350 million and \$325 million, respectively. Concession supplies expense was \$95.4 million, or 13.4% of concession revenues, for 2015 compared to \$86.4 million, or 13.6% of concession revenues, for 2014.
Salaries and wages increased to \$226.9 million for 2015 from \$202.8 million for 2014 primarily due to increased staffing levels to support the increased attendance, new theatres and increases in minimum wages. Facility lease expense increased to \$239.4 million for 2015 from \$235.2 million for 2014 primarily due to new theatres and increased percentage rent expense due to increased revenues. Utilities and other costs increased to \$228.0 million for 2015 from \$217.2 million for 2014 primarily due to new theatres and increases in property taxes, janitorial costs and repairs and maintenance expenses.
- International. Film rentals and advertising costs were \$208.4 million, or 48.7% of admissions revenues, for 2015 compared to \$202.0 million, or 47.7% of admissions revenues, for 2014. The increase in the film rentals and advertising rate was due to the higher concentration of blockbuster films and higher box office performance during 2015. Concession supplies expense was \$48.9 million, or 21.5% of concession revenues, for 2015 compared to \$45.6 million, or 21.7% of concession revenues, for 2014.
Salaries and wages increased to \$74.2 million for 2015 from \$71.1 million for 2014 due to new theatres, increased staffing levels to support the increased attendance, limited flexibility in scheduling staff caused by shifting government regulations and increased local currency wage rates. Facility lease expense decreased to \$80.3 million for 2015 from \$81.9 for 2014. Utilities and other costs increased to \$96.9 million for 2015 from \$91.2 million for 2014 due to increases in repairs and maintenance expenses, utility expenses and new theatres. All of the above-mentioned theatre operating costs were also impacted by changes in foreign currency exchange rates in certain countries in which we operate.
General and Administrative Expenses. General and administrative expenses increased to \$156.7 million for 2015 from \$151.4 million for 2014. The increase was primarily due to increases in salaries and incentive compensation expense and share based awards compensation expense, partially offset by the impact of changes in foreign currency exchange rates in certain countries in which we operate.
Depreciation and Amortization. Depreciation and amortization expense was \$189.2 million for 2015 compared to \$175.7 million for 2014. The increase was primarily due to depreciation expense related to new theatres and remodels and other improvements of existing theatres.
Impairment of Long-Lived Assets. We recorded asset impairment charges on assets held and used of \$8.8 million for 2015 compared to \$6.6 million for 2014. Impairment charges for 2015 consisted of theatre properties in the U.S., Colombia and Ecuador, impacting fourteen of our twenty-seven reporting units. Impairment charges for 2014 consisted primarily of U.S. theatre properties, impacting twelve of our twenty-six reporting units. The long-lived asset impairment charges recorded during each of the periods presented were specific to theatres that were directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or the conditions of the areas surrounding the theatre. See Notes 1, 8 and 9 to our consolidated financial statements.
Loss on Sale of Assets and Other. We recorded a loss on sale of assets and other of \$8.1 million during 2015 compared to \$15.7 million during 2014. The loss recorded during 2015 included lease termination costs, contract termination costs and the retirement of assets due to theatre remodels and closures, partially offset by gains related to lease amendments that resulted in a reduction of certain capital lease liabilities, the sale of an

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investment in a Taiwan joint venture, and the sale of a land parcel in the U.S. The loss recorded during 2014 was primarily due to the retirement of certain theatre equipment that was replaced during the period, lease termination charges recorded for theatre closures and a charge for termination of a vendor contract.

Interest Expense. Interest costs incurred, including amortization of debt issue costs, were \$112.7 million for 2015 compared to \$113.7 million for 2014. See Note 11 to our consolidated financial statements for further discussion of our long-term debt.

Foreign Currency Exchange Loss. We recorded foreign currency exchange losses of \$16.8 million during 2015 and \$6.2 million during 2014 related to the continued decline of exchange rates in certain of the international countries in which we operate. See Notes 1 and 14 to our consolidated financial statements for discussion of foreign currency translation.

Loss on Amendment to Debt Agreement. We recorded a loss of \$0.9 million in 2015 related to the amendment of our senior secured credit facility. See Note 11 to our consolidated financial statements for discussion of our long-term debt.

Distributions from NCM. We recorded distributions received from NCM of \$18.1 million during 2015 and \$18.5 million during 2014, which were in excess of the carrying value of our Tranche 1 Investment. NCM did not distribute any excess cash during the second quarter of 2015 due to expenses incurred as the result of the termination of a proposed merger. See Note 6 to our consolidated financial statements.

Equity in Income of Affiliates. We recorded equity in income of affiliates of \$28.1 million during 2015 and \$22.7 million during 2014. See Notes 6 and 7 to our consolidated financial statements for information about our equity investments.

Income Taxes. Income tax expense of \$128.9 million was recorded for 2015 compared to \$96.1 million recorded for 2014. The effective tax rate for 2015 was 37.1%. The effective tax rate for 2014 was 33.1%. The effective tax rate for 2014 reflects the impact of items related to our Mexican subsidiaries. See Note 18 to our consolidated financial statements.

Comparison of Years Ended December 31, 2014 and December 31, 2013

Revenues. Total revenues decreased \$55.9 million to \$2,627.0 million for 2014 from \$2,682.9 million for 2013, representing a 2.1% decrease. The table below, presented by reportable operating segment, summarizes our year-over-year revenue performance and certain key performance indicators that impact our revenues.

	U.S. Operating Segment			International Operating Segment			Consolidated		
	Year Ended		%	Year Ended		%	Year Ended		%
	December 31,			December 31,			December 31,		
	2014	2013	Change	2014	2013	Change	2014	2013	Change
Admissions revenues ⁽¹⁾	\$1,220.8	\$1,231.4	(0.9%)	\$423.4	\$474.7	(10.8%)	\$1,644.2	\$1,706.1	(3.6%)
Concession revenues ⁽¹⁾	\$ 635.6	\$ 609.3	4.3%	\$209.8	\$235.9	(11.1%)	\$ 845.4	\$ 845.2	—%
Other revenues ⁽¹⁾⁽²⁾	\$ 66.0	\$ 59.1	11.7%	\$ 71.4	\$ 72.5	(1.5%)	\$ 137.4	\$ 131.6	4.4%
Total revenues ⁽¹⁾⁽²⁾	\$1,922.4	\$1,899.8	1.2%	\$704.6	\$783.1	(10.0%)	\$2,627.0	\$2,682.9	(2.1%)
Attendance ⁽¹⁾	173.9	177.2	(1.9%)	90.0	99.4	(9.5%)	263.9	276.6	(4.6%)

⁽³⁾ Amounts in millions.

⁽⁴⁾ U.S. operating segment revenues include eliminations of intercompany transactions with the international operating segment. See Note 20 of our consolidated financial statements.

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- U.S. The decrease in admissions revenues was primarily attributable to a 1.9% decrease in attendance, partially offset by a 1.0% increase in average ticket price from \$6.95 for 2013 to \$7.02 for 2014. The increase in concession revenues was primarily attributable to a 6.1% increase in concession revenues per patron from \$3.44 for 2013 to \$3.65 for 2014. Our revenues and attendance include the 32 Rave theatres acquired beginning on May 29, 2013 (see Note 5 to the consolidated financial statements). The increase in average ticket price was primarily due to the pricing at acquired and new theatres. The increase in concession revenues per patron was primarily due to price increases and incremental sales. The increase in other revenues is partly due to a sales tax refund recorded during 2014.
- International. The decrease in admissions revenues was primarily attributable to a 9.5% decrease in attendance and a 1.7% decrease in average ticket price from \$4.78 for 2013 to \$4.70 for 2014. The decrease in concession revenues was primarily attributable to the 9.5% decrease in attendance and a 1.7% decrease in concession revenues per patron from \$2.37 for 2013 to \$2.33 for 2014. The decrease in attendance was primarily due to the sale of our Mexico theatres on November 15, 2013. The decrease in average ticket price and concession revenues per patron was due to the unfavorable impact of exchange rates in certain countries in which we operate.

Cost of Operations. The table below summarizes certain of our theatre operating costs by reportable operating segment (in millions).

	U.S. Operating Segment		International Operating Segment		Consolidated	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013	2014	2013
Film rentals and advertising	\$ 681.1	\$ 687.3	\$ 202.0	\$ 232.2	\$ 883.1	\$ 919.5
Concession supplies	86.4	83.7	45.6	52.0	132.0	135.7
Salaries and wages	202.8	192.5	71.1	76.8	273.9	269.3
Facility lease expense	235.2	215.5	81.9	92.4	317.1	307.9
Utilities and other	217.2	204.5	91.2	101.2	308.4	305.7

- U.S. Film rentals and advertising costs were \$681.1 million, or 55.8% of admissions revenues, for 2014 compared to \$687.3 million, or 55.8% of admissions revenues, for 2013. Concession supplies expense was \$86.4 million, or 13.6% of concession revenues, for 2014 compared to \$83.7 million, or 13.7% of concession revenues, for 2013. Salaries and wages increased to \$202.8 million for 2014 from \$192.5 million for 2013. Facility lease expense increased to \$235.2 million for 2014 from \$215.5 million for 2013. Utilities and other costs increased to \$217.2 million for 2014 from \$204.5 million for 2013. All of the above-mentioned theatre operating costs for 2014 increased primarily due to new theatre openings and the inclusion of the 32 Rave theatres acquired on May 29, 2013 (see Note 5 to the consolidated financial statements).
- International. Film rentals and advertising costs were \$202.0 million, or 47.7% of admissions revenues, for 2014 compared to \$232.2 million, or 48.9% of admissions revenues, for 2013. The decrease in the film rentals and advertising rate for the 2014 period was primarily due to increased virtual print fees that we earn from studios on films played in our international theatres. Concession supplies expense was \$45.6 million, or 21.7% of concession revenues, for 2014 compared to \$52.0 million, or 22.0% of concession revenues, for 2013. Salaries and wages decreased to \$71.1 million for 2014 from \$76.8 million for 2013. Facility lease expense decreased to \$81.9 million for 2014 from \$92.4 for 2013. Utilities and other costs decreased to \$91.2 million for 2014 from \$101.2 million for 2013. All of the above-mentioned theatre operating costs were impacted by changes in exchange rates in certain countries in which we operate and the sale of our Mexico theatres during November 2013.

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General and Administrative Expenses. General and administrative expenses decreased to \$151.4 million for 2014 from \$165.4 million for 2013. The reduction was primarily due to the impact of changes in exchange rates in certain countries in which we operate, the sale of our Mexico theatres in November 2013 and a reduction in incentive compensation expense. General and administrative expenses for 2013 also included approximately \$1.5 million in severance expense and approximately \$1.8 million in share based award compensation expense related to the sale of our Mexico theatres during November 2013.

Depreciation and Amortization. Depreciation and amortization expense was \$175.7 million for 2014 compared to \$164.0 million for 2013. The increase was primarily due to new theatres, including the 32 Rave theatres acquired on May 29, 2013, and remodels and other improvements of existing theatres, partially offset by the sale of our Mexico theatres during November 2013.

Impairment of Long-Lived Assets. We recorded asset impairment charges on assets held and used of \$6.6 million for 2014 compared to \$3.8 million for 2013. Impairment charges for 2014 consisted primarily of U.S. theatre properties, impacting twelve of our twenty-six reporting units. Impairment charges for 2013 were primarily related to U.S. and international theatre properties, impacting twelve of our twenty-six reporting units. The long-lived asset impairment charges recorded during each of the periods presented were specific to theatres that were directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or the conditions of the areas surrounding the theatre. See Notes 1, 8 and 9 to our consolidated financial statements.

(Gain) Loss on Sale of Assets and Other. We recorded a loss on sale of assets and other of \$15.7 million during 2014 compared to a gain of \$3.9 million during 2013. The loss recorded during the 2014 period was primarily due to the retirement of certain theatre equipment that was replaced during the period, lease termination charges recorded for theatre closures and a charge for termination of a vendor contract. The gain recorded during 2013 included a gain of \$3.5 million related to the sale of our Mexico theatres and a gain of \$2.3 million related to the sale of one theatre in Argentina, both of which were partially offset by the retirement of equipment replaced during the period.

Interest Expense. Interest costs incurred, including amortization of debt issue costs, were \$113.7 million for 2014 compared to \$124.7 million for 2013. The decrease was primarily due to the issuance of the 4.875% Senior Notes on May 24, 2013 that were used to pay off, on June 24, 2013, the previously issued 8.625% Senior Notes. See Note 11 to our consolidated financial statements for further discussion of our long-term debt.

Loss on Early Retirement of Debt. We recorded a loss on early retirement of debt of approximately \$72.3 million during 2013 as a result of the redemption of Cinemark USA, Inc.'s 8.625% Senior Notes on June 24, 2013. The loss on early retirement of debt included approximately \$56.6 million for a make-whole premium paid, the write-off of approximately \$8.0 million in unamortized bond discount, the write-off of \$7.6 million in unamortized debt issue costs and the payment of \$0.1 million of other fees. See Note 11 to our consolidated financial statements for further discussion of our long-term debt.

Distributions from NCM. We recorded distributions received from NCM of \$18.5 million during 2014 and \$20.7 million during 2013, which were in excess of the carrying value of our Tranche 1 Investment. See Note 6 to our consolidated financial statements.

Equity in Income of Affiliates. We recorded equity in income of affiliates of \$22.7 million during 2014 and \$22.7 million during 2013. See Notes 6 and 7 to our consolidated financial statements for information about our equity investments.

Income Taxes. Income tax expense of \$96.1 million was recorded for 2014 compared to \$113.3 million recorded for 2013. The effective tax rate for 2014 was 33.1%. The effective tax rate for 2013 was 42.9%. See Note 18 to our consolidated financial statements.

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Liquidity and Capital Resources

Operating Activities

We primarily collect our revenues in cash, mainly through box office receipts and the sale of concessions. In addition, nearly all of our theatres provide the patron a choice of using a credit card, debit card or advanced-sale type certificates such as a gift card, in place of cash. Because our revenues are received in cash prior to the payment of related expenses, we have an operating “float” and historically have not required traditional working capital financing. Cash provided by operating activities amounted to \$309.7 million, \$454.6 million, and \$455.9 million for the years ended December 31, 2013, 2014 and 2015, respectively. Cash provided by operating activities was lower in 2013 primarily due to the make-whole premium of \$56.6 million paid to redeem the 8.625% Senior Notes, which was included in net income.

Investing Activities

Our investing activities have been principally related to the development, remodel and acquisition of theatres. New theatre openings and acquisitions historically have been financed with internally generated cash and by debt financing, including borrowings under our senior secured credit facility. Cash used for investing activities amounted to \$364.7 million, \$253.3 million, and \$328.1 million for the years ended December 31, 2013, 2014 and 2015, respectively. Cash used for investing activities for the year ended December 31, 2013 included the acquisition of theatres in the U.S. for approximately \$259.2 million and proceeds of approximately \$126.2 million from the sale of our theatres in Mexico. The increase in cash used for investing activities during 2015 is primarily due to increased capital expenditures.

Cash capital expenditures for the years ended December 31, 2013, 2014 and 2015 were as follows (in millions):

<u>Period</u>	<u>New Theatres</u>	<u>Existing Theatres ^(a)</u>	<u>Total</u>
Year Ended December 31, 2013	\$ 134.7	\$ 125.0	\$259.7
Year Ended December 31, 2014	\$ 104.7	\$ 140.0	\$244.7
Year Ended December 31, 2015	\$ 132.4	\$ 199.3	\$331.7

^(a) The amount for the year ended December 31, 2015 includes approximately \$26.3 million for the purchase of our corporate headquarters building in Plano, TX.

Our U.S. theatre circuit consisted of 4,518 screens as of December 31, 2015. We built nine new theatres and 99 screens and closed seven theatres with 80 screens during the year ended December 31, 2015. At December 31, 2015, we had signed commitments to open seven new theatres and 70 screens in domestic markets during 2016 and open five new theatres with 59 screens subsequent to 2016. We estimate the remaining capital expenditures for the development of these 129 domestic screens will be approximately \$73 million.

Our international theatre circuit consisted of 1,278 screens as of December 31, 2015. We built 13 new theatres and 83 screens, acquired three theatres with 19 screens and closed one screen during the year ended December 31, 2015. At December 31, 2015, we had signed commitments to open six new theatres and 45 screens in international markets during 2016 and open two theatres and 17 screens subsequent to 2016. We estimate the remaining capital expenditures for the development of these 62 international screens will be approximately \$39 million.

Actual expenditures for continued theatre development and acquisitions are subject to change based upon the availability of attractive opportunities. We plan to fund capital expenditures for our continued development with cash flow from operations, borrowings under our senior secured credit facility, and proceeds from debt issuances, sale leaseback transactions and/or sales of excess real estate.

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Financing Activities

Cash used for financing activities was \$76.2 million, \$146.8 million, and \$151.1 million during the years ended December 31, 2013, 2014 and 2015, respectively. See Note 4 to the consolidated financial statements for a summary of dividends declared and paid during the years ended December 31, 2013, 2014 and 2015. Cash used for financing activities for the year ended December 31, 2013 included proceeds from the issuance of Cinemark USA, Inc.'s 4.875% Senior Notes, partially offset by the redemption of Cinemark USA, Inc.'s 8.625% Senior Notes. See below for further information regarding these transactions.

We, at the discretion of the board of directors and subject to applicable law, anticipate paying regular quarterly dividends on our common stock. The amount, if any, of the dividends to be paid in the future will depend upon our then available cash, anticipated cash needs, overall financial condition, loan agreement restrictions as discussed below, future prospects for earnings and cash flows, as well as other relevant factors.

We may from time to time, subject to compliance with our debt instruments, purchase our debt securities on the open market depending upon the availability and prices of such securities.

Long-term debt consisted of the following as of December 31, 2014 and 2015 (in millions):

	As of December 31,	
	2014	2015
Cinemark USA, Inc. term loan	\$ 686.0	\$ 679.0
Cinemark USA, Inc. 7.375% senior subordinated notes due 2021	200.0	200.0
Cinemark USA, Inc. 5.125% senior notes due 2022	400.0	400.0
Cinemark USA, Inc. 4.875% senior notes due 2023	530.0	530.0
Other	7.0	5.6
Total long-term debt	\$ 1,823.0	\$ 1,814.6
Less current portion	8.4	8.4
Subtotal long-term debt, less current portion	\$ 1,814.6	\$ 1,806.2
Less: Debt issuance costs	31.4	33.3
Long-term debt, less current portion, net of debt issuance costs	\$ 1,783.2	\$ 1,772.9

As of December 31, 2015, we had \$100.0 million in available borrowing capacity on our revolving credit line.

As of December 31, 2015, our long-term debt obligations, scheduled interest payments on long-term debt, future minimum lease obligations under non-cancelable operating and capital leases, scheduled interest payments under capital leases and other obligations for each period indicated are summarized as follows:

Contractual Obligations	Payments Due by Period (in millions)				
	Total	Less Than One Year	1 - 3 Years	3 - 5 Years	After 5 Years
Long-term debt ⁽¹⁾	\$1,814.6	\$ 8.4	\$ 16.8	\$ 15.4	\$ 1,774.0
Scheduled interest payments on long-term debt ⁽²⁾	\$ 557.8	84.3	167.7	166.5	139.3
Operating lease obligations	\$1,699.9	248.5	446.7	343.2	661.5
Capital lease obligations	\$ 227.7	18.8	40.0	45.8	123.1
Scheduled interest payments on capital leases	\$ 96.1	16.4	27.7	20.0	32.0
Purchase and other commitments ⁽³⁾	\$ 157.5	117.5	37.6	2.2	0.2
Current liability for uncertain tax positions ⁽⁴⁾	\$ 9.2	9.2	—	—	—
Total obligations	\$4,562.8	\$ 503.1	\$ 736.5	\$ 593.1	\$ 2,730.1

⁽¹⁾ Amounts are presented before adjusting for debt issuance costs.

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- (2) Amounts include scheduled interest payments on fixed rate and variable rate debt agreements. Estimates for the variable rate interest payments were based on interest rates in effect on December 31, 2015. The average interest rates in effect on our fixed rate and variable rate debt are 5.3% and 3.4%, respectively, as of December 31, 2015.
- (3) Includes estimated capital expenditures associated with the construction of new theatres to which we were committed as of December 31, 2015, obligations under employment agreements and minimum contractual purchase commitments.
- (4) The contractual obligations table excludes the long-term portion of our liability for uncertain tax positions of \$7.9 million because we cannot make a reliable estimate of the timing of the related cash payments.

Off-Balance Sheet Arrangements

Other than the operating leases and purchase and other commitments disclosed in the tables above, we do not have any off-balance sheet arrangements.

Senior Secured Credit Facility

Cinemark USA, Inc. has a senior secured credit facility that includes a seven year \$700.0 million term loan and a five year \$100.0 million revolving credit line, or the Senior Secured Credit Facility. On May 8, 2015, Cinemark USA, Inc. amended the Senior Secured Credit Facility to extend the maturity of the term loan from December 2019 to May 2022. Quarterly principal payments in the amount of \$1.75 million are due on the term loan through March 31, 2022, with the remaining principal of \$635.3 million due on May 8, 2022. The maturity date for the revolving credit line, which is December 2017, did not change.

Interest on the term loan accrues at Cinemark USA, Inc.'s option at: (A) the base rate equal to the higher of (1) the prime lending rate as set forth on the British Banking Association Telerate page 5, or (2) the federal funds effective rate from time to time plus 0.50%, plus a margin of 2.0% per annum, or (B) a "eurodollar rate" plus a margin of 3.0% per annum. Interest on the revolving credit line accrues, at Cinemark USA, Inc.'s option, at: (A) a base rate equal to the higher of (1) the prime lending rate as set forth on the British Banking Association Telerate page 5 and (2) the federal funds effective rate from time to time plus 0.50%, plus a margin that ranges from 1.00% to 1.75% per annum, or (B) a "eurodollar rate" plus a margin that ranges from 2.00% to 2.75% per annum. The margin of the revolving credit line is determined by the consolidated net senior secured leverage ratio as defined in the credit agreement.

Cinemark USA, Inc.'s obligations under the Senior Secured Credit Facility are guaranteed by Cinemark Holdings, Inc. and certain of Cinemark USA, Inc.'s domestic subsidiaries and are secured by mortgages on certain fee and leasehold properties and security interests in substantially all of Cinemark USA, Inc.'s and the guarantors' personal property, including, without limitation, pledges of all of Cinemark USA, Inc.'s capital stock, all of the capital stock of certain of Cinemark USA, Inc.'s domestic subsidiaries and 65% of the voting stock of certain of its foreign subsidiaries.

The Senior Secured Credit Facility contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on Cinemark USA, Inc.'s ability, and in certain instances, its subsidiaries' and Cinemark Holdings, Inc.'s ability, to consolidate or merge or liquidate, wind up or dissolve; substantially change the nature of its business; sell, transfer or dispose of assets; create or incur indebtedness; create liens; pay dividends, and repurchase stock; and make capital expenditures and investments. If Cinemark USA, Inc. has borrowings outstanding on the revolving credit line, it is required to satisfy a consolidated net senior secured leverage ratio covenant as determined in accordance with the Senior Secured Credit Facility.

The dividend restriction contained in the Senior Secured Credit Facility prevents the Company and any of its subsidiaries from paying a dividend or otherwise distributing cash to its stockholders unless (1) the Company is not in default, and the distribution would not cause Cinemark USA, Inc. to be in default, under the Senior

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Secured Credit Facility; and (2) the aggregate amount of certain dividends, distributions, investments, redemptions and capital expenditures made since December 18, 2012, including dividends declared by the board of directors, is less than the sum of (a) the aggregate amount of cash and cash equivalents received by Cinemark Holdings, Inc. or Cinemark USA, Inc. as common equity since December 18, 2012, (b) Cinemark USA, Inc.'s consolidated EBITDA minus 1.75 times its consolidated interest expense, each as defined in the Senior Secured Credit Facility, and (c) certain other defined amounts. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$1,905.1 million to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the Senior Secured Credit Facility, subject to its available cash and other borrowing restrictions outlined in the agreement.

At December 31, 2015, there was \$679.0 million outstanding under the term loan and no borrowings outstanding under the revolving credit line. Cinemark USA, Inc. had \$100.0 million in available borrowing capacity on the revolving credit line. The average interest rate on outstanding term loan borrowings under the Senior Secured Credit Facility at December 31, 2015 was approximately 3.6% per annum.

Cinemark USA, Inc. 4.875% Senior Notes

On May 24, 2013, Cinemark USA, Inc. issued \$530.0 million aggregate principal amount of 4.875% senior notes due 2023, at par value, or the 4.875% Senior Notes. Proceeds, after payment of fees, were used to finance a redemption of the 8.625% Senior Notes due 2019, discussed below. Interest on the 4.875% Senior Notes is payable on June 1 and December 1 of each year, beginning December 1, 2013. The 4.875% Senior Notes mature on June 1, 2023.

The 4.875% Senior Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's debt. The 4.875% Senior Notes and the guarantees are senior unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and its guarantor's existing and future senior unsecured debt and senior in right of payment to all of Cinemark USA, Inc.'s and its guarantor's existing and future senior subordinated debt. The 4.875% Senior Notes and the guarantees are effectively subordinated to all of Cinemark USA, Inc.'s and its guarantor's existing and future secured debt to the extent of the value of the assets securing such debt, including all borrowings under Cinemark USA, Inc.'s senior secured credit facility. The 4.875% Senior Notes and the guarantees are structurally subordinated to all existing and future debt and other liabilities of Cinemark USA, Inc.'s subsidiaries that do not guarantee the 4.875% Senior Notes.

The indenture to the 4.875% Senior Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,079.7 million to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the 4.875% Senior Notes, subject to its available cash and other borrowing restrictions outlined in the indenture. Upon a change of control, as defined in the indenture governing the 4.875% Senior Notes, Cinemark USA, Inc. would be required to make an offer to repurchase the 4.875% Senior Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture governing the 4.875% Senior Notes allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1 and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

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Prior to June 1, 2018, Cinemark USA, Inc. may redeem all or any part of the 4.875% Senior Notes at its option at 100% of the principal amount plus a make-whole premium plus accrued and unpaid interest on the 4.875% Senior Notes to the date of redemption. After June 1, 2018, Cinemark USA, Inc. may redeem the 4.875% Senior Notes in whole or in part at redemption prices specified in the indenture. In addition, prior to June 1, 2016, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the 4.875% Senior Notes from the net proceeds of certain equity offerings at the redemption price set forth in the indenture.

Cinemark USA, Inc. 5.125% Senior Notes

On December 18, 2012, Cinemark USA, Inc. issued \$400.0 million aggregate principal amount of 5.125% senior notes due 2022, at par value, or the 5.125% Senior Notes. A portion of the proceeds were used to refinance a portion of the former senior secured credit facility and to fund the purchase price for the Rave Acquisition (see Note 5 to the consolidated financial statements). Interest on the 5.125% Senior Notes is payable on June 15 and December 15 of each year, beginning June 15, 2013. The 5.125% Senior Notes mature on December 15, 2022.

The 5.125% Senior Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's debt. The 5.125% Senior Notes and the guarantees are senior unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and its guarantor's existing and future senior unsecured debt and senior in right of payment to all of Cinemark USA, Inc.'s and its guarantor's existing and future subordinated debt. The 5.125% Senior Notes and the guarantees are effectively subordinated to all of Cinemark USA, Inc.'s and its guarantor's existing and future secured debt to the extent of the value of the assets securing such debt, including all borrowings under Cinemark USA, Inc.'s senior secured credit facility. The 5.125% Senior Notes and the guarantees are structurally subordinated to all existing and future debt and other liabilities of Cinemark USA, Inc.'s subsidiaries that do not guarantee the 5.125% Senior Notes.

The indenture to the 5.125% Senior Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,084.0 million to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the 5.125% Senior Notes, subject to its available cash and other borrowing restrictions outlined in the indenture. Upon a change of control, as defined in the indenture governing the 5.125% Senior Notes, Cinemark USA, Inc. would be required to make an offer to repurchase the 5.125% Senior Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture governing the 5.125% Senior Notes allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1 and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

Prior to December 15, 2017, Cinemark USA, Inc. may redeem all or any part of the 5.125% Senior Notes at its option at 100% of the principal amount plus a make-whole premium. After December 15, 2017, Cinemark USA, Inc. may redeem the 5.125% Senior Notes in whole or in part at redemption prices described in the 5.125% Senior Notes. In addition, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the 5.125% Senior Notes from the net proceeds of certain equity offerings at the redemption price set forth in the 5.125% Senior Notes.

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Cinemark USA, Inc. 7.375% Senior Subordinated Notes

On June 3, 2011, Cinemark USA, Inc. issued \$200.0 million aggregate principal amount of 7.375% senior subordinated notes due 2021, at par value, or the Senior Subordinated Notes. Interest on the Senior Subordinated Notes is payable on June 15 and December 15 of each year. The Senior Subordinated Notes mature on June 15, 2021.

The Senior Subordinated Notes are fully and unconditionally guaranteed on a joint and several senior subordinated unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's other debt. The Senior Subordinated Notes and the guarantees are senior subordinated unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and a guarantor's future senior subordinated indebtedness; are subordinate in right of payment to all of Cinemark USA, Inc.'s and a guarantor's existing and future senior indebtedness, whether secured or unsecured, including Cinemark USA, Inc.'s obligations under its Senior Secured Credit Facility, its 5.125% Senior Notes and 4.875% Senior Notes; and structurally subordinate to all existing and future indebtedness and other liabilities of Cinemark USA, Inc.'s non-guarantor subsidiaries.

The indenture to the Senior Subordinated Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,072.8 million to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the Senior Subordinated Notes, subject to its available cash and other borrowing restrictions outlined in the indenture governing the Senior Subordinated Notes. Upon a change of control, as defined in the indenture, Cinemark USA, Inc. would be required to make an offer to repurchase the Senior Subordinated Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1, and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

Prior to June 15, 2016, Cinemark USA, Inc. may redeem all or any part of the Senior Subordinated Notes at its option at 100% of the principal amount plus a make-whole premium plus accrued and unpaid interest on the senior subordinated notes to the date of redemption. After June 15, 2016, Cinemark USA, Inc. may redeem the Senior Subordinated Notes in whole or in part at redemption prices specified in the indenture. In addition, prior to June 15, 2014, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the Senior Subordinated Notes from the net proceeds of certain equity offerings at the redemption price set forth in the indenture.

Cinemark USA, Inc. 8.625% Senior Notes

On June 29, 2009, Cinemark USA, Inc. issued \$470.0 million aggregate principal amount of 8.625% senior notes due 2019, or the 8.625% Senior Notes, with an original issue discount of \$11.5 million, resulting in proceeds of approximately \$458.5 million. On June 24, 2013, Cinemark USA, Inc. redeemed its 8.625% Senior Notes at 112.035% of the principal amount, inclusive of a make-whole premium, plus accrued and unpaid interest, utilizing the proceeds from the issuance of the 4.875% Senior Notes discussed above.

Covenant Compliance

As of December 31, 2015, we believe we were in full compliance with all agreements, including all related covenants, governing our outstanding debt.

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Ratings

We are rated by nationally recognized rating agencies. The rating scales and methodologies used to derive individual ratings may vary from agency to agency. Credit ratings are issued by credit rating agencies based on evaluations of our ability to pay back our outstanding debt and the likelihood that we would default on that debt prior to its maturity. The credit ratings issued by the credit rating agencies represent the credit rating agency's evaluation of both qualitative and quantitative information for our company. The credit ratings that are issued are based on the credit rating agency's judgment and experience in determining what information should be considered in giving a rating to a particular company. Ratings are always subject to change and there can be no assurance that our current ratings will continue for any given period of time. A downgrade of our debt ratings, depending on the extent, could increase the cost to borrow funds. Below are our current credit ratings.

<u>Category</u>	<u>Moody's</u>	<u>Standard and Poor's</u>
Cinemark USA, Inc. Senior Secured Credit Facility	Ba1	BBB-
Cinemark USA, Inc. 4.875% Senior Notes	B2	BB
Cinemark USA, Inc. 5.125% Senior Notes	B2	BB
Cinemark USA, Inc. 7.375% Senior Subordinated Notes	B3	B+

With respect to the ratings issued by Moody's as noted above, Moody's defines these ratings as follows:

- 'Ba1' — Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. The Prime-1 rating indicates the issuer has a superior ability to repay short-term debt.
- 'B2' — Obligations rated B are considered speculative and are subject to high credit risk. The Prime-2 portion of the rating indicates issuer has a strong ability to repay short-term debt.
- 'B3' — Obligations rated B are considered speculative and are subject to high credit risk. The Prime-3 portion of the rating indicates issuer has an acceptable ability to repay short-term debt.

With respect to the ratings issued by Standard and Poor's as noted above, Standard and Poor's defines these ratings as follows:

- BBB — An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
- BB — An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
- B — An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

New Accounting Pronouncements

In January 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2015-01, *Income Statement — Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*, ("ASU 2015-01"). ASU 2015-01 eliminates the concept of an extraordinary item from GAAP. With this update, there is no longer a need to segregate extraordinary items from the results of ordinary operations, separately present an extraordinary item on its income statement, net of tax, after income from continuing operations or disclose income taxes and earnings per share data applicable to an extraordinary item. However, presentation and disclosure requirements for items that are unusual in nature and occur infrequently still apply. ASU 2015-01 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. We have elected to early adopt ASU 2015-01, which had no impact on our consolidated financial statements.

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In February 2015, the FASB issued Accounting Standards Update 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*, (“ASU 2015-02”). ASU 2015-02 affects reporting entities that are required to evaluate whether they should consolidate certain legal entities. Specifically, ASU 2015-02 modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities, eliminates the presumption that a general partner should consolidate a limited partnership and affects the consolidation analysis of reporting entities that are involved with certain VIEs. ASU 2015-02 also provides a scope exception from consolidation guidance for reporting entities with interests in legal entities that are required to comply with or operate in accordance with requirements that are similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. ASU 2015-02 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. We are currently evaluating the impact of ASU 2015-02 on our consolidated financial statements.

In April 2015, the FASB issued Accounting Standards Update 2015-03 *Interest — Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* (“ASU 2015-03”). The update changes the presentation of debt issuance costs for term debt in the balance sheet by requiring the debt issuance costs be presented as a direct deduction from the related debt liability, rather than recorded as an asset. This guidance is effective for periods beginning after December 15, 2015, and interim periods within those annual periods applied retrospectively. Early adoption is permitted. We adopted this guidance in the fourth quarter of fiscal year 2015. Debt issuance costs associated with long-term debt, net of accumulated amortization, were \$31.4 million and \$33.2 million as of December 31, 2014 and 2015, respectively. The balance sheet as of December 31, 2014 has been recast to reflect the reclassification of debt issuances costs, net of accumulated amortization, from deferred charges and other assets — net to a reduction of long-term debt, less current portion.

In April 2015, the FASB issued Accounting Standards Update 2015-05 *Intangibles — Goodwill and Other — Internal Use Software (Subtopic 350-40): Customer’s Accounting for Fees Paid in Cloud Computing Arrangement*, (“ASU 2015-05”). ASU 2015-05 provides guidance to customers about whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. The guidance will not change GAAP for a customer’s accounting for service contracts. In addition, the guidance in this Update supersedes paragraph 350-40-25-16. Consequently, all software licenses within the scope of Subtopic 350-40 will be accounted for consistent with other licenses of intangible assets. ASU 2015-05 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. We have elected to early adopt ASU 2015-05, which had no impact on our consolidated financial statements.

In July 2015, the FASB issued Accounting Standards Update 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*, (“ASU 2015-11”). ASU 2015-11 affects reporting entities that measure inventory using first-in, first-out (FIFO) or average cost. Specifically, ASU 2015-11 requires that inventory be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. ASU 2015-11 is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. We do not expect ASU 2015-11 to have an impact on our consolidated financial statements.

In August 2015, the FASB issued Accounting Standards Update 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, (“ASU 2015-14”). ASU 2015-14 defers the effective date of Accounting Standards Update 2014-09: *Revenue from Contracts with Customers (Topic 606)*, (“ASU 2014-09”). The guidance in ASU 2014-09 is now effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. We are currently evaluating the impact of ASU 2014-09, as amended by ASU 2015-14, on our consolidated financial statements.

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In August 2015, the FASB issued Accounting Standards Update 2015-15, *Interest — Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements*, (“ASU 2015-15”). ASU 2015-15 adds clarification to the guidance presented in ASU 2015-03, as that guidance did not address the presentation or subsequent measurement of debt issuance costs related to line-of-credit arrangements. We adopted this ASU along with the original guidance in ASU 2015-03 discussed above. The guidance in this ASU did not have an impact on our consolidated financial statements.

In September 2015, the FASB issued Accounting Standards Update 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*, (“ASU 2015-16”). ASU 2015-16 was issued to simplify the accounting for adjustments made to provisional amounts recognized in a business combination and eliminates the requirement to retrospectively account for such adjustments. ASU 2015-16 requires an entity to present separately on the face of the income statement, or disclose in the notes, amounts recorded in current period earnings that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments should be applied prospectively to adjustments to provisional amounts that occur after the effective date with earlier application permitted for financial statements that have not been issued. We do not expect ASU 2015-16 to have a significant impact on our consolidated financial statements.

In November 2015, the FASB issued Accounting Standards Update 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”). ASU 2015-17 was issued to simplify the presentation of deferred income taxes. ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified balance sheet. However, the requirement that deferred tax liabilities and assets of a tax-paying component of an entity be offset and presented as a single amount is not affected. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Earlier application is permitted for all entities as of the beginning of an interim or annual reporting period. The amendments in ASU 2015-17 may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. We adopted this guidance in the fourth quarter of fiscal year 2015 and elected the prospective approach. Therefore, deferred taxes as of December 31, 2015 are recorded as long-term deferred tax assets and long-term deferred tax liabilities on the balance sheet. Balances as of December 31, 2014 have not been recast.

In January 2016, the FASB issued Accounting Standards Update 2016-01, *Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, (“ASU 2016-01”). ASU 2016-01 address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The guidance in ASU 2016-01 is effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted for financial statements of fiscal years that have not been previously issued. We are currently evaluating the impact of ASU 2016-01 on our consolidated financial statements.

Seasonality

Our revenues have historically been seasonal, coinciding with the timing of releases of motion pictures by the major distributors. Generally, the most successful motion pictures have been released during the summer, extending from May to July, and during the holiday season, extending from early November through year-end. The unexpected emergence of a hit film during other periods can alter this seasonality trend. The timing and quality of such film releases can have a significant effect on our results of operations, and the results of one quarter are not necessarily indicative of results for the next quarter or for the same period in the following year.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We have exposure to financial market risks, including changes in interest rates and foreign currency exchange rates.

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Interest Rate Risk

We are currently party to variable rate debt facilities. An increase or decrease in interest rates would affect our interest expense relating to our variable rate debt facilities. At December 31, 2015, there was an aggregate of approximately \$579.0 million of variable rate debt outstanding under these facilities, which excludes \$100.0 million of Cinemark USA, Inc.'s term loan debt that is hedged with the Company's interest rate swap agreement discussed below. Based on the interest rates in effect on the variable rate debt outstanding at December 31, 2015, a 100 basis point increase in market interest rates would increase our annual interest expense by approximately \$5.8 million.

Our interest rate swap agreement qualifies for cash flow hedge accounting. The fair value of the interest rate swap is recorded on our consolidated balance sheet as an asset or liability with the effective portion of the interest rate swap's gains or losses reported as a component of accumulated other comprehensive loss and the ineffective portion reported in earnings. Below is a summary of our interest rate swap agreement as of December 31, 2015:

Nominal Amount (in millions)	Effective Date	Pay Rate	Receive Rate	Expiration Date
\$ 100.0	November 2011	1.7150%	1-month LIBOR	April 2016

The table below provides information about our fixed rate and variable rate long-term debt agreements as of December 31, 2015:

	Expected Maturity for the Twelve-Month Periods Ending December 31, (in millions)							Fair Value	Average Interest Rate
	2016	2017	2018	2019	2020	Thereafter	Total		
Fixed rate ⁽¹⁾	\$1.4	\$1.4	\$1.4	\$1.4	\$—	\$1,230.0	\$1,235.6	\$1,229.5	5.3%
Variable rate	7.0	7.0	7.0	7.0	7.0	544.0	579.0	576.8	3.4%
Total debt ⁽²⁾	<u>\$8.4</u>	<u>\$8.4</u>	<u>\$8.4</u>	<u>\$8.4</u>	<u>\$ 7.0</u>	<u>\$1,774.0</u>	<u>\$1,814.6</u>	<u>\$1,806.3</u>	

⁽¹⁾ Includes \$100.0 million of the Cinemark USA, Inc. term loan, which represents the debt currently hedged with the Company's interest rate swap agreement.

⁽²⁾ Amounts are presented before adjusting for debt issuance costs.

Foreign Currency Exchange Rate Risk

We are also exposed to market risk arising from changes in foreign currency exchange rates as a result of our international operations. Generally, we export from the U.S. certain of the equipment and interior finish items and other operating supplies used by our international subsidiaries. A majority of the revenues and operating expenses of our international subsidiaries are transacted in the country's local currency. U.S. GAAP requires that our subsidiaries use the currency of the primary economic environment in which they operate as their functional currency. If our subsidiaries operate in a highly inflationary economy, U.S. GAAP requires that the U.S. dollar be used as the functional currency for the subsidiary. Currency fluctuations in the countries in which we operate result in us reporting exchange gains (losses) or foreign currency translation adjustments. Based upon our equity ownership in our international subsidiaries as of December 31, 2015, holding everything else constant, a 10% immediate, simultaneous, unfavorable change in all of the foreign currency exchange rates to which we are exposed, would decrease the aggregate net book value of our investments in our international subsidiaries by approximately \$30 million and would decrease the aggregate net income of our international subsidiaries for the years ended December 31, 2013, 2014 and 2015 by approximately \$7 million, \$8 million and \$7 million, respectively.

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Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary data are listed on the Index on page F-1 of this Form 10-K. Such financial statements and supplementary data are included herein beginning on page F-3.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of the Effectiveness of Disclosure Controls and Procedures

As of December 31, 2015, under the supervision and with the participation of our principal executive officer and principal financial officer, we carried out an evaluation required by the Exchange Act of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) of the Exchange Act. Based on this evaluation, our principal executive officer and principal financial officer concluded that, as of December 31, 2015, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and were effective to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 that occurred during the quarter ended December 31, 2015 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) of the Exchange Act. The Company's internal control framework and processes are designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements in accordance with the accounting principles generally accepted in the U.S. Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2015 based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, in *Internal Control —Integrated Framework (2013)*. As a result of this assessment, management concluded that, as of December 31, 2015, our internal control over financial reporting was effective.

Certifications of our Chief Executive Officer and our Chief Financial Officer, which are required in accordance with Rule 13a-14 of the Exchange Act, are attached as exhibits to this Annual Report. This "Controls and Procedures" section includes the information concerning the controls evaluation referred to in the certifications, and it should be read in conjunction with the certifications for a more complete understanding of the topics presented.

The Company's independent registered public accounting firm, Deloitte & Touche LLP, with direct access to the Company's board of directors through its Audit Committee, have audited the consolidated financial statements prepared by the Company. Their report on the consolidated financial statements is included in Part II, Item 8, Financial Statements and Supplementary Data. Deloitte & Touche LLP has issued an attestation report on

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the Company's internal control over financial reporting. Deloitte & Touche LLP's report on the Company's internal control over financial reporting is included herein.

Limitations on Controls

Management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors or fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

Item 9B. Other Information

None.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
Cinemark Holdings, Inc.
Plano, Texas

We have audited the internal control over financial reporting of Cinemark Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2015, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management’s report on internal control over financial reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company’s internal control over financial reporting is a process designed by, or under the supervision of, the company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the company’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2015 of the Company and our report dated February 24, 2016 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ Deloitte & Touche LLP

Dallas, Texas
February 24, 2016

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting (under the headings "Election of Directors", "Section 16(a) Beneficial Ownership Reporting Compliance", "Corporate Governance" and "Executive Officers") to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Item 11. Executive Compensation

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting (under the heading "Executive Compensation") to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting (under the headings "Security Ownership of Certain Beneficial Owners and Management") to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting (under the heading "Certain Relationships and Related Party Transactions" and "Corporate Governance") to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

Item 14. Principal Accounting Fees and Services

Incorporated by reference to the Company's proxy statement for its annual stockholders meeting (under the heading "Board Committees — Audit Committee — Fees Paid to Independent Registered Public Accounting Firm") to be held on May 26, 2016 and to be filed with the SEC within 120 days after December 31, 2015.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Documents Filed as Part of this Report

1. The financial statement schedules and related data listed in the accompanying Index beginning on page F-1 are filed as a part of this report.
2. The exhibits listed in the accompanying Index beginning on page E-1 are filed as a part of this report.

(b) Exhibits

See the accompanying Index beginning on page E-1.

(c) Financial Statement Schedules

Schedule I — Condensed Financial Information of Registrant beginning on page S-1.

All schedules not identified above have been omitted because they are not required, are not applicable or the information is included in the consolidated financial statements or notes contained in this report.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 24, 2016

CINEMARK HOLDINGS, INC.

BY: /s/ Mark Zoradi
Mark Zoradi
Chief Executive Officer

BY: /s/ Sean Gamble
Sean Gamble
Chief Financial Officer and
Principal Accounting Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby severally constitutes and appoints Mark Zoradi and Sean Gamble his true and lawful attorney-in-fact and agent, each with the power of substitution and resubstitution, for him in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with accompanying exhibits and other related documents, with the Securities and Exchange Commission, and ratify and confirm all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue of said appointment.

Pursuant to the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Lee Roy Mitchell</u> Lee Roy Mitchell	Chairman of the Board of Directors and Director	February 24, 2016
<u>/s/ Mark Zoradi</u> Mark Zoradi	Chief Executive Officer and Director (principal executive officer)	February 24, 2016
<u>/s/ Sean Gamble</u> Sean Gamble	Chief Financial Officer (principal financial and accounting officer)	February 24, 2016
<u>/s/ Tim Warner</u> Tim Warner	Vice Chairman and Director	February 24, 2016
<u>/s/ Benjamin D. Chereskin</u> Benjamin D. Chereskin	Director	February 24, 2016
<u>/s/ Enrique F. Senior</u> Enrique F. Senior	Director	February 24, 2016
<u>/s/ Raymond W. Syufy</u> Raymond W. Syufy	Director	February 24, 2016

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<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Carlos M. Sepulveda</u> Carlos M. Sepulveda	Director	February 24, 2016
<u>/s/ Donald G. Soderquist</u> Donald G. Soderquist	Director	February 24, 2016
<u>/s/ Steven Rosenberg</u> Steven Rosenberg	Director	February 24, 2016
<u>/s/ Nina Vaca</u> Nina Vaca	Director	February 24, 2016
<u>/s/ Darcy Antonellis</u> Darcy Antonellis	Director	February 24, 2016

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**SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO
SECTION 15(d) OF THE ACT BY REGISTRANTS WHICH HAVE NOT REGISTERED
SECURITIES PURSUANT TO SECTION 12 OF THE ACT.**

No annual report or proxy material has been sent to our stockholders. An annual report and proxy material may be sent to our stockholders subsequent to the filing of this Form 10-K. We shall furnish to the SEC copies of any annual report or proxy material that is sent to our stockholders.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
Cinemark Holdings, Inc.
Plano, Texas

We have audited the accompanying consolidated balance sheets of Cinemark Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2014 and 2015, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Company’s management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 consolidated financial statements present fairly, in all material respects, the financial position of Cinemark Holdings, Inc. and subsidiaries as of December 31, 2014 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company’s internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 24, 2016 expressed an unqualified opinion on the Company’s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Dallas, Texas
February 24, 2016

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31, 2014	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	\$ 638,869	\$ 588,539
Inventories	13,419	15,954
Accounts receivable	47,917	74,287
Current income tax receivable	19,350	22,877
Current deferred tax asset	10,518	—
Prepaid expenses and other	10,937	13,494
Total current assets	741,010	715,151
Theatre properties and equipment		
Land	95,699	95,479
Buildings	416,680	453,034
Property under capital lease	313,277	336,666
Theatre furniture and equipment	878,453	929,180
Leasehold interests and improvements	844,983	873,032
Total	2,549,092	2,687,391
Less accumulated depreciation and amortization	1,098,280	1,182,322
Theatre properties and equipment, net	1,450,812	1,505,069
Other assets		
Goodwill	1,277,383	1,247,548
Intangible assets — net	348,024	339,644
Investment in NCM	178,939	183,755
Investments in and advances to affiliates	77,658	94,973
Long-term deferred tax asset	164	2,114
Deferred charges and other assets — net (see Note 2)	46,571	38,243
Total other assets	1,928,739	1,906,277
Total assets	\$ 4,120,561	\$ 4,126,497
Liabilities and equity		
Current liabilities		
Current portion of long-term debt	\$ 8,423	\$ 8,405
Current portion of capital lease obligations	16,494	18,780
Current income tax payable	6,396	7,332
Current deferred tax liability	75	—
Current liability for uncertain tax positions	7,283	9,155
Accounts payable	119,172	108,844
Accrued film rentals	86,250	97,172
Accrued payroll	37,457	45,811
Accrued property taxes	29,925	31,719
Accrued other current liabilities	102,932	112,575
Total current liabilities	414,407	439,793
Long-term liabilities		
Long-term debt, less current portion (see Note 2)	1,783,155	1,772,930
Capital lease obligations, less current portion	201,978	208,952
Long-term deferred tax liability	140,973	139,905
Long-term liability for uncertain tax positions	8,410	7,853
Deferred lease expenses	46,003	43,333
Deferred revenue — NCM	335,219	342,134
Other long-term liabilities	67,287	60,784
Total long-term liabilities	2,583,025	2,575,891
Commitments and contingencies (see Note 19)		
Equity		
Cinemark Holdings, Inc.'s stockholders' equity		
Common stock, \$0.001 par value: 300,000,000 shares authorized; 119,757,582 shares issued and 115,700,447 shares outstanding at December 31, 2014 and 120,107,563 shares issued and 115,924,059 shares outstanding at December 31, 2015	120	120
Additional paid-in-capital	1,095,040	1,113,219
Treasury stock, 4,057,135 and 4,183,504 common shares at cost at December 31, 2014 and December 31, 2015, respectively	(61,807)	(66,577)
Retained earnings	224,219	324,632
Accumulated other comprehensive loss	(144,772)	(271,686)
Total Cinemark Holdings, Inc.'s stockholders' equity	1,112,800	1,099,708
Noncontrolling interests	10,329	11,105
Total equity	1,123,129	1,110,813
Total liabilities and equity	\$ 4,120,561	\$ 4,126,497

The accompanying notes are an integral part of the consolidated financial statements.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2013, 2014 AND 2015
(In thousands, except per share data)

	2013	2014	2015
Revenues			
Admissions	\$ 1,706,145	\$ 1,644,169	\$ 1,765,519
Concession	845,168	845,376	936,970
Other	131,581	137,445	150,120
Total revenues	<u>2,682,894</u>	<u>2,626,990</u>	<u>2,852,609</u>
Cost of operations			
Film rentals and advertising	919,511	883,052	976,590
Concession supplies	135,715	131,985	144,270
Salaries and wages	269,353	273,880	301,099
Facility lease expense	307,851	317,096	319,761
Utilities and other	305,703	308,445	324,851
General and administrative expenses	165,351	151,444	156,736
Depreciation and amortization	163,970	175,656	189,206
Impairment of long-lived assets	3,794	6,647	8,801
(Gain) loss on sale of assets and other	(3,845)	15,715	8,143
Total cost of operations	<u>2,267,403</u>	<u>2,263,920</u>	<u>2,429,457</u>
Operating income	415,491	363,070	423,152
Other income (expense)			
Interest expense	(124,714)	(113,698)	(112,741)
Interest income	3,622	5,599	8,708
Foreign currency exchange loss	(1,616)	(6,192)	(16,793)
Loss on amendment to debt agreement	—	—	(925)
Loss on early retirement of debt	(72,302)	—	—
Distributions from NCM	20,701	18,541	18,140
Equity in income of affiliates	22,682	22,743	28,126
Total other expense	<u>(151,627)</u>	<u>(73,007)</u>	<u>(75,485)</u>
Income before income taxes	263,864	290,063	347,667
Income taxes	113,316	96,064	128,939
Net income	150,548	193,999	218,728
Less: Net income attributable to noncontrolling interests	2,078	1,389	1,859
Net income attributable to Cinemark Holdings, Inc.	<u>\$ 148,470</u>	<u>\$ 192,610</u>	<u>\$ 216,869</u>
Weighted average shares outstanding			
Basic	113,896	114,653	115,080
Diluted	114,396	114,966	115,399
Earnings per share attributable to Cinemark Holdings, Inc.'s common stockholders:			
Basic	<u>\$ 1.28</u>	<u>\$ 1.66</u>	<u>\$ 1.87</u>
Diluted	<u>\$ 1.28</u>	<u>\$ 1.66</u>	<u>\$ 1.87</u>

The accompanying notes are an integral part of the consolidated financial statements.

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2013, 2014 AND 2015
(In thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net income	\$ 150,548	\$ 193,999	\$ 218,728
Other comprehensive income (loss), net of tax			
Unrealized gain due to fair value adjustments on interest rate swap agreements, net of taxes of \$1,865, \$1,759 and \$1,562, net of settlements	3,151	2,846	2,636
Unrealized gain (loss) due to fair value adjustments on available-for-sale securities, net of taxes of \$1,223, \$1,479 and \$572	(2,041)	2,507	(957)
Other comprehensive income (loss) in equity method investments	2,386	676	(3,119)
Foreign currency translation adjustments, net of taxes of \$0, \$0, and \$888	(47,699)	(68,997)	(125,512)
Total other comprehensive loss, net of tax	(44,203)	(62,968)	(126,952)
Total comprehensive income, net of tax	106,345	131,031	91,776
Comprehensive income attributable to noncontrolling interests	(1,996)	(1,374)	(1,821)
Comprehensive income attributable to Cinemark Holdings, Inc.	<u>\$ 104,349</u>	<u>\$ 129,657</u>	<u>\$ 89,955</u>

The accompanying notes are an integral part of the consolidated financial statements.

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
YEARS ENDED DECEMBER 31, 2013, 2014 AND 2015
(In thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Cinemark Holdings, Inc.'s Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares Issued	Amount	Shares Acquired	Amount						
Balance at January 1, 2013	118,503	\$ 118	(3,553)	\$(48,482)	\$1,064,016	\$ 106,111	\$ (37,698)	\$ 1,084,065	\$ 10,919	\$1,094,984
Issuance of restricted stock	284	1	—	—	—	—	—	1	—	1
Issuance of stock upon vesting of restricted stock units	284	—	—	—	—	—	—	—	—	—
Exercise of stock options	6	—	—	—	57	—	—	57	—	57
Restricted stock forfeitures and stock withholdings related to share based awards that vested during the year ended December 31, 2013	—	—	(142)	(3,464)	—	—	—	(3,464)	—	(3,464)
Share based awards compensation expense	—	—	—	—	16,886	—	—	16,886	—	16,886
Tax benefit related to stock option exercises and share based award vestings	—	—	—	—	2,963	—	—	2,963	—	2,963
Purchase of noncontrolling interests' share of Brazilian subsidiary	—	—	—	—	(4,618)	—	—	(4,618)	(1,003)	(5,621)
Dividends paid to stockholders, \$0.92 per share	—	—	—	—	—	(106,045)	—	(106,045)	—	(106,045)
Dividends accrued on unvested restricted stock unit awards	—	—	—	—	—	(772)	—	(772)	—	(772)
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	—	(2,917)	(2,917)
Net income	—	—	—	—	—	148,470	—	148,470	2,078	150,548
Other comprehensive loss	—	—	—	—	—	—	(44,121)	(44,121)	(82)	(44,203)
Balance at December 31, 2013	119,077	\$ 119	(3,695)	\$(51,946)	\$1,079,304	\$ 147,764	\$ (81,819)	\$ 1,093,422	\$ 8,995	\$1,102,417
Issuance of restricted stock	270	—	—	—	—	—	—	—	—	—
Issuance of stock upon vesting of restricted stock units	396	1	—	—	—	—	—	1	—	1
Exercise of stock options	15	—	—	—	112	—	—	112	—	112
Restricted stock forfeitures and stock withholdings related to share based awards that vested during the year ended December 31, 2014	—	—	(362)	(9,861)	—	—	—	(9,861)	—	(9,861)
Share based awards compensation expense	—	—	—	—	12,818	—	—	12,818	—	12,818
Tax benefit related to stock option exercises and share based award vestings	—	—	—	—	2,806	—	—	2,806	—	2,806
Noncontrolling interests' share of acquired subsidiary	—	—	—	—	—	—	—	—	346	346
Dividends paid to stockholders, \$1.00 per share	—	—	—	—	—	(115,625)	—	(115,625)	—	(115,625)
Dividends accrued on unvested restricted stock unit awards	—	—	—	—	—	(530)	—	(530)	—	(530)
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	—	(386)	(386)
Net income	—	—	—	—	—	192,610	—	192,610	1,389	193,999
Other comprehensive loss	—	—	—	—	—	—	(62,953)	(62,953)	(15)	(62,968)
Balance at December 31, 2014	119,758	\$ 120	(4,057)	\$(61,807)	\$1,095,040	\$ 224,219	\$ (144,772)	\$ 1,112,800	\$ 10,329	\$1,123,129
Issuance of restricted stock	226	—	—	—	—	—	—	—	—	—
Issuance of stock upon vesting of restricted stock units	124	—	—	—	—	—	—	—	—	—
Restricted stock forfeitures and stock withholdings related to share based awards that vested during the year ended December 31, 2015	—	—	(127)	(4,770)	—	—	—	(4,770)	—	(4,770)
Share based awards compensation expense	—	—	—	—	15,758	—	—	15,758	—	15,758
Tax benefit related to share based award vestings	—	—	—	—	2,421	—	—	2,421	—	2,421
Dividends paid to stockholders, \$1.00 per share	—	—	—	—	—	(115,863)	—	(115,863)	—	(115,863)
Dividends accrued on unvested restricted stock unit awards	—	—	—	—	—	(593)	—	(593)	—	(593)
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	—	(1,045)	(1,045)
Net income	—	—	—	—	—	216,869	—	216,869	1,859	218,728
Other comprehensive loss	—	—	—	—	—	—	(126,914)	(126,914)	(38)	(126,952)
Balance at December 31, 2015	120,108	\$ 120	(4,184)	\$(66,577)	\$1,113,219	\$ 324,632	\$ (271,686)	\$ 1,099,708	\$ 11,105	\$1,110,813

The accompanying notes are an integral part of the consolidated financial statements.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013, 2014 AND 2015
(In thousands)

	2013	2014	2015
Operating activities			
Net income	\$ 150,548	\$ 193,999	\$ 218,728
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	160,071	173,138	186,898
Amortization of intangible and other assets and favorable/unfavorable leases	3,899	2,518	2,308
Amortization of long-term prepaid rents	2,625	1,542	2,361
Amortization of debt issue costs	5,476	5,245	5,151
Amortization of deferred revenues, deferred lease incentives and other	(11,712)	(13,665)	(17,163)
Amortization of bond discount	482	—	—
Impairment of long-lived assets	3,794	6,647	8,801
Share based awards compensation expense	16,886	12,818	15,758
(Gain) loss on sale of assets and other	(3,845)	15,715	8,143
Write-off of unamortized debt issue costs, debt discount and accumulated other comprehensive loss related to early retirement of debt	15,688	—	—
Deferred lease expenses	5,701	2,536	(1,806)
Equity in income of affiliates	(22,682)	(22,743)	(28,126)
Deferred income tax expenses	(37,790)	526	11,095
Interest paid on redemption of senior notes	(8,054)	—	—
Distributions from equity investees	13,658	19,172	19,027
Changes in other assets and liabilities:			
Inventories	(1,539)	400	(2,535)
Accounts receivable	(15,938)	33,804	(26,370)
Income tax receivable	4,060	(18,681)	(3,527)
Prepaid expenses and other	(3,557)	4,011	(2,557)
Deferred charges and other assets — net	(17,624)	19,713	8,126
Accounts payable and accrued expenses	48,963	32,570	43,827
Income tax payable	15,035	(15,685)	936
Liabilities for uncertain tax positions	(14,345)	(4,437)	1,315
Other long-term liabilities	(134)	5,491	5,481
Net cash provided by operating activities	309,666	454,634	455,871
Investing activities			
Additions to theatre properties and equipment	(259,670)	(244,705)	(331,726)
Proceeds from sale of theatre properties and equipment and other	34,271	2,545	9,966
Acquisition of theatres in the U.S., net of cash acquired	(259,247)	(7,951)	—
Acquisition of theatre in Brazil	—	—	(2,651)
Proceeds from disposition of Mexico theatres	126,167	—	—
Investment in joint ventures and other	(6,222)	(3,228)	(3,711)
Net cash used for investing activities	(364,701)	(253,339)	(328,122)
Financing activities			
Proceeds from stock option exercises	57	112	—
Payroll taxes paid as a result of restricted stock withholdings	(3,464)	(9,861)	(4,770)
Dividends paid to stockholders	(106,045)	(115,625)	(115,863)
Proceeds from issuance of notes	530,000	—	—
Other short term borrowings	1,473	—	—
Redemption of senior notes	(461,946)	—	—
Repayments of other long-term debt	(9,339)	(9,846)	(8,420)
Payment of debt issue costs	(9,328)	—	(6,957)
Payments on capital leases	(12,015)	(14,035)	(16,513)
Purchases of non-controlling interests	(5,621)	—	—
Other	44	2,422	1,376
Net cash used for financing activities	(76,184)	(146,833)	(151,147)
Effect of exchange rates on cash and cash equivalents	(11,516)	(15,522)	(26,932)
Increase (decrease) in cash and cash equivalents	(142,735)	38,940	(50,330)
Cash and cash equivalents:			
Beginning of year	742,664	599,929	638,869
End of year	\$ 599,929	\$ 638,869	\$ 588,539

Supplemental information (see Note 17)

The accompanying notes are an integral part of the consolidated financial statements.

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
In thousands, except share and per share data

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business — Cinemark Holdings, Inc. and subsidiaries (the “Company”) operates in the motion picture exhibition industry, with theatres in the United States (“U.S.”), Brazil, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia and Curaçao. The Company operated theatres in Mexico until November 15, 2013 (see Note 5).

Principles of Consolidation — The consolidated financial statements include the accounts of Cinemark Holdings, Inc., its subsidiaries and its affiliates. Majority-owned subsidiaries that the Company has control of are consolidated while those affiliates of which the Company owns between 20% and 50% and does not control are accounted for under the equity method. Those affiliates of which the Company owns less than 20% are generally accounted for under the cost method, unless the Company is deemed to have the ability to exercise significant influence over the affiliate, in which case the Company would account for its investment under the equity method. The results of these subsidiaries and affiliates are included in the consolidated financial statements effective with their formation or from their dates of acquisition. Intercompany balances and transactions are eliminated in consolidation.

Cash and Cash Equivalents — Cash and cash equivalents consist of operating funds held in financial institutions, petty cash held by the theatres and highly liquid investments with original maturities of three months or less when purchased. Cash investments were primarily in money market funds or other similar funds.

Accounts Receivable — Accounts receivable, which are recorded at net realizable value, consists primarily of receivables related to screen advertising, receivables related to discounted tickets sold to retail locations, receivables from landlords related to theatre construction, rebates earned from the Company’s beverage and other concession vendors and value-added and other non-income tax receivables.

Inventories — Concession and theatre supplies inventories are stated at the lower of cost (first-in, first-out method) or market.

Theatre Properties and Equipment — Theatre properties and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

<u>Category</u>	<u>Useful Life</u>
Buildings on owned land	40 years
Buildings on leased land	Lesser of lease term or useful life
Land and buildings under capital lease ⁽¹⁾	Lesser of lease term or useful life
Theatre furniture and equipment	3 to 15 years
Leasehold improvements	Lesser of lease term or useful life

⁽¹⁾ Amortization of capital lease assets is included in depreciation and amortization expense on the consolidated statements of income. Accumulated amortization of capital lease assets as of December 31, 2014 and 2015 was \$133,022 and \$150,968, respectively.

The Company reviews long-lived assets for impairment indicators on a quarterly basis or whenever events or changes in circumstances indicate the carrying amount of the assets may not be fully recoverable.

The Company considers actual theatre level cash flows, budgeted theatre level cash flows, theatre property and equipment carrying values, amortizing intangible asset carrying values, the age of a recently built theatre,

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competitive theatres in the marketplace, the impact of recent ticket price changes, available lease renewal options and other factors considered relevant in its assessment of impairment of individual theatre assets. Long-lived assets are evaluated for impairment on an individual theatre basis, which the Company believes is the lowest applicable level for which there are identifiable cash flows. The impairment evaluation is based on the estimated undiscounted cash flows from continuing use through the remainder of the theatre's useful life. The remainder of the theatre's useful life correlates with the available remaining lease period, which includes the probability of renewal periods, for leased properties and the lesser of twenty years or the building's remaining useful life for fee-owned properties. If the estimated undiscounted cash flows are not sufficient to recover a long-lived asset's carrying value, the Company then compares the carrying value of the asset group (theatre) with its estimated fair value. When estimated fair value is determined to be lower than the carrying value of the asset group (theatre), the asset group (theatre) is written down to its estimated fair value. Significant judgment is involved in estimating cash flows and fair value. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820-10-35, are based on historical and projected operating performance, recent market transactions and current industry trading multiples. Fair value is determined based on a multiple of cash flows, which was six and a half times for the evaluations performed during 2013, 2014 and 2015. The long-lived asset impairment charges recorded during each of the periods presented are specific to theatres that were directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or the conditions of the areas surrounding the theatre. See Note 9.

Goodwill and Other Intangible Assets— The Company evaluates goodwill for impairment annually during the fourth quarter or whenever events or changes in circumstances indicate the carrying value of the goodwill may not be fully recoverable. The Company evaluates goodwill for impairment at the reporting unit level and has allocated goodwill to the reporting unit based on an estimate of its relative fair value. Management considers the reporting unit to be each of its nineteen regions in the U.S. and seven countries internationally (Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala are considered one reporting unit). Goodwill impairment was evaluated using a two-step approach during 2013 and 2014, requiring the Company to compute the fair value of a reporting unit and compare it with its carrying value. If the carrying value of the reporting unit exceeds its estimated fair value, a second step is performed to measure the potential goodwill impairment. Significant judgment is involved in estimating cash flows and fair value. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35, are based on historical and projected operating performance, recent market transactions and current industry trading multiples. Fair value is determined based on a multiple of cash flows, which was eight times for the evaluations performed during 2013 and 2014. As of December 31, 2014, the estimated fair value of the Company's goodwill exceeded their carrying values by at least 10%.

For the year ended December 31, 2015, the Company performed a qualitative goodwill impairment assessment on all reporting units except one, in accordance with ASU 2011-08 *Testing Goodwill for Impairment* ("ASU 2011-08"). The qualitative assessment included consideration of historical and expected future industry performance, estimated future performance of the Company, current industry trading multiples and other economic factors. Based on the qualitative assessment performed, the Company determined that it was not more likely than not that the fair value of the reporting units were less than their carrying values. The Company performed the quantitative two-step approach on a new U.S. region that had not previously been assessed for goodwill impairment. The fair value for the new reporting unit was determined based on a multiple of estimated cash flows, which was eight times, and exceeded its carrying value by more than 10%.

Tradename intangible assets are tested for impairment at least annually during the fourth quarter or whenever events or changes in circumstances indicate the carrying value may not be fully recoverable. During

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2013 and 2014, the Company estimated the fair value of its tradenames by applying an estimated market royalty rate that could be charged for the use of our tradename to forecasted future revenues, with an adjustment for the present value of such royalties. If the estimated fair value is less than the carrying value, the tradename intangible asset is written down to its estimated fair value. Significant judgment is involved in estimating market royalty rates and long-term revenue forecasts. Management's estimates, which fall under Level 3 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35, are based on historical and projected revenue performance and industry trends. As of December 31, 2014, the estimated fair value of the Company's tradename intangible assets exceeded their carrying values by at least 10%. For the year ended December 31, 2015, the Company performed a qualitative tradename intangible asset impairment assessment in accordance with ASU 2011-08. The qualitative assessment included consideration of the Company's historical and forecasted revenues and estimated royalty rates for each tradename intangible asset. Based on the qualitative assessment performed, the Company determined that it was not more likely than not that the fair values of tradename intangible assets were less than their carrying values.

The table below summarizes the Company's intangible assets and the amortization method used for each type of intangible asset:

<u>Intangible Asset</u>	<u>Amortization Method</u>
Goodwill	Indefinite-lived
Tradename	Indefinite-lived
Vendor contracts	Straight-line method over the terms of the underlying contracts. The remaining terms of the underlying contracts range from two to five years.
Favorable/unfavorable leases	Based on the pattern in which the economic benefits are realized over the terms of the lease agreements. The remaining terms of the lease agreements range from approximately three to twenty-one years.
Other intangible assets	Straight-line method over the terms of the underlying agreement or the expected useful life of the intangible asset. The remaining useful lives of these intangible assets range from two to eleven years.

Deferred Charges and Other Assets— Deferred charges and other assets consist of long-term prepaid rents, construction and other deposits, equipment to be placed in service, and other assets of a long-term nature. Long-term prepaid rents represent prepayments of rent on operating leases. These payments are recognized as facility lease expense over the period for which the rent was paid in advance as outlined in the lease agreements. The amortization periods generally range from one to ten years.

Lease Accounting— The Company evaluates each lease for classification as either a capital lease or an operating lease. The Company records the lease as a capital lease at its inception if 1) the present value of future minimum lease payments exceeds 90% of the leased property's estimated fair value; 2) the lease term exceeds 75% of the property's estimated useful life; 3) the lease contains a bargain purchase option; or 4) ownership transfers to the Company at the end of the lease. The Company performs this evaluation at the inception of the lease and when a modification is made to a lease. If the lease agreement calls for a scheduled rent increase during the lease term, the Company recognizes the lease expense on a straight-line basis over the lease term. The Company determines the straight-line rent expense impact of an operating lease upon inception of the lease. The landlord is typically responsible for constructing a theatre using guidelines and specifications agreed to by the Company and assumes substantially all of the risk of construction. If the Company concludes that it has substantially all of the construction period risks, it records a construction asset and related liability for the amount of total project costs incurred during the construction period. At the end of the construction period, the Company determines if the transaction qualifies for sale-leaseback accounting treatment in regards to lease

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classification. If the Company receives a lease incentive payment from a landlord, the Company records the proceeds as a deferred lease incentive liability and amortizes the liability as a reduction in rent expense over the initial term of the respective lease.

Deferred Revenues — Advances collected on long-term screen advertising, concession and other contracts are recorded as deferred revenues. In accordance with the terms of the agreements, the advances collected on such contracts are recognized during the period in which the advances are earned, which may differ from the period in which the advances are collected. These advances are recognized on either a straight-line basis over the term of the contracts or as such revenues are earned in accordance with the terms of the contracts.

Self-Insurance Reserves — The Company is self-insured for general liability claims subject to an annual cap. For the years ended December 31, 2013, 2014 and 2015, claims were capped at \$250, \$100 and \$100 per occurrence, respectively, with annual caps of approximately \$2,600, \$2,670 and \$2,900, respectively. The Company is also self-insured for medical claims up to \$125 per occurrence. The Company is fully insured for workers compensation claims. As of December 31, 2014 and 2015, the Company's insurance reserves were \$7,675 and \$9,039, respectively, and are reflected in accrued other current liabilities in the consolidated balance sheets.

Revenue and Expense Recognition — Revenues are recognized when admissions and concession sales are received at the box office. Other revenues primarily consist of screen advertising. Screen advertising revenues are recognized over the period that the related advertising is delivered on-screen or in-theatre. The Company records proceeds from the sale of gift cards and other advanced sale-type certificates in current liabilities and recognizes admissions or concession revenue when a holder redeems the card or certificate. The Company recognizes unredeemed gift cards and other advanced sale-type certificates as revenue only after such a period of time indicates, based on historical experience, the likelihood of redemption is remote, and based on applicable laws and regulations. In evaluating the likelihood of redemption, the Company considers the period outstanding, the level and frequency of activity, and the period of inactivity. As of December 31, 2014 and 2015, the Company's liabilities for advanced sale-type certificates were approximately \$63,209 and \$68,158, respectively, and are reflected in accrued other current liabilities on the consolidated balance sheets. The Company recognized unredeemed gift cards and other advanced sale-type certificates as revenues in the amount of \$10,684, \$12,233 and \$11,786 during the years ended December 31, 2013, 2014 and 2015, respectively.

Film rental costs are accrued based on the applicable box office receipts and either firm terms or a sliding scale formula, which are generally established prior to the opening of the film, or estimates of the final rate, which occurs at the conclusion of the film run, subject to the film licensing arrangement. Under a firm terms formula, the Company pays the distributor a percentage of box office receipts, which reflects either an aggregate rate for the life of the film or rates that decline over the term of the run. Under a sliding scale formula, film rental is paid as a percentage of box office revenues using a pre-determined matrix based upon box office performance of the film. The settlement process allows for negotiation of film rental fees upon the conclusion of the film run based upon how the film performs. Estimates are based on the expected success of a film. The success of a film can typically be determined a few weeks after a film is released when initial box office performance of the film is known. Accordingly, final settlements typically approximate estimates since box office receipts are known at the time the estimate is made and the expected success of a film can typically be estimated early in the film's run. If actual settlements are different than those estimates, film rental costs are adjusted at that time.

Accounting for Share Based Awards — The Company measures the cost of employee services received in exchange for an equity award based on the fair value of the award on the date of the grant. The grant date fair value is estimated using a market observed price. Such costs are recognized over the period during which an

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employee is required to provide service in exchange for the award (which is usually the vesting period). At the time of the grant, the Company also estimates the number of instruments that will ultimately be forfeited. See Note 16 for discussion of the Company's share based awards and related compensation expense.

Income Taxes — The Company uses an asset and liability approach to financial accounting and reporting for income taxes. Deferred income taxes are provided when tax laws and financial accounting standards differ with respect to the amount of income for a year and the basis of assets and liabilities. A valuation allowance is recorded to reduce the carrying amount of deferred tax assets unless it is more likely than not that such assets will be realized. Income taxes are provided on unremitted earnings from foreign subsidiaries unless such earnings are expected to be indefinitely reinvested. Income taxes have also been provided for potential tax assessments. The evaluation of an uncertain tax position is a two-step process. The first step is recognition: The Company determines whether it is more likely than not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, the Company should presume that the position would be examined by the appropriate taxing authority that would have full knowledge of all relevant information. The second step is measurement: A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Differences between tax positions taken in a tax return and amounts recognized in the financial statements result in (1) a change in a liability for income taxes payable or (2) a change in an income tax refund receivable, a deferred tax asset or a deferred tax liability or both (1) and (2). The Company accrues interest and penalties on its uncertain tax positions as a component of income tax expense.

Segments — For the years ended December 31, 2013, 2014 and 2015, the Company managed its business under two reportable operating segments, U.S. markets and international markets. See Note 20.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. The Company's consolidated financial statements include amounts that are based on management's best estimates and judgments. Actual results could differ from those estimates.

Foreign Currency Translations — The assets and liabilities of the Company's foreign subsidiaries are translated into U.S. dollars at current exchange rates as of the balance sheet date, and revenues and expenses are translated at average monthly exchange rates. The resulting translation adjustments are recorded in the consolidated balance sheets in accumulated other comprehensive loss. See Note 14 for a summary of the translation adjustments recorded in accumulated other comprehensive loss for the years ended December 31, 2013, 2014 and 2015. The Company recognizes foreign currency transaction gains and losses when changes in exchange rates impact transactions, other than intercompany transactions of a long-term investment nature, that have been denominated in a currency other than the functional currency.

Fair Value Measurements — According to authoritative guidance, inputs used in fair value measurements fall into three different categories; Level 1, Level 2 and Level 3. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The Company has interest rate swap agreements and investments in marketable securities that are

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adjusted to fair value on a recurring basis (quarterly). With respect to its interest rate swap agreements, the Company uses the income approach to determine the fair value of its interest rate swap agreements and under this approach, the Company uses projected future interest rates as provided by the counterparties to the interest rate swap agreements and the fixed rates that the Company is obligated to pay under these agreements. Therefore, the Company's fair value measurements for its interest rate swaps use significant unobservable inputs, which fall in Level 3. With respect to its investments in marketable securities, the Company uses quoted market prices, which fall under Level 1 of the hierarchy. There were no changes in valuation techniques during the period and no transfers in or out of Level 1, Level 2 or Level 3 during the years ended December 31, 2013, 2014 or 2015. See Note 12 for further discussion of the Company's interest rate swap agreements and Note 13 for further discussion of the Company's fair value measurements. The Company also uses fair value measurements on a nonrecurring basis, primarily in the impairment evaluations for goodwill, intangible assets and other long-lived assets. See *Goodwill and Other Intangible Assets* and *Theatre Properties and Equipment* included above for discussion of such fair value measurements.

Acquisitions — The Company accounts for acquisitions under the acquisition method of accounting. The acquisition method requires that the acquired assets and liabilities, including contingencies, be recorded at fair value determined on the acquisition date and changes thereafter reflected in income. For significant acquisitions, the Company obtains independent third party valuation studies for certain of the assets acquired and liabilities assumed to assist the Company in determining fair value. The estimation of the fair values of the assets acquired and liabilities assumed involves a number of estimates and assumptions that could differ materially from the actual amounts realized. The Company provides assumptions, including both quantitative and qualitative information, about the specified asset or liability to the third party valuation firms. The Company primarily utilizes the third parties to accumulate comparative data from multiple sources and assemble a report that summarizes the information obtained. The Company then uses the information to record estimated fair value. The third party valuation firms are supervised by Company personnel who are knowledgeable about valuations and fair value. The Company evaluates the appropriateness of the assumptions and valuation methodologies utilized by the third party valuation firm.

2. NEW ACCOUNTING PRONOUNCEMENTS

In January 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2015-01, *Income Statement — Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*, ("ASU 2015-01"). ASU 2015-01 eliminates the concept of an extraordinary item from GAAP. With this update, there is no longer a need to segregate extraordinary items from the results of ordinary operations, separately present an extraordinary item on its income statement, net of tax, after income from continuing operations or disclose income taxes and earnings per share data applicable to an extraordinary item. However, presentation and disclosure requirements for items that are unusual in nature and occur infrequently still apply. ASU 2015-01 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. The Company has elected to early adopt ASU 2015-01, which had no impact on its consolidated financial statements.

In February 2015, the FASB issued Accounting Standards Update 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*, ("ASU 2015-02"). ASU 2015-02 affects reporting entities that are required to evaluate whether they should consolidate certain legal entities. Specifically, ASU 2015-02 modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities, eliminates the presumption that a general partner should consolidate a limited partnership and affects the consolidation analysis of reporting entities that are involved with certain VIEs. ASU 2015-02 also provides a scope exception from consolidation guidance for reporting entities with interests in legal entities that

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are required to comply with or operate in accordance with requirements that are similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. ASU 2015-02 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2015-02 on its consolidated financial statements.

In April 2015, the FASB issued Accounting Standards Update 2015-03, *Interest — Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* (“ASU 2015-03”). The update changes the presentation of debt issuance costs for term debt in the balance sheet by requiring the debt issuance costs be presented as a direct deduction from the related debt liability, rather than recorded as an asset. This guidance is effective for periods beginning after December 15, 2015, and interim periods within those annual periods applied retrospectively. Early adoption is permitted. The Company adopted this guidance in the fourth quarter of fiscal year 2015. Debt issuance costs associated with long-term debt, net of accumulated amortization, were \$31,419 and \$33,237 as of December 31, 2014 and 2015, respectively. The balance sheet as of December 31, 2014 has been recast to reflect the reclassification of debt issuances costs, net of accumulated amortization, from deferred charges and other assets — net to a reduction of long-term debt, less current portion.

In April 2015, the FASB issued Accounting Standards Update 2015-05, *Intangibles — Goodwill and Other — Internal Use Software (Subtopic 350-40): Customer’s Accounting for Fees Paid in Cloud Computing Arrangement*, (“ASU 2015-05”). ASU 2015-05 provides guidance to customers about whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. The guidance will not change GAAP for a customer’s accounting for service contracts. In addition, the guidance in this Update supersedes paragraph 350-40-25-16. Consequently, all software licenses within the scope of Subtopic 350-40 will be accounted for consistent with other licenses of intangible assets. ASU 2015-05 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. The Company has elected to early adopt ASU 2015-05, which had no impact on its consolidated financial statements.

In July 2015, the FASB issued Accounting Standards Update 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*, (“ASU 2015-11”). ASU 2015-11 affects reporting entities that measure inventory using first-in, first-out (FIFO) or average cost. Specifically, ASU 2015-11 requires that inventory be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. ASU 2015-11 is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. The Company does not expect ASU 2015-11 to have an impact on its consolidated financial statements.

In August 2015, the FASB issued Accounting Standards Update 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, (“ASU 2015-14”). ASU 2015-14 defers the effective date of Accounting Standards Update 2014-09: *Revenue from Contracts with Customers (Topic 606)*, (“ASU 2014-09”). The guidance in ASU 2014-09 is now effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. The Company is currently evaluating the impact of ASU 2014-09, as amended by ASU 2015-14, on its consolidated financial statements.

In August 2015, the FASB issued Accounting Standards Update 2015-15, *Interest — Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-*

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Credit Arrangements, (“ASU 2015-15”). ASU 2015-15 adds clarification to the guidance presented in ASU 2015-03, as that guidance did not address the presentation or subsequent measurement of debt issuance costs related to line-of-credit arrangements. The Company adopted this ASU along with the original guidance in ASU 2015-03 discussed above. The guidance in this ASU did not have an impact on the consolidated financial statements.

In September 2015, the FASB issued Accounting Standards Update 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*, (“ASU 2015-16”). ASU 2015-16 was issued to simplify the accounting for adjustments made to provisional amounts recognized in a business combination and eliminates the requirement to retrospectively account for such adjustments. ASU 2015-16 requires an entity to present separately on the face of the income statement, or disclose in the notes, amounts recorded in current period earnings that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments should be applied prospectively to adjustments to provisional amounts that occur after the effective date with earlier application permitted for financial statements that have not been issued. The Company does not expect ASU 2015-16 to have a significant impact on its consolidated financial statements.

In November 2015, the FASB issued Accounting Standards Update 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”). ASU 2015-17 was issued to simplify the presentation of deferred income taxes. ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified balance sheet. However, the requirement that deferred tax liabilities and assets of a tax-paying component of an entity be offset and presented as a single amount is not affected. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Earlier application is permitted for all entities as of the beginning of an interim or annual reporting period. The amendments in ASU 2015-17 may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. The Company adopted this guidance in the fourth quarter of fiscal year 2015 and elected the prospective approach. Therefore, deferred taxes as of December 31, 2015 are recorded as long-term deferred tax assets and long-term deferred tax liabilities on the consolidated balance sheet. Balances as of December 31, 2014 have not been recast.

In January 2016, the FASB issued Accounting Standards Update 2016-01, *Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, (“ASU 2016-01”). ASU 2016-01 address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The guidance in ASU 2016-01 is effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted for financial statements of fiscal years that have not been previously issued. The Company is currently evaluating the impact of ASU 2016-01 on its consolidated financial statements.

3. EARNINGS PER SHARE

The Company considers its unvested share based payment awards, which contain non-forfeitable rights to dividends, participating securities, and includes such participating securities in its computation of earnings per share pursuant to the two-class method. Basic earnings per share for the two classes of stock (common stock and unvested restricted stock) is calculated by dividing net income by the weighted average number of shares of common stock and unvested restricted stock outstanding during the reporting period. Diluted earnings per share is calculated using the weighted average number of shares of common stock and unvested restricted stock plus the potentially dilutive effect of common equivalent shares outstanding determined under both the two class method and the treasury stock method.

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The following table presents computations of basic and diluted earnings per share under the two class method:

	Year ended December 31,		
	2013	2014	2015
Numerator:			
Net income attributable to Cinemark Holdings, Inc.	\$ 148,470	\$ 192,610	\$ 216,869
Earnings allocated to participating share-based awards ⁽¹⁾	(1,530)	(1,345)	(1,306)
Net income attributable to common stockholders	<u>\$ 146,940</u>	<u>\$ 191,265</u>	<u>\$ 215,563</u>
Denominator (shares in thousands):			
Basic weighted average common stock outstanding	113,896	114,653	115,080
Common equivalent shares for stock options	9	—	—
Common equivalent shares for restricted stock units	491	313	319
Diluted	<u>114,396</u>	<u>114,966</u>	<u>115,399</u>
Basic earnings per share attributable to common stockholders	<u>\$ 1.28</u>	<u>\$ 1.66</u>	<u>\$ 1.87</u>
Diluted earnings per share attributable to common stockholders	<u>\$ 1.28</u>	<u>\$ 1.66</u>	<u>\$ 1.87</u>

⁽¹⁾ For the years ended December 31, 2013, 2014 and 2015, a weighted average of approximately 1,198 shares, 810 shares and 699 shares, of unvested restricted stock, respectively, are considered participating securities.

4. DIVIDENDS

Below is a summary of dividends declared for the fiscal periods indicated.

Date Declared	Date of Record	Date Paid	Amount per Common Share ⁽²⁾	Total Dividends ⁽¹⁾
02/12/13	03/04/13	03/15/13	\$0.21	\$24,325
05/24/13	06/06/13	06/20/13	\$0.21	24,348
08/15/13	08/28/13	09/12/13	\$0.25	28,992
11/19/13	12/02/13	12/11/13	\$0.25	29,152
Total — Year ended December 31, 2013				<u>\$106,817</u>
02/14/14	03/04/14	03/19/14	\$0.25	\$29,015
05/22/14	06/06/14	06/20/14	\$0.25	29,030
08/13/14	08/28/14	09/12/14	\$0.25	29,032
11/12/14	12/02/14	12/11/14	\$0.25	29,078
Total — Year ended December 31, 2014				<u>\$116,155</u>
02/17/15	03/04/15	03/18/15	\$0.25	\$29,025
05/18/15	06/05/15	06/19/15	\$0.25	29,075
08/20/15	08/31/15	09/11/15	\$0.25	29,080
11/13/15	12/02/15	12/16/15	\$0.25	29,276
Total — Year ended December 31, 2015				<u>\$116,456</u>

⁽¹⁾ Of the dividends recorded during 2013, 2014 and 2015, \$772, \$530 and \$593, respectively, were related to outstanding restricted stock units and will not be paid until such units vest. See Note 16.

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(2) Beginning with the dividend declared on August 15, 2013, the Company's board of directors raised the quarterly dividend to \$0.25 per common share.

5. ACQUISITIONS AND DISPOSITIONS

Acquisition of Rave Theatres

On May 29, 2013, the Company acquired 32 theatres with 483 screens from Rave Real Property Holdco, LLC and certain of its subsidiaries, Rave Cinemas, LLC and RC Processing, LLC (collectively "Rave") in an asset purchase for approximately \$236,875 in cash plus the assumption of certain liabilities (the "Rave Acquisition"). The acquisition resulted in an expansion of the Company's domestic theatre base into one new state and seven new markets. The transaction was subject to antitrust approval by the Department of Justice or Federal Trade Commission. The Department of Justice required the Company to agree to divest of three of the newly-acquired theatres, which occurred during August 2013 (see discussion below). The Company incurred approximately \$500 in transaction costs, which are reflected in general and administrative expenses on the consolidated statement of income for the year ended December 31, 2013.

The transaction was accounted for by applying the acquisition method. The following table represents the fair value of the identifiable assets acquired and liabilities assumed as of the acquisition date:

Theatre properties and equipment	\$ 102,977
Tradename	25,000
Favorable leases	17,587
Goodwill	186,418
Unfavorable leases	(30,718)
Deferred revenue	(6,634)
Capital lease liabilities	(61,651)
Other assets, net of other liabilities	3,896
Total	<u>\$ 236,875</u>

The weighted average amortization period for the intangible assets acquired was approximately 14 years as of the acquisition date. The goodwill is fully deductible for tax purposes. The acquired theatres are reported in the Company's U.S. segment.

The following unaudited pro forma information summarizes our results of operations as if the Rave Acquisition had occurred as of January 1, 2013:

	Year Ended
	December 31, 2013
Total revenues	\$ 2,777,458
Income before income taxes	\$ 273,440

Acquisition of Other U.S. Theatres

The Company acquired two additional theatres with 30 screens during April 2013 in two separate transactions for an aggregate purchase price of approximately \$22,372 in cash plus the assumption of certain

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liabilities. The transactions were accounted for by applying the acquisition method. The following table represents the aggregate fair values of identifiable assets acquired and the liabilities assumed as of the acquisition date:

Theatre properties and equipment	\$ 17,524
Goodwill	17,409
Capital lease liability	(12,173)
Deferred revenue	(388)
Total	<u>\$ 22,372</u>

Disposition of Three Rave Theatres

In conjunction with the Rave Acquisition, the Company was required to divest of three theatres pursuant to a Hold Separate Agreement with the Department of Justice. On July 17, 2013, the Company entered into a definitive agreement to sell these three theatres to Carmike Cinemas, Inc. The transaction was approved by the Department of Justice and closed on August 16, 2013.

Disposition of Mexico Subsidiaries

During February 2013, the Company entered into a stock purchase agreement with Grupo Cinemex, S.A. De C.V. pursuant to which the Company would sell its Mexican subsidiaries, which consisted of 31 theatres and 290 screens. The transaction was subject to approval by the Mexican Federal Competition Commission (the "Competition Commission"). During August 2013, the Competition Commission voted three to two to block the transaction and the Company filed an appeal for the Competition Commission to reconsider the sale. During November 2013, the Competition Committee approved the sale and the transaction closed on November 15, 2013. The sales price, which was paid in Mexican pesos, was approximately \$126,167, based on the exchange rate at November 15, 2013. The Company recorded a pre-tax gain of approximately \$3,521 on the sale during the year ended December 31, 2013.

6. INVESTMENT IN NATIONAL CINEMEDIA LLC

The Company has an investment in National CineMedia, LLC ("NCM"). NCM operates a digital in-theatre network in the U.S. for providing cinema advertising and non-film events. Upon joining NCM, the Company entered into an Exhibitor Services Agreement, or the ESA, with NCM, pursuant to which NCM provides advertising, promotion and event services to our theatres. On February 13, 2007, National CineMedia, Inc. ("NCMI"), an entity that serves as the sole manager of NCM, completed an IPO of its common stock. In connection with the NCMI initial public offering, the Company amended its operating agreement and the ESA with NCMI. The ESA modification reflected a shift from circuit share expense under the prior ESA, which obligated NCM to pay the Company a percentage of revenue, to a monthly theatre access fee, which significantly reduced the contractual amounts paid to us by NCM. The Company recorded the proceeds related to the ESA modification as deferred revenue, which is being amortized into other revenues over the life of the agreement using the units of revenue method. In consideration for NCM's exclusive access to the Company's theatre attendees for on-screen advertising and use of off-screen areas within the Company's theatres for lobby entertainment and lobby promotions, the Company receives a monthly theatre access fee under the modified ESA. The theatre access fee is composed of a fixed payment per patron, initially seven cents, and a fixed payment per digital screen, which may be adjusted for certain reasons outlined in the modified ESA. The payment per theatre patron increases by 8% every five years, with the first such increase taking effect after the

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end of fiscal 2011, and the payment per digital screen, initially eight hundred dollars per digital screen per year, increases annually by 5%. For 2013, 2014 and 2015, the annual payment per digital screen was one thousand seventy-two dollars, one thousand one hundred twenty-five dollars and one thousand one hundred eight-two dollars, respectively. The theatre access fee paid in the aggregate to Regal Entertainment Group (“Regal”), AMC Entertainment, Inc. (“AMC”) and the Company will not be less than 12% of NCM’s Aggregate Advertising Revenue (as defined in the modified ESA), or it will be adjusted upward to reach this minimum payment. Additionally, with respect to any on-screen advertising time provided to the Company’s beverage concessionaire, the Company is required to purchase such time from NCM at a negotiated rate. The modified ESA has, except with respect to certain limited services, a remaining term of approximately 21 years.

As a result of the application of a portion of the proceeds it received from the NCMI initial public offering, the Company had a negative basis in its original membership units in NCM, which is referred to herein as the Company’s Tranche 1 Investment. Following the NCMI IPO, the Company does not recognize undistributed equity in the earnings on its Tranche 1 Investment until NCM’s net earnings, less distributions received, surpass the amount of the excess distribution. The Company recognizes equity in earnings on its Tranche 1 Investment only to the extent it receives cash distributions from NCM. The Company recognizes cash distributions it receives from NCM on its Tranche 1 Investment as a component of earnings as Distributions from NCM. The Company believes that the accounting model provided by ASC 323-10-35-22 for recognition of equity investee losses in excess of an investor’s basis is analogous to the accounting for equity income subsequent to recognizing an excess distribution.

Common Unit Adjustments

Pursuant to a Common Unit Adjustment Agreement dated as of February 13, 2007 between NCMI and the Company, AMC and Regal, which we refer to collectively as the Founding Members, annual adjustments to the common membership units are made primarily based on increases or decreases in the number of theatre screens operated and theatre attendance generated by each Founding Member. To account for the receipt of additional common units under the Common Unit Adjustment Agreement, we follow the guidance in FASB ASC 323-10-35-29 (formerly EITF 02-18, “Accounting for Subsequent Investments in an Investee after Suspension of Equity Loss Recognition”) by analogy, which also refers to AICPA Technical Practice Aid 2220.14, which indicates that if a subsequent investment is made in an equity method investee that has experienced significant losses, the investor must determine if the subsequent investment constitutes funding of prior losses. We concluded that the construction or acquisition of new theatres that has led to the common unit adjustments equates to making additional investments in NCM. We evaluated the receipt of the additional common units in NCM and the assets exchanged for these additional units and have determined that the right to use our incremental new screens would not be considered funding of prior losses. We account for these additional common units, which we refer to herein as our Tranche 2 Investment, as a separate investment than our Tranche 1 Investment. The common units received are recorded at fair value as an increase in our investment in NCM with an offset to deferred revenue. The deferred revenue is amortized over the remaining term of the ESA. Our Tranche 2 Investment is accounted for following the equity method, with undistributed equity earnings related to our Tranche 2 Investment included as a component of earnings in equity in income of affiliates and distributions received related to our Tranche 2 Investment are recorded as a reduction of our investment basis. In the event that a common unit adjustment is determined to be a negative number, the Founding Member can elect to either transfer and surrender to NCM the number of common units equal to all or part of such Founding Member’s common unit adjustment or to pay to NCM an amount equal to such Founding Member’s common unit adjustment calculated in accordance with the Common Unit Adjustment Agreement. If the Company then elects to surrender common units as part of a negative common unit adjustment, the Company would record a reduction to deferred revenue at the then fair value of the common units surrendered and a reduction of the Company’s Tranche 2 Investment at an amount

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equal to the weighted average cost for Tranche 2 common units, with the difference between the two values recorded as a gain or loss on sale of assets and other.

Below is a summary of common units received by the Company under the Common Unit Adjustment Agreement during the years ended December 31, 2013, 2014 and 2015:

<u>Event</u>	<u>Date Common Units Received</u>	<u>Number of Common Units Received</u>	<u>Fair Value of Common Units Received</u>
2013 Annual common unit adjustment	03/28/13	588,024	\$ 8,869
2013 Extraordinary common unit adjustment (as result of Rave Acquisition – see Note 5)	05/29/13	5,315,837	\$ 89,928
2014 Annual common unit adjustment	03/27/14	557,631	\$ 8,216
2015 Annual common unit adjustment	03/31/15	1,074,910	\$ 15,421

Each common unit received by the Company is convertible into one share of NCMI common stock. The fair value of the common units received was estimated based on the market price of NCMI stock at the time that the common units were received, adjusted for volatility associated with the estimated period of time it would take to convert the common units and register the respective shares. The fair value measurement used for the common units falls under Level 2 of the U.S. GAAP fair value hierarchy as defined by ASC Topic 820-10-35. The Company records additional common units it receives as part of its Tranche 2 Investment at estimated fair value with a corresponding adjustment to deferred revenue.

As of December 31, 2015, the Company owned a total of 25,631,046 common units of NCM, which represented an approximate 19% interest. Each common unit is convertible into one share of NCMI common stock. The estimated fair value of the Company's investment in NCM was approximately \$402,664 as of December 31, 2015, using NCMI's stock price as of December 31, 2015 of \$15.71 per share.

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Summary of Activity with NCM

Below is a summary of activity with NCM included in the Company's consolidated financial statements for the periods indicated:

	Investment in NCM	Deferred Revenue	Distributions from NCM	Equity in Earnings	Other Revenue	Other Comprehensive (Income) Loss	Cash Received
Balance as of January 1, 2013	\$ 78,123	\$ (241,305)					
Receipt of common units due to annual common unit adjustment	8,869	(8,869)	\$ —	\$ —	\$ —	\$ —	\$ —
Receipt of common units due to extraordinary common unit adjustment	89,928	(89,928)	—	—	—	—	—
Revenues earned under ESA ⁽¹⁾	—	—	—	—	(7,960)	—	7,960
Receipt of excess cash distributions	(13,166)	—	(19,374)	—	—	—	32,540
Receipt under tax receivable agreement	(492)	—	(1,327)	—	—	—	1,819
Equity in earnings ⁽²⁾	13,753	—	—	(11,578)	—	—	—
Equity in other comprehensive income	1,838	—	—	—	—	(1,838)	—
Amortization of deferred revenue	—	5,673	—	—	(5,673)	—	—
Balance as of and for the period ended December 31, 2013	<u>\$ 178,853</u>	<u>\$ (334,429)</u>	<u>\$ (20,701)</u>	<u>\$ (11,578)</u>	<u>\$ (13,633)</u>	<u>\$ (1,838)</u>	<u>\$ 42,319</u>
Receipt of common units due to annual common unit adjustment	8,216	(8,216)	\$ —	\$ —	\$ —	\$ —	\$ —
Revenues earned under ESA ⁽¹⁾	—	—	—	—	(9,249)	—	9,249
Receipt of excess cash distributions	(12,574)	—	(14,778)	—	—	—	27,352
Receipt under tax receivable agreement	(2,594)	—	(3,763)	—	—	—	6,357
Equity in earnings	6,142	—	—	(6,142)	—	—	—
Equity in other comprehensive income	896	—	—	—	—	(896)	—
Amortization of deferred revenue	—	7,426	—	—	(7,426)	—	—
Balance as of and for the period ended December 31, 2014	<u>\$ 178,939</u>	<u>\$ (335,219)</u>	<u>\$ (18,541)</u>	<u>\$ (6,142)</u>	<u>\$ (16,675)</u>	<u>\$ (896)</u>	<u>\$ 42,958</u>
Receipt of common units due to annual common unit adjustment	15,421	(15,421)	\$ —	\$ —	\$ —	\$ —	\$ —
Revenues earned under ESA ⁽¹⁾	—	—	—	—	(11,330)	—	11,330
Receipt of excess cash distributions	(14,072)	—	(15,396)	—	—	—	29,468
Receipt under tax receivable agreement	(2,308)	—	(2,744)	—	—	—	5,052
Equity in earnings	8,510	—	—	(8,510)	—	—	—
Equity in other comprehensive loss	(2,735)	—	—	—	—	2,735	—
Amortization of deferred revenue	—	8,506	—	—	(8,506)	—	—
Balance as of and for the period ended December 31, 2015	<u>\$ 183,755</u>	<u>\$ (342,134)</u>	<u>\$ (18,140)</u>	<u>\$ (8,510)</u>	<u>\$ (19,836)</u>	<u>\$ 2,735</u>	<u>\$ 45,850</u>

⁽¹⁾ Amounts include the per patron and per digital screen theatre access fees due to the Company, net of amounts due to NCM for on-screen advertising time provided to the Company's beverage concessionaire. The amounts due to NCM for on-screen advertising time provided to the Company's beverage concessionaire were approximately \$11,958, \$11,489 and \$9,819 for the years ended December 31, 2013, 2014 and 2015, respectively.

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(2) A portion of the equity in earnings recorded for the year ended December 31, 2013 was recorded as a reduction in our investment basis in a joint venture (AC JV, LLC) that the Company, along with Regal and AMC, recently formed with NCM. See Note 7.

On May 5, 2014, NCMI announced that it had entered into a merger agreement to acquire Screenvision, LLC. On November 3, 2014, the U.S. Department of Justice (“DOJ”) filed an antitrust lawsuit seeking to enjoin the proposed merger between NCMI and Screenvision, LLC. On March 16, 2015, NCMI announced that it had agreed with Screenvision, LLC to terminate the merger agreement. The termination of the merger agreement resulted in a \$26.8 million termination payment to Screenvision by NCMI. NCM indemnified NCMI for the termination fee. The impact of the termination payment and related merger costs resulted in NCM not making an excess cash distribution to its shareholders during the second quarter of 2015.

The Company made payments to NCM of approximately \$124 and \$50 during the years ended December 31, 2014 and 2015, respectively, related to installation of certain equipment used for digital advertising, which is included in theatre furniture and equipment on the consolidated balance sheets. The Company paid event fees of \$8,249 to NCM for the year ended December 31, 2013, prior to the formation of AC JV, LLC, as discussed in Note 7, which are included in film rentals and advertising costs on the consolidated statements of income.

The tables below present summary financial information for NCM for the periods indicated (financial information for the year ended December 31, 2015 is not yet available):

	Year Ended		Nine Months Ended
	December 26, 2013	January 1, 2015	October 1, 2015
Gross revenues	\$ 462,815	\$ 393,994	\$ 310,061
Operating income	\$ 202,019	\$ 159,624	\$ 40,442
Net income	\$ 162,870	\$ 96,309	\$ 38,519

	As of	As of
	January 1, 2015	October 1, 2015
Total assets	\$ 681,107	\$ 700,326
Total liabilities	\$ 998,529	\$ 1,030,243

7. OTHER INVESTMENTS

The Company had the following other investments at December 31:

	2014	2015
Digital Cinema Implementation Partners (“DCIP”), equity method investment	\$51,277	\$71,579
RealD, Inc. (“RealD”), investment in marketable security	14,429	12,900
AC JV, LLC, equity method investment	7,899	7,269
Digital Cinema Distribution Coalition (“DCDC”), equity method investment	2,438	2,562
Other	1,615	663
Total	<u>\$77,658</u>	<u>\$94,973</u>

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Below is a summary of activity for each of the investments for the years ended December 31, 2013, 2014 and 2015:

	DCIP	RealD	AC JV, LLC	DCDC	Other	Total
Balance at January 1, 2013	\$ 23,012	\$ 13,707	\$ —	\$ 5	\$ 1,477	\$ 38,201
Cash contributions	3,232	—	268	2,721	—	6,221
Issuance of promissory note to NCM	—	—	8,333	—	—	8,333
Equity in income (loss)	11,241	—	—	(137)	—	11,104
Equity in other comprehensive income	548	—	—	—	—	548
Adjustment for gain recognized by NCM	—	—	(2,175)	—	—	(2,175)
Unrealized holding loss	—	(3,264)	—	—	—	(3,264)
Other	—	—	—	—	689	689
Balance at December 31, 2013	<u>\$ 38,033</u>	<u>\$ 10,443</u>	<u>\$ 6,426</u>	<u>\$ 2,589</u>	<u>\$ 2,166</u>	<u>\$ 59,657</u>
Cash contributions	2,188	—	—	—	—	2,188
Equity in income (loss)	15,279	—	1,473	(151)	—	16,601
Equity in other comprehensive loss	(219)	—	—	—	—	(219)
Unrealized holding gain	—	3,986	—	—	—	3,986
Cash distributions received	(4,004)	—	—	—	—	(4,004)
Other	—	—	—	—	(551)	(551)
Balance at December 31, 2014	<u>\$ 51,277</u>	<u>\$ 14,429</u>	<u>\$ 7,899</u>	<u>\$ 2,438</u>	<u>\$ 1,615</u>	<u>\$ 77,658</u>
Cash contributions	3,211	—	—	—	500	3,711
Equity in income	18,522	—	970	124	—	19,616
Equity in other comprehensive loss	(384)	—	—	—	—	(384)
Unrealized holding loss	—	(1,529)	—	—	—	(1,529)
Sale of investment in Taiwan ⁽¹⁾	—	—	—	—	(1,383)	(1,383)
Cash distributions received	(1,047)	—	(1,600)	—	—	(2,647)
Other	—	—	—	—	(69)	(69)
Balance at December 31, 2015	<u>\$ 71,579</u>	<u>\$ 12,900</u>	<u>\$ 7,269</u>	<u>\$ 2,562</u>	<u>\$ 663</u>	<u>\$ 94,973</u>

⁽¹⁾ The Company sold its investment in a Taiwan joint venture for approximately \$2,634, resulting in a gain of \$1,251, which is included in (gain) loss on sale of assets and other for the year ended December 31, 2015.

Digital Cinema Implementation Partners LLC

On February 12, 2007, the Company, AMC and Regal entered into a joint venture known as Digital Cinema Implementation Partners LLC to facilitate the implementation of digital cinema in the Company's theatres and to establish agreements with major motion picture studios for the financing of digital cinema. On March 10, 2010, the Company signed a master equipment lease agreement and other related agreements (collectively the "Agreements") with Kasima LLC ("Kasima"), which is an indirect subsidiary of DCIP and a related party to the Company. Upon signing the Agreements, the Company contributed the majority of its U.S. digital projection systems to DCIP, which DCIP then contributed to Kasima. The Company has a variable interest in Kasima through the terms of its master equipment lease agreement; however, the Company has determined that it is not the primary beneficiary of Kasima, as the Company does not have the ability to direct the activities of Kasima that most significantly impact Kasima's economic performance.

As of December 31, 2015, the Company had a 33% voting interest in DCIP and a 24.3% economic interest in DCIP. The Company accounts for its investment in DCIP and its subsidiaries under the equity method of accounting.

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Below is summary financial information for DCIP as of and for the years ended December 31, 2013, 2014 and 2015.

	Year ended December 31,		
	2013	2014	2015
Net operating revenue	\$ 182,659	\$ 170,724	\$ 171,203
Operating income	\$ 116,235	\$ 101,956	\$ 103,449
Net income	\$ 48,959	\$ 61,293	\$ 79,255

	As of	
	December 31, 2014	December 31, 2015
Total assets	\$ 1,097,467	\$ 1,004,292
Total liabilities	\$ 845,319	\$ 674,727

As a result of the Agreements, the Company installed digital projection systems to a majority of its first run U.S. theatres. The digital projection systems are being leased from Kasima under an operating lease with an initial term of twelve years that contains ten one-year fair value renewal options. The equipment lease agreement also contains a fair value purchase option. Under the equipment lease agreement, the Company pays annual rent of one thousand dollars per digital projection system. The Company may also be subject to various types of other rent if such digital projection systems do not meet minimum performance requirements as outlined in the agreements. Certain of the other rent payments are subject to either a monthly or an annual maximum. As of December 31, 2015, the Company had 3,781 digital projection systems being leased under the master equipment lease agreement with Kasima. The Company had the following transactions with DCIP during the years ended December 31, 2013, 2014 and 2015:

	Year Ended December 31,		
	2013	2014	2015
Equipment lease payments	\$ 3,853	\$ 4,012	\$ 4,474
Warranty reimbursements from DCIP	\$(1,893)	\$(3,169)	\$(4,329)

RealD, Inc.

The Company licenses 3-D systems from RealD. Under its license agreement with RealD, the Company earned options to purchase shares of RealD common stock as it installed a certain number of 3-D systems as outlined in the license agreement. During 2010 and 2011, the Company vested in a total of 1,222,780 RealD options. Upon vesting in these options, the Company recorded an investment in RealD and a deferred lease incentive liability using the estimated fair value of the RealD options at the time of vesting. During March 2011, the Company exercised all of its options to purchase shares of common stock in RealD for \$0.00667 per share.

The Company owns 1,222,780 shares of RealD and accounts for its investment in RealD as a marketable security. The Company has determined that its RealD shares are available-for-sale securities in accordance with ASC Topic 320-10-35-1, therefore unrealized holding gains and losses are reported as a component of accumulated other comprehensive loss until realized.

As of December 31, 2015, the estimated fair value of the Company's investment in RealD was \$12,900, which is based on the closing price of RealD's common stock of \$10.55 per share on December 31, 2015, and falls under Level 1 of the U.S. GAAP fair value hierarchy as defined by ASC Topic 820-10-35.

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AC JV, LLC

During December 2013, the Company, Regal, AMC (the “AC Founding Members”) and NCM entered into a series of agreements that resulted in the formation of AC JV, LLC (“AC”), a new joint venture that now owns “Fathom Events” (consisting of Fathom Events and Fathom Consumer Events) formerly operated by NCM. The Fathom Events business focuses on the marketing and distribution of live and pre-recorded entertainment programming to various theatre operators to provide additional programs to augment their feature film schedule. The Fathom Consumer Events business includes live and pre-recorded concerts featuring contemporary music, opera and symphony, DVD product releases and marketing events, theatrical premieres, Broadway plays, live sporting events and other special events. The Company paid event fees of \$9,273 and \$11,440 for the years ended December 31, 2014 and 2015, respectively, which are included in film rentals and advertising costs on the consolidated statements of income.

AC was formed by the AC Founding Members and NCM. NCM, under a contribution agreement, contributed the assets associated with its Fathom Events division to AC in exchange for 97% ownership of the Class A Units of AC. Under a separate contribution agreement, the Founding Members each contributed cash of approximately \$268 to AC in exchange for 1% of the Class A Units of AC. Subsequently, NCM and the Founding Members entered into a Membership Interest Purchase Agreement, under which NCM sold each of the Founding Members 31% of its Class A Units in AC, the aggregate value of which was determined to be \$25,000, in exchange for a six-year Promissory Note. Each of the Founding Members’ Promissory Notes were originally for \$8,333, bear interest at 5% per annum and require annual principal and interest payments, with the first of such payments made during December 2014. The remaining outstanding balance of the note payable from the Company to AC as of December 31, 2015 was \$5,555.

Digital Cinema Distribution Coalition

The Company is a party to a joint venture with certain exhibitors and distributors called Digital Cinema Distribution Coalition (“DCDC”). DCDC operates a satellite distribution network that distributes all digital content to U.S. theatres via satellite. The Company has an approximate 14.6% ownership in DCDC. The Company paid approximately \$741 and \$807 to DCDC during the years ended December 31, 2014 and 2015 related to content delivery services provided by DCDC, which is included in film rentals and advertising costs on the consolidated statements of income.

8. GOODWILL AND OTHER INTANGIBLE ASSETS — NET

The Company’s goodwill was as follows:

	U.S. Operating Segment	International Operating Segment	Total
Balance at December 31, 2013 ⁽¹⁾	\$ 1,150,471	\$ 137,619	\$ 1,288,090
Acquisition of U.S. theatres	6,085	—	6,085
Other acquisitions	—	1,108	1,108
Foreign currency translation adjustments	—	(17,900)	(17,900)
Balance at December 31, 2014 ⁽¹⁾	\$ 1,156,556	\$ 120,827	\$ 1,277,383
Acquisition of Brazil theatre	—	356	356
Foreign currency translation adjustments	—	(30,191)	(30,191)
Balance at December 31, 2015 ⁽¹⁾	<u>\$ 1,156,556</u>	<u>\$ 90,992</u>	<u>\$ 1,247,548</u>

⁽¹⁾ Balances are presented net of accumulated impairment losses of \$214,031 for the U.S. operating segment and \$27,622 for the international operating segment.

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As of December 31, intangible assets-net, consisted of the following:

	December 31, 2013	Acquisitions	Amortization	Other ⁽¹⁾	December 31, 2014
<i>Intangible assets with finite lives:</i>					
Gross carrying amount	\$ 101,617	\$ 300	\$ —	\$(1,995)	\$ 99,922
Accumulated amortization	<u>(46,297)</u>	<u>—</u>	<u>(5,947)</u>	<u>12</u>	<u>(52,232)</u>
Total net intangible assets with finite lives	\$ 55,320	\$ 300	\$ (5,947)	\$(1,983)	\$ 47,690
<i>Intangible assets with indefinite lives:</i>					
Tradenam e	300,824	—	—	(490)	300,334
Total intangible assets — net	<u>\$ 356,144</u>	<u>\$ 300</u>	<u>\$ (5,947)</u>	<u>\$ (2,473)</u>	<u>\$ 348,024</u>

	December 31, 2014	Amortization	Other ⁽²⁾	December 31, 2015
<i>Intangible assets with finite lives:</i>				
Gross carrying amount	\$ 99,922	\$ —	\$ 46	\$ 99,968
Accumulated amortization	<u>(52,232)</u>	<u>(5,716)</u>	<u>(1,758)</u>	<u>(59,706)</u>
Total net intangible assets with finite lives	\$ 47,690	\$ (5,716)	\$(1,712)	\$ 40,262
<i>Intangible assets with indefinite lives:</i>				
Tradenam e	300,334	—	(952)	299,382
Total intangible assets — net	<u>\$ 348,024</u>	<u>\$ (5,716)</u>	<u>\$ (2,664)</u>	<u>\$ 339,644</u>

⁽¹⁾ Activity for 2014 primarily consists of \$479 for impairment of a tradename intangible asset related to one U.S. theatre and foreign currency translation adjustments.

⁽²⁾ Activity for 2015 primarily consists of the write-off of intangible assets for closed theatres, the write-off of a vendor contract intangible asset, \$992 for impairment of a favorable lease and foreign currency translation adjustments.

Estimated aggregate future amortization expense for intangible assets is as follows:

For the year ended December 31, 2016	\$ 5,389
For the year ended December 31, 2017	4,857
For the year ended December 31, 2018	4,857
For the year ended December 31, 2019	3,977
For the year ended December 31, 2020	4,252
Thereafter	16,930
Total	<u>\$40,262</u>

9. IMPAIRMENT OF LONG-LIVED ASSETS

The Company reviews long-lived assets for impairment indicators on a quarterly basis or whenever events or changes in circumstances indicate the carrying amount of the assets may not be fully recoverable. See Note 1 for discussion of the Company's impairment policy.

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The Company's long-lived asset impairment losses are summarized in the following table:

	Year Ended December 31,		
	2013	2014	2015
United States theatre properties	\$1,911	\$6,168	\$7,052
International theatre properties	<u>1,175</u>	<u>—</u>	<u>757</u>
Subtotal	3,086	6,168	7,809
Intangible assets (see Note 8)	<u>708</u>	<u>479</u>	<u>992</u>
Impairment of long-lived assets	<u>\$3,794</u>	<u>\$6,647</u>	<u>\$8,801</u>

The long-lived asset impairment charges recorded during each of the years presented are specific to theatres that were directly and individually impacted by increased competition, adverse changes in market demographics, or adverse changes in the development or the conditions of the areas surrounding the theatre. As of December 31, 2015, the estimated aggregate remaining fair value of the long-lived assets impaired during the year ended December 31, 2015 was approximately \$8,395.

10. DEFERRED CHARGES AND OTHER ASSETS — NET

As of December 31, deferred charges and other assets — net consisted of the following:

	December 31,	
	2014	2015
Long-term prepaid rents	7,296	4,278
Construction and other deposits	14,171	8,459
Equipment to be placed in service	14,124	15,388
Other	<u>10,980</u>	<u>10,118</u>
Total ⁽¹⁾	<u>\$46,571</u>	<u>\$38,243</u>

⁽¹⁾ See Note 2 for discussion of debt issuance costs reclassification upon adoption of ASU 2015-03.

11. LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	December 31,	
	2014	2015
Cinemark USA, Inc. term loan	\$ 686,000	\$ 679,000
Cinemark USA, Inc. 4.875% senior notes due 2023	530,000	530,000
Cinemark USA, Inc. 5.125% senior notes due 2022	400,000	400,000
Cinemark USA, Inc. 7.375% senior subordinated notes due 2021	200,000	200,000
Other ⁽¹⁾	<u>6,997</u>	<u>5,572</u>
Total long-term debt	1,822,997	1,814,572
Less current portion	8,423	8,405
Less debt issuance costs, net of accumulated amortization of \$10,918 and \$16,058, respectively ⁽²⁾	<u>31,419</u>	<u>33,237</u>
Long-term debt, less current portion	<u>\$ 1,783,155</u>	<u>\$ 1,772,930</u>

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- (1) Primarily represents debt owed to NCM in relation to the recently-formed joint venture AC JV, LLC. See Note 7.
(2) See Note 2 for discussion of debt issuance costs reclassification upon adoption of ASU 2015-03.

Senior Secured Credit Facility

Cinemark USA, Inc. has a senior secured credit facility that includes a seven year \$700,000 term loan and a five year \$100,000 revolving credit line (the “Senior Secured Credit Facility”). On May 8, 2015, Cinemark USA, Inc., our wholly-owned subsidiary, amended its senior secured credit facility to extend the maturity of the \$700,000 term loan from December 2019 to May 2022. Quarterly principal payments in the amount of \$1,750 are due on the term loan through March 31, 2022, with the remaining principal of \$635,250 due on May 8, 2022. The Company incurred debt issue costs of approximately \$6,875 in connection with the amendment. In addition, the Company incurred approximately \$925 in legal and other fees that are reflected as loss on amendment to debt agreement on the consolidated statement of income for the year ended December 31, 2015.

Interest on the term loan accrues at Cinemark USA, Inc.’s option at: (A) the base rate equal to the higher of (1) the prime lending rate as set forth on the British Banking Association Telerate page 5, or (2) the federal funds effective rate from time to time plus 0.50%, plus a margin of 2.0% per annum, or (B) a “eurodollar rate” plus a margin of 3.0% per annum. Interest on the revolving credit line accrues, at Cinemark USA, Inc.’s option, at: (A) a base rate equal to the higher of (1) the prime lending rate as set forth on the British Banking Association Telerate page 5 and (2) the federal funds effective rate from time to time plus 0.50%, plus a margin that ranges from 1.00% to 1.75% per annum, or (B) a “eurodollar rate” plus a margin that ranges from 2.00% to 2.75% per annum. The margin of the revolving credit line is determined by the consolidated net senior secured leverage ratio as defined in the credit agreement.

Cinemark USA, Inc.’s obligations under the Senior Secured Credit Facility are guaranteed by Cinemark Holdings, Inc. and certain of Cinemark USA, Inc.’s domestic subsidiaries and are secured by mortgages on certain fee and leasehold properties and security interests in substantially all of Cinemark USA, Inc.’s and the guarantors’ personal property, including, without limitation, pledges of all of Cinemark USA, Inc.’s capital stock, all of the capital stock of certain of Cinemark USA, Inc.’s domestic subsidiaries and 65% of the voting stock of certain of its foreign subsidiaries.

The Senior Secured Credit Facility contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on Cinemark USA, Inc.’s ability, and in certain instances, its subsidiaries’ and Cinemark Holdings, Inc.’s ability, to consolidate or merge or liquidate, wind up or dissolve; substantially change the nature of its business; sell, transfer or dispose of assets; create or incur indebtedness; create liens; pay dividends, and repurchase stock; and make capital expenditures and investments. If Cinemark USA, Inc. has borrowings outstanding on the revolving credit line, it is required to satisfy a consolidated net senior secured leverage ratio covenant as determined in accordance with the Senior Secured Credit Facility.

The dividend restriction contained in the Senior Secured Credit Facility prevents the Company and any of its subsidiaries from paying a dividend or otherwise distributing cash to its stockholders unless (1) the Company is not in default, and the distribution would not cause Cinemark USA, Inc. to be in default, under the Senior Secured Credit Facility; and (2) the aggregate amount of certain dividends, distributions, investments, redemptions and capital expenditures made since December 18, 2012, including dividends declared by the board of directors, is less than the sum of (a) the aggregate amount of cash and cash equivalents received by Cinemark Holdings, Inc. or Cinemark USA, Inc. as common equity since December 18, 2012, (b) Cinemark USA, Inc.’s

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consolidated EBITDA minus 1.75 times its consolidated interest expense, each as defined in the Senior Secured Credit Facility, and (c) certain other defined amounts. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$1,905,096 to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the Senior Secured Credit Facility, subject to its available cash and other borrowing restrictions outlined in the agreement.

At December 31, 2015, there was \$679,000 outstanding under the term loan and no borrowings outstanding under the revolving credit line. Cinemark USA, Inc. had \$100,000 in available borrowing capacity on the revolving credit line. Cinemark USA, Inc. had no borrowings under the revolving credit line during the years ended December 31, 2014 or 2015. The average interest rate on outstanding term loan borrowings under the Senior Secured Credit Facility at December 31, 2015 was approximately 3.6% per annum.

4.875% Senior Notes

On May 24, 2013, Cinemark USA, Inc. issued \$530,000 aggregate principal amount of 4.875% senior notes due 2023, at par value, (the "4.875% Senior Notes"). Proceeds, after payment of fees, were used to finance a redemption of the 8.625% Senior Notes due 2019, discussed below. Interest on the 4.875% Senior Notes is payable on June 1 and December 1 of each year, beginning December 1, 2013. The 4.875% Senior Notes mature on June 1, 2023.

The 4.875% Senior Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's debt. The 4.875% Senior Notes and the guarantees are senior unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and its guarantor's existing and future senior unsecured debt and senior in right of payment to all of Cinemark USA, Inc.'s and its guarantor's existing and future senior subordinated debt. The 4.875% Senior Notes and the guarantees are effectively subordinated to all of Cinemark USA, Inc.'s and its guarantor's existing and future secured debt to the extent of the value of the assets securing such debt, including all borrowings under Cinemark USA, Inc.'s senior secured credit facility. The 4.875% Senior Notes and the guarantees are structurally subordinated to all existing and future debt and other liabilities of Cinemark USA, Inc.'s subsidiaries that do not guarantee the 4.875% Senior Notes.

The indenture to the 4.875% Senior Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,079,680 to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the 4.875% Senior Notes, subject to its available cash and other borrowing restrictions outlined in the indenture. Upon a change of control, as defined in the indenture governing the 4.875% Senior Notes, Cinemark USA, Inc. would be required to make an offer to repurchase the 4.875% Senior Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture governing the 4.875% Senior Notes allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1 and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

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Prior to June 1, 2018, Cinemark USA, Inc. may redeem all or any part of the 4.875% Senior Notes at its option at 100% of the principal amount plus a make-whole premium plus accrued and unpaid interest on the 4.875% Senior Notes to the date of redemption. After June 1, 2018, Cinemark USA, Inc. may redeem the 4.875% Senior Notes in whole or in part at redemption prices specified in the indenture. In addition, prior to June 1, 2016, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the 4.875% Senior Notes from the net proceeds of certain equity offerings at the redemption price set forth in the indenture.

5.125% Senior Notes

On December 18, 2012, Cinemark USA, Inc. issued \$400,000 aggregate principal amount of 5.125% senior notes due 2022, at par value (the "5.125% Senior Notes"). A portion of the proceeds were used to refinance a portion of the former senior secured credit facility and to fund the purchase price for the Rave Acquisition (see Note 5 to the consolidated financial statements). Interest on the 5.125% Senior Notes is payable on June 15 and December 15 of each year, beginning June 15, 2013. The 5.125% Senior Notes mature on December 15, 2022.

The 5.125% Senior Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's debt. The 5.125% Senior Notes and the guarantees are senior unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and its guarantor's existing and future senior unsecured debt and senior in right of payment to all of Cinemark USA, Inc.'s and its guarantor's existing and future subordinated debt. The 5.125% Senior Notes and the guarantees are effectively subordinated to all of Cinemark USA, Inc.'s and its guarantor's existing and future secured debt to the extent of the value of the assets securing such debt, including all borrowings under Cinemark USA, Inc.'s senior secured credit facility. The 5.125% Senior Notes and the guarantees are structurally subordinated to all existing and future debt and other liabilities of Cinemark USA, Inc.'s subsidiaries that do not guarantee the 5.125% Senior Notes.

The indenture to the 5.125% Senior Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,083,985 to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the 5.125% Senior Notes, subject to its available cash and other borrowing restrictions outlined in the indenture. Upon a change of control, as defined in the indenture governing the 5.125% Senior Notes, Cinemark USA, Inc. would be required to make an offer to repurchase the 5.125% Senior Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture governing the 5.125% Senior Notes allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1 and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

Prior to December 15, 2017, Cinemark USA, Inc. may redeem all or any part of the 5.125% Senior Notes at its option at 100% of the principal amount plus a make-whole premium. After December 15, 2017, Cinemark USA, Inc. may redeem the 5.125% Senior Notes in whole or in part at redemption prices described in the 5.125% Senior Notes. In addition, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the 5.125% Senior Notes from the net proceeds of certain equity offerings at the redemption price set forth in the 5.125% Senior Notes.

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7.375% Senior Subordinated Notes

On June 3, 2011, Cinemark USA, Inc. issued \$200,000 aggregate principal amount of 7.375% senior subordinated notes due 2021, at par value (the "Senior Subordinated Notes"). Interest on the Senior Subordinated Notes is payable on June 15 and December 15 of each year. The Senior Subordinated Notes mature on June 15, 2021.

The Senior Subordinated Notes are fully and unconditionally guaranteed on a joint and several senior subordinated unsecured basis by certain of Cinemark USA, Inc.'s subsidiaries that guarantee, assume or become liable with respect to any of Cinemark USA, Inc.'s or a guarantor's other debt. The Senior Subordinated Notes and the guarantors are senior subordinated unsecured obligations and rank equally in right of payment with all of Cinemark USA, Inc.'s and a guarantor's future senior subordinated indebtedness; are subordinate in right of payment to all of Cinemark USA, Inc.'s and a guarantor's existing and future senior indebtedness, whether secured or unsecured, including Cinemark USA, Inc.'s obligations under its Senior Secured Credit Facility, its 5.125% Senior Notes and 4.875% Senior Notes; and structurally subordinate to all existing and future indebtedness and other liabilities of Cinemark USA, Inc.'s non-guarantor subsidiaries.

The indenture to the Senior Subordinated Notes contains covenants that limit, among other things, the ability of Cinemark USA, Inc. and certain of its subsidiaries to (1) make investments or other restricted payments, including paying dividends, making other distributions or repurchasing subordinated debt or equity, (2) incur additional indebtedness and issue preferred stock, (3) enter into transactions with affiliates, (4) enter new lines of business, (5) merge or consolidate with, or sell all or substantially all of its assets to, another person and (6) create liens. As of December 31, 2015, Cinemark USA, Inc. could have distributed up to approximately \$2,072,800 to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the indenture to the Senior Subordinated Notes, subject to its available cash and other borrowing restrictions outlined in the indenture governing the Senior Subordinated Notes. Upon a change of control, as defined in the indenture, Cinemark USA, Inc. would be required to make an offer to repurchase the Senior Subordinated Notes at a price equal to 101% of the aggregate principal amount outstanding plus accrued and unpaid interest, if any, through the date of repurchase. The indenture allows Cinemark USA, Inc. to incur additional indebtedness if it satisfies the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances. The required minimum coverage ratio is 2 to 1, and our actual ratio as of December 31, 2015 was approximately 7.7 to 1.

Prior to June 15, 2016, Cinemark USA, Inc. may redeem all or any part of the Senior Subordinated Notes at its option at 100% of the principal amount plus a make-whole premium plus accrued and unpaid interest on the senior subordinated notes to the date of redemption. After June 15, 2016, Cinemark USA, Inc. may redeem the Senior Subordinated Notes in whole or in part at redemption prices specified in the indenture. In addition, prior to June 15, 2014, Cinemark USA, Inc. may redeem up to 35% of the aggregate principal amount of the Senior Subordinated Notes from the net proceeds of certain equity offerings at the redemption price set forth in the indenture.

8.625% Senior Notes

On June 29, 2009, Cinemark USA, Inc. issued \$470,000 aggregate principal amount of 8.625% senior notes due 2019 (the "8.625% Senior Notes"), with an original issue discount of \$11,468, resulting in proceeds of approximately \$458,532. On June 24, 2013, Cinemark USA, Inc. redeemed its 8.625% Senior Notes at 112.035% of the principal amount, inclusive of a make-whole premium, plus accrued and unpaid interest, utilizing the proceeds from the issuance of the 4.875% Senior Notes discussed above. As a result of the redemption, we wrote-off approximately \$8,054 in unamortized bond discount and \$7,634 in unamortized debt issue costs, paid a make-whole premium of approximately \$56,564 and paid other fees of \$50, all of which are reflected in loss on early retirement of debt during the year ended December 31, 2013.

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Fair Value of Long Term Debt

The Company estimates the fair value of its long-term debt primarily using quoted market prices, which fall under Level 2 of the U.S. GAAP fair value hierarchy as defined by FASB ASC Topic 820-10-35. The carrying value of the Company's long term debt was \$1,822,997 and \$1,814,572 as of December 31, 2014 and 2015, respectively, excluding debt issuance costs of \$31,419 and \$33,237, respectively. The fair value of the Company's long term debt was \$1,790,987 and \$1,806,276 as of December 31, 2014 and 2015, respectively.

Covenant Compliance and Debt Maturity

As of December 31, 2015, the Company believes it was in full compliance with all agreements, including related covenants, governing its outstanding debt.

The Company's long-term debt, excluding debt issuance costs, at December 31, 2015 matures as follows:

2016	\$ 8,405
2017	8,389
2018	8,389
2019	8,389
2020	7,000
Thereafter	1,774,000
Total	<u>\$ 1,814,572</u>

12. INTEREST RATE SWAP AGREEMENT

The Company is currently a party to one interest rate swap agreement that is used to hedge a portion of the interest rate risk associated with the variable interest rates on the Company's term loan debt and qualifies for cash flow hedge accounting. The fair value of the interest rate swap is recorded on the Company's consolidated balance sheet as an asset or liability with the effective portion of the interest rate swap's gains or losses reported as a component of accumulated other comprehensive loss and the ineffective portion reported in earnings. The changes in fair value are reclassified from accumulated other comprehensive loss into earnings in the same period that the hedged item affects earnings.

The valuation technique used to determine fair value is the income approach and under this approach, the Company uses projected future interest rates as provided by counterparty to the interest rate swap agreement and the fixed rates that the Company is obligated to pay under the agreement. Therefore, the Company's measurements use significant unobservable inputs, which fall in Level 3 of the U.S. GAAP hierarchy as defined by FASB ASC Topic 820-10-35. There were no changes in valuation techniques during the period and no transfers in or out of Level 3. See Note 13 for a summary of unrealized gains or losses recorded in accumulated other comprehensive loss and earnings.

Below is a summary of the Company's interest rate swap agreement designated as cash flow hedge as of December 31, 2015:

<u>Notional Amount</u>	<u>Effective Date</u>	<u>Pay Rate</u>	<u>Receive Rate</u>	<u>Expiration Date</u>	<u>Estimated Total Fair Value at December 31, 2015 ⁽¹⁾</u>
\$100,000	November 2011	1.7150%	1-Month LIBOR	April 2016	\$ 373

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(1) Included in accrued other current liabilities on the consolidated balance sheet as of December 31, 2015.

The changes in accumulated other comprehensive loss, net of taxes, related to the Company's interest rate swap agreements for the years ended December 31, 2013, 2014 and 2015 were as follows:

	2013	2014	2015
Beginning balances — January 1	\$(8,867)	\$(5,716)	\$(2,870)
Other comprehensive loss before reclassifications, net of taxes	(2,668)	(3,169)	(2,154)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of taxes	5,819	6,015	4,790
Net other comprehensive income	3,151	2,846	2,636
Ending balances — December 31	<u>\$(5,716)</u>	<u>\$(2,870)</u>	<u>\$(234)</u>

13. FAIR VALUE MEASUREMENTS

The Company determines fair value measurements in accordance with FASB ASC Topic 820, which establishes a fair value hierarchy under which an asset or liability is categorized based on the lowest level of input significant to its fair value measurement. The levels of input defined by FASB ASC Topic 820 are as follows:

Level 1	—	quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date;
Level 2	—	other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3	—	unobservable and should be used to measure fair value to the extent that observable inputs are not available.

Below is a summary of assets and liabilities measured at fair value on a recurring basis by the Company under FASB ASC Topic 820 as of December 31, 2014:

Description	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Interest rate swap liabilities — current (see Note 12)	\$ (4,255)	\$ —	\$ —	\$(4,255)
Interest rate swap liabilities — long term (see Note 12)	\$ (317)	\$ —	\$ —	\$ (317)
Investment in RealD (see Note 7)	\$14,429	\$14,429	\$ —	\$ —

Below is a summary of assets and liabilities measured at fair value on a recurring basis by the Company under FASB ASC Topic 820 as of December 31, 2015:

Description	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Interest rate swap liabilities — current (see Note 12)	\$ (373)	\$ —	\$ —	\$(373)
Investment in RealD (see Note 7)	\$12,900	\$12,900	\$ —	\$ —

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Below is a reconciliation of the beginning and ending balance for liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Liabilities	
	2014	2015
Beginning balances — January 1	\$ 9,176	\$ 4,572
Total (gain) loss included in accumulated other comprehensive loss	1,411	(155)
Settlements	(6,015)	(4,790)
Ending balances — December 31	<u>\$ 4,572</u>	<u>\$ 373</u>

The Company also uses the market approach for fair value measurements on a nonrecurring basis in the impairment evaluations of its long-lived assets (see Note 8 and Note 9). Additionally, the Company uses the market approach to estimate the fair value of its long-term debt (see Note 11). There were no changes in valuation techniques during the period. There were no transfers in or out of Level 1, Level 2 or Level 3 during the years ended December 31, 2013, 2014 and 2015.

14. FOREIGN CURRENCY TRANSLATION

The accumulated other comprehensive loss account in stockholders' equity of \$144,772 and \$271,686 at December 31, 2014 and 2015, respectively, includes the cumulative foreign currency losses of \$147,930 and \$273,404, respectively, from translating the financial statements of the Company's international subsidiaries, the change in fair values of the Company's interest rate swap agreements that are designated as hedges and the change in fair value of the Company's available-for-sale securities.

All foreign countries where the Company has operations are non-highly inflationary and the local currency is the same as the functional currency in all of the locations. Thus, any fluctuation in the currency results in a cumulative foreign currency translation adjustment recorded to accumulated other comprehensive loss.

Below is a summary of the impact of translating the financial statements of the Company's international subsidiaries as of and for the years ended December 31, 2013, 2014 and 2015.

Country	Exchange Rates as of			Other Comprehensive		
	December 31,			Income (Loss)		
	2013	2014	2015	For Year Ended December 31,		
	2013	2014	2015	2013	2014	2015
Brazil	2.36	2.69	3.96	\$ (34,451)	\$ (30,723)	\$ (74,559)
Argentina	6.52	8.55	12.95	(24,845)	(20,197)	(30,520)
Colombia	1,926.83	2,392.46	3,149.47	(2,969)	(7,632)	(8,043)
Chile	525.5	606.2	709.16	(3,570)	(5,580)	(6,572)
Peru	2.84	3.05	3.46	(3,685)	(2,785)	(4,882)
All other				(185)	(2,066)	(898)
Sale of Mexico subsidiary				22,088	—	—
				<u>\$ (47,617)</u>	<u>\$ (68,983)</u>	<u>\$ (125,474)</u>

During November 2013, the Company completed the sale of certain of its Mexico subsidiaries. As a result of this sale, the accumulated other comprehensive loss previously unrealized for these Mexico subsidiaries of \$22,088 was recognized by the Company as part of the gain on sale. See Note 5 for additional information.

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15. NONCONTROLLING INTERESTS IN SUBSIDIARIES

Noncontrolling interests in subsidiaries of the Company were as follows at December 31:

	December 31,	
	2014	2015
Cinemark Partners II — 24.6% interest (in one theatre)	\$ 7,769	\$ 7,753
Laredo Theatres — 25% interest (in two theatres)	1,112	1,761
Greeley Ltd. — 49.0% interest (in one theatre)	589	740
Other	859	851
Total	<u>\$ 10,329</u>	<u>\$ 11,105</u>

During August 2013, the Company purchased the 49.9% noncontrolling interest share of one of its Brazilian subsidiaries, Adamark Cinemas S.A. (“Adamark”), for approximately \$5,621 in cash. Adamark had investments in two of the Company’s Brazilian theatres. The increase in the Company’s ownership interest in the Brazilian subsidiary was accounted for as an equity transaction in accordance with ASC Topic 810-10-45-23. The Company recorded a decrease in additional paid-in-capital of approximately \$4,618, which represented the difference between the cash paid and the book value of the Brazilian subsidiary’s noncontrolling interest account. As a result of this transaction, the Company owns 100% of the shares in Adamark.

Below is a summary of the impact of changes in the Company’s ownership interest in its subsidiaries on its equity:

	Year ended December 31,		
	2013	2014	2015
Net income attributable to Cinemark Holdings, Inc.	\$ 148,470	\$ 192,610	\$ 216,869
Transfers from noncontrolling interests			
Decrease in Cinemark Holdings, Inc. additional paid-in-capital for the buyout of Adamark non-controlling interest	(4,618)	—	—
Net transfers from non-controlling interests	(4,618)	—	—
Change from net income attributable to Cinemark Holdings, Inc. and transfers from noncontrolling interests	<u>\$ 143,852</u>	<u>\$ 192,610</u>	<u>\$ 216,869</u>

16. CAPITAL STOCK

Common Stock — Common stockholders are entitled to vote on all matters submitted to a vote of the Company’s stockholders. Subject to the rights of holders of any then outstanding shares of the Company’s preferred stock, the Company’s common stockholders are entitled to any dividends that may be declared by the board of directors. The shares of the Company’s common stock are not subject to any redemption provisions. The Company has no issued and outstanding shares of preferred stock.

The Company’s ability to pay dividends is effectively limited by its status as a holding company and the terms of its subsidiary’s indentures and senior secured credit facility, which also significantly restricts the ability of certain of the Company’s subsidiaries to pay dividends directly or indirectly to the Company. See Note 11. Furthermore, certain of the Company’s foreign subsidiaries currently have a deficit in retained earnings which prevents the Company from declaring and paying dividends from those subsidiaries.

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Treasury Stock — Treasury stock represents shares of common stock repurchased by the Company and not yet retired. The Company has applied the cost method in recording its treasury shares.

Below is a summary of the Company's treasury stock activity for the years ended December 31, 2013, 2014 and 2015:

	Number of Treasury Shares	Cost
Balance at January 1, 2013	3,553,085	\$ 48,482
Restricted stock forfeitures ⁽¹⁾	22,653	—
Restricted stock withholdings ⁽²⁾	119,197	3,464
Balance at December 31, 2013	3,694,935	\$ 51,946
Restricted stock forfeitures ⁽¹⁾	25,947	—
Restricted stock withholdings ⁽²⁾	336,253	9,861
Balance at December 31, 2014	4,057,135	\$ 61,807
Restricted stock forfeitures ⁽¹⁾	17,897	—
Restricted stock withholdings ⁽²⁾	108,472	4,770
Balance at December 31, 2015	4,183,504	\$ 66,577

⁽¹⁾ The Company repurchased forfeited and canceled restricted shares at a cost of \$0.001 per share in accordance with the Company's Amended and Restated 2006 Long Term Incentive Plan.

⁽²⁾ The Company withheld restricted shares as a result of the election by certain employees to satisfy their tax liabilities upon vesting in restricted stock. The Company determined the number of shares to be withheld based upon market values that ranged from \$28.84 to \$44.67 per share.

As of December 31, 2015, the Company had no plans to retire any shares of treasury stock.

Stock Options — Below is a summary of stock option activity and related information for the years ended December 31, 2013 and 2014:

	Year Ended December 31, 2013		Year Ended December 31, 2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at January 1	22,022	\$ 7.63	14,584	\$ 7.63
Exercised	(7,438)	\$ 7.63	(14,584)	\$ 7.63
Outstanding at December 31	14,584	\$ 7.63	—	—
Vested options at December 31	14,584	\$ 7.63	—	—

The total intrinsic value of options exercised during the years ended December 2013 and 2014 was \$168 and \$296, respectively. The Company recognized tax benefits of approximately \$71 and \$124 related to the options exercised during the year ended December 31, 2013 and 2014, respectively.

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Restricted Stock — Below is a summary of restricted stock activity for the years ended December 31, 2013, 2014 and 2015:

	Year Ended December 31, 2013		Year Ended December 31, 2014		Year Ended December 31, 2015	
	Shares of Restricted Stock	Weighted Average Grant Date Fair Value	Shares of Restricted Stock	Weighted Average Grant Date Fair Value	Shares of Restricted Stock	Weighted Average Grant Date Fair Value
Outstanding at January 1	1,534,163	\$ 18.85	1,260,913	\$ 21.86	878,897	\$ 24.92
Granted	271,532	\$ 30.09	269,774	\$ 28.93	226,212	\$ 42.79
Vested	(522,129)	\$ 17.27	(625,843)	\$ 20.53	(329,437)	\$ 23.72
Forfeited	(22,653)	\$ 22.92	(25,947)	\$ 22.94	(17,897)	\$ 27.58
Outstanding at December 31	<u>1,260,913</u>	<u>\$ 21.86</u>	<u>878,897</u>	<u>\$ 24.92</u>	<u>757,775</u>	<u>\$ 30.73</u>

During the year ended December 31, 2015, the Company granted 226,212 shares of restricted stock to directors and employees of the Company. The fair value of the restricted stock granted was determined based on the market value of the Company's common stock on the date of grant, which ranged from \$40.75 to \$43.28 per share. The Company assumed forfeiture rates ranging from 0% to 10% for the restricted stock awards. Restricted stock granted to directors vests over a one-year period. Restricted stock granted to employees vests over periods ranging from one year to four years based on continued service. The recipients of restricted stock are entitled to receive dividends and to vote their respective shares, however, the sale and transfer of the restricted shares is prohibited during the restriction period.

Below is a summary of restricted stock award activity recorded for the periods indicated:

	Year Ended December 31,		
	2013	2014	2015
Compensation expense recognized during the period	\$ 12,738	\$ 9,534	\$ 9,600
Fair value of restricted shares that vested during the period	\$ 10,161	\$ 18,773	\$ 14,424
Income tax deduction upon vesting of restricted stock awards	\$ 4,268	\$ 5,625	\$ 3,823

As of December 31, 2015, the remaining unrecognized compensation expense related to these restricted stock awards was approximately \$11,944. The weighted average period over which this remaining compensation expense will be recognized is approximately two years.

Restricted Stock Units — During the years ended December 31, 2013, 2014 and 2015, the Company granted restricted stock units representing 115,107, 197,515 and 142,917 hypothetical shares of common stock, respectively, to employees. The restricted stock units vest based on a combination of financial performance factors and continued service. The financial performance factors are based on an implied equity value concept that determines an internal rate of return ("IRR") for a measurement period, as defined in the award agreement, based on a formula utilizing a multiple of Adjusted EBITDA subject to certain specified adjustments (as defined in the restricted stock unit award agreement). The measurement period for the restricted stock unit awards granted during the year ended December 31, 2013 is a three year period and the measurement period for the restricted stock unit awards granted during the years ended December 31, 2014 and 2015 is a two year period. The financial performance factors for the restricted stock units have a threshold, target and maximum level of payment opportunity and vest on a prorata basis according to the IRR achieved by the Company during the performance period. If the IRR for the defined measurement period is at least 8.5% (7.5% for the 2015 grant), which is the threshold, at least one-third of the restricted stock units vest. If the IRR for the defined measurement period is at least 10.5% (9.5% for the 2015 grant), which is the target, at least two-thirds of the restricted stock units vest. If the IRR for the defined measurement period is at least 12.5% (11.5% for the 2015 grant), which is

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the maximum, 100% of the restricted stock units vest. Further, as an example, if the Company achieves an IRR equal to 11.0%, the number of restricted stock units that shall vest will be greater than the target but less than the maximum number that would have vested had the Company achieved the highest IRR. All payouts of restricted stock units that vest will be subject to an additional service requirement and will be paid in the form of common stock if the participant continues to provide services through the fourth anniversary of the grant date.

At the time of each of the restricted stock unit grants, the Company assumes the IRR level to be reached for the defined measurement period will be the mid-point IRR level in determining the amount of compensation expense to record for such grants. If and when additional information becomes available to indicate that something other than the mid-point IRR level will be achieved, the Company adjusts compensation expense on a prospective basis over the remaining service period. The Company assumed forfeiture rates ranging from 0% to 5% for the restricted stock unit awards granted during 2015. Restricted stock unit award participants are eligible to receive dividend equivalent payments if and at the time the restricted stock unit awards vest.

Below is a table summarizing the potential number of shares that could vest under restricted stock unit awards granted during the years ended December 31, 2013, 2014 and 2015 at each of the three levels of financial performance (excluding forfeitures):

	Granted During the Year Ended December 31,					
	2013		2014		2015	
	Number of Units	Value at Grant ⁽¹⁾	Number of Units	Value at Grant ⁽¹⁾	Number of Units	Value at Grant ⁽¹⁾
at IRR of at least 8.5% (7.5% for 2015 grant)	38,366	\$ 1,129	65,832	\$ 1,879	47,640	\$ 2,057
at IRR of at least 10.5% (9.5% for 2015 grant)	76,741	\$ 2,259	131,683	\$ 3,758	95,282	\$ 4,115
at IRR of at least 12.5% (11.5% for 2015 grant)	115,107	\$ 3,389	197,515	\$ 5,637	142,917	\$ 6,173

⁽¹⁾ The weighted average grant date fair values for units issued during the years ended December 31, 2013, 2014, and 2015 were \$29.44, \$28.54 and \$43.19, respectively.

Below is a summary of activity for restricted stock unit awards for the periods indicated:

	Year Ended December 31,		
	2013	2014	2015
Number of restricted stock unit awards that vested during the period	295,751	395,751	123,769
Fair value of restricted stock unit awards that vested during the period	\$ 8,723	\$ 11,420	\$ 5,483
Accumulated dividends paid upon vesting of restricted stock unit awards	\$ 939	\$ 1,352	\$ 442
Income tax benefit recognized upon vesting of restricted stock unit awards	\$ 3,663	\$ 4,796	\$ 2,303
Compensation expense recognized during the period	\$ 4,148	\$ 3,284	\$ 6,158

During the year ended December 31, 2015, the Compensation Committee of the Board of Directors approved a modification to each of the 2013 and 2014 restricted stock unit grants. The modifications resulted in a cap on the foreign currency exchange rate devaluation impact to be used in calculating the IRR for the respective measurement periods. The Company revalued each of the grants based on the Company's stock price at the date of modification, which was \$33.02. The modifications resulted in incremental compensation expense of approximately \$2,460 for the year ended December 31, 2015.

As of December 31, 2015, the Company had restricted stock units outstanding that represented a total 544,076 hypothetical shares of common stock, net of actual cumulative forfeitures of 22,985 units, assuming the maximum IRR is achieved for all of the outstanding restricted stock unit awards.

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As of December 31, 2015, the remaining unrecognized compensation expense related to the outstanding restricted stock unit awards was \$6,600, which reflects an IRR level of 11.1% that was achieved for the 2012 grants, an IRR level of 12.5% that was achieved for the 2013 and 2014 grants and an IRR level of 9.5% that is estimated to be achieved for the 2015 grant. The weighted average period over which this remaining compensation expense will be recognized is approximately two years.

17. SUPPLEMENTAL CASH FLOW INFORMATION

The following is provided as supplemental information to the consolidated statements of cash flows:

	Year Ended December 31,		
	2013	2014	2015
Cash paid for interest	\$ 116,890	\$ 107,926	\$ 105,155
Cash paid for income taxes, net of refunds received	\$ 136,124	\$ 122,972	\$ 108,435
Noncash investing and financing activities:			
Change in accounts payable and accrued expenses for the acquisition of theatre properties and equipment ⁽¹⁾	\$ (7,325)	\$ (1,225)	\$ 2,491
Theatre properties and equipment acquired under capital lease	\$ 69,541	\$ 19,908	\$ 36,544
Investment in NCM — receipt of common units (see Note 6)	\$ 98,797	\$ 8,216	\$ 15,421
Dividends accrued on unvested restricted stock unit awards	\$ (772)	\$ (530)	\$ (593)
Investment in AC JV, LLC (see Note 7)	\$ 8,333	\$ —	\$ —
Issuance of promissory note related to investment in AC JV, LLC (see Note 7)	\$ (8,333)	\$ —	\$ —
Receipt of promissory note related to sale of investment in a Taiwan joint venture	\$ —	\$ —	\$ 2,304

⁽¹⁾ Additions to theatre properties and equipment included in accounts payable as of December 31, 2014 and 2015 were \$13,235 and \$10,744, respectively.

18. INCOME TAXES

Income before income taxes consisted of the following:

	Year Ended December 31,		
	2013	2014	2015
Income before income taxes:			
U.S.	\$ 162,687	\$ 205,521	\$ 259,652
Foreign	101,177	84,542	88,015
Total	<u>\$ 263,864</u>	<u>\$ 290,063</u>	<u>\$ 347,667</u>

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Current and deferred income taxes were as follows:

	Year Ended December 31,		
	2013	2014	2015
Current:			
Federal	\$ 97,467	\$ 61,732	\$ 71,288
Foreign	42,690	27,681	35,874
State	10,951	6,125	10,682
Total current expense	<u>\$ 151,108</u>	<u>\$ 95,538</u>	<u>\$ 117,844</u>
Deferred:			
Federal	\$ (30,833)	\$ 6,322	\$ 10,420
Foreign	2,653	(6,437)	(3,339)
State	(9,612)	641	4,014
Total deferred taxes	<u>(37,792)</u>	<u>526</u>	<u>11,095</u>
Income taxes	<u>\$ 113,316</u>	<u>\$ 96,064</u>	<u>\$ 128,939</u>

A reconciliation between income tax expense and taxes computed by applying the applicable statutory federal income tax rate to income before income taxes follows:

	Year Ended December 31,		
	2013	2014	2015
Computed statutory tax expense	\$ 92,353	\$ 101,522	\$ 121,683
Foreign inflation adjustments	67	641	(1,295)
State and local income taxes, net of federal income tax impact	789	4,549	9,559
Foreign losses not benefited and other changes in valuation allowance	(2,052)	(275)	(2,408)
Foreign tax rate differential	(336)	(2,125)	(2,660)
Foreign dividends	3,294	1,083	—
Sale of Mexican subsidiaries and related changes in intangible assets	21,406	(10,065)	—
Changes in uncertain tax positions	(2,024)	(1,540)	3,717
Other — net	(181)	2,274	343
Income taxes	<u>\$ 113,316</u>	<u>\$ 96,064</u>	<u>\$ 128,939</u>

The Company reinvests the undistributed earnings of its non-U.S. subsidiaries with the exception of its subsidiary in Ecuador. Accordingly, deferred U.S. federal and state income taxes are provided only on the undistributed earnings of the Company's subsidiary in Ecuador. As of December 31, 2015, the Company has not provided deferred taxes on approximately \$316,000 of undistributed earnings of non-U.S. subsidiaries, as it is the Company's policy to indefinitely reinvest these earnings in non-U.S. operations. However, the Company may periodically repatriate a portion of these earnings to the extent that it does not incur an additional U.S. tax liability. Quantification of the deferred tax liability, if any, associated with indefinitely reinvested earnings is not practicable.

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Deferred Income Taxes

The tax effects of significant temporary differences and tax loss and tax credit carryforwards comprising the net long-term deferred income tax liabilities as of December 31, 2014 and 2015 consisted of the following:

	December 31,	
	2014	2015
Deferred liabilities:		
Theatre properties and equipment	\$ 127,010	\$ 141,155
Tax impact of items in accumulated other comprehensive income (loss)	55	158
Intangible asset — other	29,342	28,889
Intangible asset — tradenames	111,726	112,413
Investment in partnerships	111,328	108,733
Total deferred liabilities	<u>379,461</u>	<u>391,348</u>
Deferred assets:		
Deferred lease expenses	27,341	26,966
Exchange loss	—	3,736
Deferred revenue — NCM	124,366	128,642
Capital lease obligations	73,306	75,966
Tax loss carryforwards	7,764	7,379
Alternative minimum tax and other credit carryforwards	43,384	41,300
Other expenses, not currently deductible for tax purposes	25,807	20,204
Total deferred assets	<u>301,968</u>	<u>304,193</u>
Net deferred income tax liability before valuation allowance	77,493	87,155
Valuation allowance against deferred assets — current	2,384	—
Valuation allowance against deferred assets — non-current	50,489	50,636
Net deferred income tax liability	<u>\$ 130,366</u>	<u>\$ 137,791</u>
Net deferred tax liability — Foreign	\$ 12,213	\$ 4,212
Net deferred tax liability — U.S.	118,153	133,579
Total	<u>\$ 130,366</u>	<u>\$ 137,791</u>

The Company's foreign tax credit carryforwards began to expire 2015. Some foreign net operating losses will expire in the next reporting period; however, some losses may be carried forward indefinitely. State net operating losses may be carried forward for periods of between five and twenty years with the last expiring year being 2035.

During November 2015, the FASB issued ASU 2015-17, which simplifies the presentation of deferred income taxes. ASU 2015-17 requires that deferred tax assets and liabilities be classified as long-term on the balance sheet. The Company elected to early adopt ASU 2015-17 effective December 31, 2015, on a prospective basis. Adoption of ASU 2015-17 resulted in a reclassification of the Company's net current deferred tax asset to the net long-term deferred tax asset on the Company's consolidated balance sheet as of December 31, 2015. Balances as of December 31, 2014 have not been recast.

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Uncertain Tax Positions

The following is a reconciliation of the total amounts of unrecognized tax benefits excluding interest and penalties, for the years ended December 31, 2013, 2014 and 2015:

	Year Ended December 31,		
	2013	2014	2015
Balance at January 1,	\$ 33,222	\$ 18,780	\$ 16,515
Gross increases — tax positions in prior periods	413	10	40
Gross decreases — tax positions in prior periods	—	(2,379)	—
Gross increases — current period tax positions	1,476	1,324	2,112
Gross decreases — current period tax positions	—	—	—
Settlements	(15,444)	(963)	(871)
Foreign currency translation adjustments	(887)	(257)	(663)
Balance at December 31,	<u>\$ 18,780</u>	<u>\$ 16,515</u>	<u>\$ 17,133</u>

The Company had \$15,693 and \$17,008 of unrecognized tax benefits, including interest and penalties, as of December 31, 2014 and 2015, respectively. Of these amounts, \$15,693 and \$17,008 represent the amount of unrecognized tax benefits that if recognized would impact the effective income tax rate for the years ended December 31, 2014 and 2015, respectively. The Company had \$2,500 and \$3,198 accrued for interest and penalties as of December 31, 2014 and 2015, respectively.

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction and in certain state and foreign jurisdictions and are routinely under audit by many different tax authorities. The Company believes that its accrual for tax liabilities is adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. The Company is no longer subject to income tax audits from the Internal Revenue Service for years before 2012. The Company is no longer subject to state income tax examinations by tax authorities in its major state jurisdictions for years before 2011. Certain state returns were amended as a result of the Internal Revenue Service examination closures for 2007 through 2009, and the statutes remain open for those amendments. The Company is no longer subject to non-U.S. income tax examinations by tax authorities in its major non-U.S. tax jurisdictions for years before 2004.

The Company is currently under audit in the non-U.S. tax jurisdictions of Brazil and Chile. The Company believes that it is reasonably possible that the Chile audit will be completed within the next twelve months.

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19. COMMITMENTS AND CONTINGENCIES

Leases — The Company conducts a significant part of its theatre operations in leased properties under noncancelable operating and capital leases with terms generally ranging from 10 to 25 years. In addition to the minimum annual lease payments, some of the leases provide for contingent rentals based on operating results of the theatre and most require the payment of taxes, insurance and other costs applicable to the property. The Company can renew, at its option, a substantial portion of the leases at defined or then market rental rates for various periods. Some leases also provide for escalating rent payments throughout the lease term. A liability for deferred lease expenses of \$46,003 and \$43,333 at December 31, 2014 and 2015, respectively, has been provided to account for lease expenses on a straight-line basis, where lease payments are not made on such a basis. Theatre rent expense was as follows:

	Year Ended December 31,		
	2013	2014	2015
Fixed rent expense	\$ 224,056	\$ 237,891	\$ 240,057
Contingent rent and other facility lease expenses	83,795	79,205	79,704
Total facility lease expense	\$ 307,851	\$ 317,096	\$ 319,761

Future minimum lease payments under noncancelable operating and capital leases that have initial or remaining terms in excess of one year at December 31, 2015 are due as follows:

	Operating Leases	Capital Leases
2016	\$ 248,498	\$ 35,156
2017	236,630	33,640
2018	210,089	34,050
2019	181,967	33,394
2020	161,279	32,441
Thereafter	661,398	155,164
Total	\$ 1,699,861	323,845
Amounts representing interest payments		(96,113)
Present value of future minimum payments		227,732
Current portion of capital lease obligations		(18,780)
Capital lease obligations, less current portion		\$ 208,952

Employment Agreements — On August 20, 2015 the Company's board of directors announced that Mr. Mark Zoradi will be the Company's Chief Executive Officer. The Company and Mr. Zoradi entered into an Employment Agreement effective as of August 24, 2015. The Company has employment agreements with Lee Roy Mitchell, Tim Warner, Mark Zoradi, Sean Gamble, Robert Copple, Valmir Fernandes, Michael Cavalier and Rob Carmony. Except for Mr. Warner's, the employment agreements are subject to automatic extensions for a one-year period, unless the employment agreements are terminated. Mr. Warner's employment agreement terminates on April 1, 2016. The base salaries stipulated in the employment agreements are subject to review at least annually during the term of the agreements for increase (but not decrease) by the Company's Compensation Committee. Management personnel subject to these employment agreements are eligible to receive annual cash incentive bonuses upon the Company meeting certain performance targets established by the Compensation Committee within the first 90 days of the fiscal year.

Retirement Savings Plan — The Company has a 401(k) retirement savings plan for the benefit of all employees and makes contributions as determined annually by the board of directors. Employer contribution

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payments of \$2,718 and \$3,043 were made in 2014 (for plan year 2013) and 2015 (for plan year 2014), respectively. A liability of approximately \$3,333 has been recorded at December 31, 2015 for employer contribution payments to be made in 2016 (for plan year 2015).

Litigation — Joseph Amey, et al. v. Cinemark USA, Inc., Case No. 3:13cv05669, In the United States District Court for the Northern District of California, San Francisco Division. The case presents putative class action claims for damages and attorney’s fees arising from employee wage and hour claims under California law for alleged meal period, rest break, reporting time pay, unpaid wages, pay upon termination, and wage statements violations. The claims are also asserted as a representative action under the California Private Attorney General Act (“PAGA”). The Company denies the claims, denies that class certification is appropriate and denies that a PAGA representative action is appropriate, and is vigorously defending against the claims. The Company denies any violation of law and plans to vigorously defend against all claims. The Court recently determined that class certification is not appropriate and determined that a PAGA representative action is not appropriate. The plaintiff may appeal these rulings. The Company is unable to predict the outcome of the litigation or the range of potential loss.

The Company received a Civil Investigative Demand (“CID”) from the Antitrust Division of the United States Department of Justice. The CID relates to an investigation under Sections 1 and 2 of the Sherman Act. The Company also received CIDs from the Antitrust Section of the Office of the Attorney General of the State of Ohio and later from other states regarding similar inquiries under state antitrust laws. The CIDs request the Company to answer interrogatories, and produce documents, or both, related to the investigation of matters including film clearances, potential coordination and/or communication with other major theatre circuits and related joint ventures. The Company intends to fully cooperate with all federal and state government agencies. Although the Company does not believe that it has violated any federal or state antitrust or competition laws, it cannot predict the ultimate scope, duration or outcome of these investigations.

From time to time, the Company is involved in other various legal proceedings arising from the ordinary course of its business operations, such as personal injury claims, employment matters, landlord-tenant disputes, patent claims and contractual disputes, some of which are covered by insurance or by indemnification from vendors. The Company believes its potential liability with respect to these types of proceedings currently pending is not material, individually or in the aggregate, to the Company’s financial position, results of operations and cash flows.

20. SEGMENTS

The Company manages its international market and its U.S. market as separate reportable operating segments. The international segment consists of operations in Brazil, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, Guatemala, Bolivia and Curacao. The Company sold its theatres in Mexico on November 15, 2013. Each segment’s revenue is derived from admissions and concession sales and other ancillary revenues, primarily screen advertising. The measure of segment profit and loss the Company uses to evaluate performance and allocate its resources is Adjusted EBITDA, as defined in the reconciliation table below. The Company does not report asset information by segment because that information is not used to evaluate the performance or allocate resources between segments.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
In thousands, except share and per share data

Below is a breakdown of select financial information by reportable operating segment:

	Year Ended December 31,		
	2013	2014	2015
Revenues:			
U.S.	\$ 1,912,674	\$ 1,934,990	\$ 2,137,733
International	783,053	704,623	728,735
Eliminations	(12,833)	(12,623)	(13,859)
Total revenues	<u>\$ 2,682,894</u>	<u>\$ 2,626,990</u>	<u>\$ 2,852,609</u>
Adjusted EBITDA ⁽¹⁾:			
U.S.	\$ 455,489	\$ 436,863	\$ 497,339
International	169,834	159,662	166,416
Total Adjusted EBITDA	<u>\$ 625,323</u>	<u>\$ 596,525</u>	<u>\$ 663,755</u>
Capital expenditures:			
U.S.	\$ 117,488	\$ 148,532	\$ 223,213
International	142,182	96,173	108,513
Total capital expenditures	<u>\$ 259,670</u>	<u>\$ 244,705</u>	<u>\$ 331,726</u>

⁽¹⁾ Distributions from NCM are reported entirely within the U.S. operating segment
The following table sets forth a reconciliation of net income to Adjusted EBITDA:

	Year Ended December 31,		
	2013	2014	2015
Net income	\$ 150,548	\$ 193,999	\$ 218,728
Add (deduct):			
Income taxes	113,316	96,064	128,939
Interest expense ⁽¹⁾	124,714	113,698	112,741
Loss on early retirement of debt	72,302	—	—
Loss on amendment to debt agreement	—	—	925
Other income ⁽²⁾	(24,688)	(22,150)	(20,041)
Depreciation and amortization	163,970	175,656	189,206
Impairment of long-lived assets	3,794	6,647	8,801
(Gain) loss on sale of assets and other	(3,845)	15,715	8,143
Deferred lease expenses	5,701	2,536	(1,806)
Amortization of long-term prepaid rents	2,625	1,542	2,361
Share based awards compensation expense	16,886	12,818	15,758
Adjusted EBITDA	<u>\$ 625,323</u>	<u>\$ 596,525</u>	<u>\$ 663,755</u>

⁽¹⁾ Includes amortization of debt issue costs.

⁽²⁾ Includes interest income, foreign currency exchange loss, and equity in income of affiliates and excludes distributions from NCM.

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
In thousands, except share and per share data

Financial Information About Geographic Area

Below is a breakdown of select financial information by geographic area:

	Year Ended December 31,		
	2013	2014	2015
Revenues			
U.S.	\$ 1,912,674	\$ 1,934,990	\$ 2,137,733
Brazil	325,762	333,919	291,959
Other foreign countries	457,291	370,704	436,776
Eliminations	(12,833)	(12,623)	(13,859)
Total	<u>\$ 2,682,894</u>	<u>\$ 2,626,990</u>	<u>\$ 2,852,609</u>
		December 31,	
		2014	2015
Theatres properties and equipment, net			
U.S.		\$ 1,094,076	\$ 1,175,535
Brazil		204,107	163,505
Other foreign countries		152,629	166,029
Total		<u>\$ 1,450,812</u>	<u>\$ 1,505,069</u>

21. RELATED PARTY TRANSACTIONS

The Company manages theatres for Laredo Theatres, Ltd. (“Laredo”). The Company is the sole general partner and owns 75% of the limited partnership interests of Laredo. Lone Star Theatres, Inc. owns the remaining 25% of the limited partnership interests in Laredo and is 100% owned by Mr. David Roberts, Lee Roy Mitchell’s son-in-law. Lee Roy Mitchell is the Company’s Chairman of the Board and directly and indirectly owns approximately 9% of the Company’s common stock. Under the agreement, management fees are paid by Laredo to the Company at a rate of 5% of annual theatre revenues up to \$50,000 and 3% of annual theatre revenues in excess of \$50,000. The Company recorded \$558, \$564 and \$567 of management fee revenues during the years ended December 31, 2013, 2014 and 2015, respectively. All such amounts are included in the Company’s consolidated financial statements with the intercompany amounts eliminated in consolidation. The Company also paid distributions to Lone Star Theatres, Inc. of \$1,000 during the year ended December 31, 2013.

The Company has an Aircraft Time Sharing Agreement with Copper Beech Capital, LLC to use, on occasion, a private aircraft owned by Copper Beech Capital, LLC. Copper Beech Capital, LLC is owned by Mr. Mitchell and his wife, Tandy Mitchell. The private aircraft is used by Mr. Mitchell and other executives who accompany Mr. Mitchell to business meetings for the Company. The Company reimburses Copper Beech Capital, LLC the actual costs of fuel usage and the expenses of the pilots, landing fees, storage fees and similar expenses incurred during the trip. For the years ended December 31, 2013, 2014 and 2015, the aggregate amounts paid to Copper Beech Capital, LLC for the use of the aircraft was approximately \$91, \$74 and \$410, respectively.

The Company currently leases 15 theatres and one parking facility from Syufy Enterprises, LP (“Syufy”) or affiliates of Syufy. Raymond Syufy is one of the Company’s directors and is an officer of the general partner of Syufy. Of these 16 leases, 15 have fixed minimum annual rent. The one lease without minimum annual rent has rent based upon a specified percentage of gross sales as defined in the lease. For the years ended December 31,

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
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In thousands, except share and per share data

2013, 2014 and 2015, the Company paid total rent of approximately \$22,876, \$21,040 and \$20,581, respectively, to Syufy.

22. VALUATION AND QUALIFYING ACCOUNTS

The Company's valuation allowance for deferred tax assets for the years ended December 31, 2013, 2014 and 2015 were as follows:

	Valuation Allowance for Deferred Tax Assets
Balance at January 1, 2013	\$ 13,326
Additions	14,162
Deductions	<u>(1,777)</u>
Balance at December 31, 2013	\$ 25,711
Additions	28,612
Deductions	<u>(1,450)</u>
Balance at December 31, 2014	\$ 52,873
Additions	437
Deductions	<u>(2,674)</u>
Balance at December 31, 2015	<u>\$ 50,636</u>

23. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

	2014				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Revenues	\$ 602,280	\$ 717,863	\$ 646,903	\$ 659,944	\$ 2,626,990
Operating income	\$ 67,855	\$ 116,866	\$ 82,284	\$ 96,065	\$ 363,070
Net income	\$ 35,696	\$ 72,134	\$ 38,532	\$ 47,637	\$ 193,999
Net income attributable to Cinemark Holdings, Inc.	\$ 35,443	\$ 71,731	\$ 38,129	\$ 47,307	\$ 192,610
Net income per share attributable to Cinemark Holdings, Inc.'s common stockholders:					
Basic	\$ 0.31	\$ 0.62	\$ 0.33	\$ 0.41	\$ 1.66
Diluted	\$ 0.31	\$ 0.62	\$ 0.33	\$ 0.41	\$ 1.66

	2015				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Revenues	\$ 645,398	\$ 799,932	\$ 700,056	\$ 707,223	\$ 2,852,609
Operating income	\$ 90,438	\$ 134,493	\$ 99,127	\$ 99,094	\$ 423,152
Net income	\$ 42,902	\$ 70,890	\$ 46,701	\$ 58,235	\$ 218,728
Net income attributable to Cinemark Holdings, Inc.	\$ 42,521	\$ 70,258	\$ 46,339	\$ 57,751	\$ 216,869
Net income per share attributable to Cinemark Holdings, Inc.'s common stockholders:					
Basic	\$ 0.37	\$ 0.61	\$ 0.40	\$ 0.50	\$ 1.87
Diluted	\$ 0.37	\$ 0.61	\$ 0.40	\$ 0.50	\$ 1.87

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
In thousands, except share and per share data

24. SUBSEQUENT EVENTS

On February 16, 2016, the Compensation Committee of the Company's board of directors approved the Amended and Restated Employment Agreement of Mark Zoradi, to be effective February 19, 2016 (the "Amended Agreement"). The Amended Agreement amends Section 3.2(c) by providing that the Equity Awards (as defined in the Amended Agreement) shall be at least 200% of Mr. Zoradi's base salary and providing for an additional amount for personal expenses. The amendments conform the Amended Agreement to the terms of Mr. Zoradi's employment offer in August 2015.

The Company's board of directors approved a cash dividend for the fourth quarter of 2015 of \$0.27 per share of common stock payable to stockholders of record on March 7, 2016. The dividend will be paid on March 18, 2016.

SCHEDULE 1 — CONDENSED FINANCIAL INFORMATION OF REGISTRANT

CINEMARK HOLDINGS, INC.
PARENT COMPANY BALANCE SHEETS
(In thousands, except share data)

	December 31, 2014	December 31, 2015
Assets		
Cash and cash equivalents	\$ 29	\$ 36
Prepaid assets	55	—
Investment in subsidiaries	1,126,395	1,102,148
Total assets	<u>\$ 1,126,479</u>	<u>\$ 1,102,184</u>
Liabilities and equity		
Liabilities		
Accrued other current liabilities, including accounts payable to subsidiaries	\$ 13,163	\$ 1,794
Other long-term liabilities	516	682
Total liabilities	13,679	2,476
Commitments and contingencies (see Note 6)		
Equity		
Common stock, \$0.001 par value: 300,000,000 shares authorized; 119,757,582 shares issued and 115,700,447 shares outstanding at December 31, 2014 and 120,107,563 shares issued and 115,924,059 shares outstanding at December 31, 2015	120	120
Additional paid-in-capital	1,095,040	1,113,219
Treasury stock, 4,057,135 and 4,183,504 common shares at cost at December 31, 2014 and December 31, 2015, respectively	(61,807)	(66,577)
Retained earnings	224,219	324,632
Accumulated other comprehensive loss	(144,772)	(271,686)
Total equity	<u>1,112,800</u>	<u>1,099,708</u>
Total liabilities and equity	<u>\$ 1,126,479</u>	<u>\$ 1,102,184</u>

The accompanying notes are an integral part of the condensed financial information of the registrant.

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CINEMARK HOLDINGS, INC.
PARENT COMPANY STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2013, 2014 and 2015
(in thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues	\$ —	\$ —	\$ —
Cost of operations	2,215	2,857	2,684
Operating loss	(2,215)	(2,857)	(2,684)
Other income	—	—	—
Loss before income taxes and equity in income of subsidiaries	(2,215)	(2,857)	(2,684)
Income taxes	842	1,086	1,020
Equity in income of subsidiaries, net of taxes	149,843	194,381	218,533
Net income	<u>\$ 148,470</u>	<u>\$ 192,610</u>	<u>\$ 216,869</u>

The accompanying notes are an integral part of the condensed financial information of the registrant.

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CINEMARK HOLDINGS, INC.
PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2013, 2014 and 2015
(In thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net income	\$ 148,470	\$ 192,610	\$ 216,869
Other comprehensive income (loss), net of tax			
Unrealized gain due to fair value adjustments on interest rate swap agreements, net of taxes of \$1,865, \$1,759 and \$1,562, net of settlements	3,151	2,846	2,636
Unrealized gain (loss) due to fair value adjustments on available-for-sale securities, net of taxes of \$1,223, \$1,479 and \$572	(2,041)	2,507	(957)
Other comprehensive income (loss) in equity method investments	2,386	676	(3,119)
Foreign currency translation adjustments, net of taxes of \$0, \$0, and \$888	(47,617)	(68,982)	(125,474)
Total other comprehensive loss, net of tax	(44,121)	(62,953)	(126,914)
Total comprehensive income, net of tax	104,349	129,657	89,955
Comprehensive income attributable to noncontrolling interests	—	—	—
Comprehensive income attributable to Cinemark Holdings, Inc.	<u>\$ 104,349</u>	<u>\$ 129,657</u>	<u>\$ 89,955</u>

The accompanying notes are an integral part of the condensed financial information of the registrant.

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CINEMARK HOLDINGS, INC.
PARENT COMPANY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013, 2014 and 2015
(in thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Activities			
Net income	\$ 148,470	\$ 192,610	\$ 216,869
Adjustments to reconcile net income to cash provided by operating activities:			
Share based awards compensation expense	840	943	885
Equity in income of subsidiaries	(149,843)	(194,381)	(218,533)
Changes in other assets and liabilities	4,301	11,196	6,194
Net cash provided by operating activities	<u>3,768</u>	<u>10,368</u>	<u>5,415</u>
Investing Activities			
Dividends received from subsidiaries	<u>105,150</u>	<u>115,000</u>	<u>115,225</u>
Net cash provided by investing activities	105,150	115,000	115,225
Financing Activities			
Proceeds from stock option exercises	57	112	—
Payroll taxes paid as a result of noncash stock option exercises and restricted stock withholdings	(3,464)	(9,861)	(4,770)
Dividends paid to stockholders	<u>(106,045)</u>	<u>(115,625)</u>	<u>(115,863)</u>
Net cash used for financing activities	<u>(109,452)</u>	<u>(125,374)</u>	<u>(120,633)</u>
Increase (decrease) in cash and cash equivalents	(534)	(6)	7
Cash and cash equivalents:			
Beginning of period	<u>569</u>	<u>35</u>	<u>29</u>
End of period	<u>\$ 35</u>	<u>\$ 29</u>	<u>\$ 36</u>

The accompanying notes are an integral part of the condensed financial information of the registrant.

CINEMARK HOLDINGS, INC.
NOTES TO PARENT COMPANY FINANCIAL STATEMENTS
In thousands, except share and per share data

1. BASIS OF PRESENTATION

Cinemark Holdings, Inc. conducts substantially all of its operations through its subsidiaries. These statements should be read in conjunction with the Company's consolidated financial statements and notes included elsewhere in this annual report on Form 10-K. There are significant restrictions over Cinemark Holdings, Inc.'s ability to obtain funds from its subsidiaries through dividends, loans or advances as contained in Cinemark USA, Inc.'s senior secured credit facility and the indentures to each of the 4.875% Senior Notes, the 5.125% Senior Notes and the 7.375% Senior Subordinated Notes (collectively referred to herein as the "Notes"). These condensed parent company financial statements have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X, as the restricted net assets of Cinemark Holdings, Inc.'s subsidiaries under each of the debt agreements previously noted exceeds 25 percent of the consolidated net assets of Cinemark Holdings, Inc. As of December 31, 2015, the restricted net assets totaled approximately \$811,988 and \$980,128 under the senior secured credit facility and the Notes, respectively. See Note 11 to the Company's consolidated financial statements included elsewhere in this annual report on Form 10-K.

2. DIVIDEND PAYMENTS

Below is a summary of dividends declared for the fiscal periods indicated.

Date Declared	Date of Record	Date Paid	Amount per Common Share ⁽²⁾	Total Dividends ⁽¹⁾
02/12/13	03/04/13	03/15/13	\$ 0.21	\$ 24,325
05/24/13	06/06/13	06/20/13	\$ 0.21	24,348
08/15/13	08/28/13	09/12/13	\$ 0.25	28,992
11/19/13	12/02/13	12/11/13	\$ 0.25	29,152
Total – Year ended December 31, 2013				\$ 106,817
02/14/14	03/04/14	03/19/14	\$ 0.25	\$ 29,015
05/22/14	06/06/14	06/20/14	\$ 0.25	29,030
08/13/14	08/28/14	09/12/14	\$ 0.25	29,032
11/12/14	12/02/14	12/11/14	\$ 0.25	29,078
Total – Year ended December 31, 2014				\$ 116,155
02/17/15	03/04/15	03/18/15	\$ 0.25	\$ 29,025
05/18/15	06/05/15	06/19/15	\$ 0.25	29,075
08/20/15	08/31/15	09/11/15	\$ 0.25	29,080
11/13/15	12/02/15	12/16/15	\$ 0.25	29,276
Total – Year ended December 31, 2015				\$ 116,456

⁽¹⁾ Of the dividends recorded during 2013, 2014 and 2015, \$772, \$530 and \$593, respectively, were related to outstanding restricted stock units and will not be paid until such units vest. See Note 16 of the Company's consolidated financial statements included elsewhere in this report.

⁽²⁾ Beginning with the dividend declared on August 15, 2013, the Company's board of directors raised the quarterly dividend to \$0.25 per common share.

3. DIVIDENDS RECEIVED FROM SUBSIDIARIES

During the years ended December 31, 2013, 2014 and 2015, Cinemark Holdings, Inc. received cash dividends of \$105,150, \$115,000 and \$115,225, respectively, from its subsidiary, Cinemark USA, Inc. Cinemark USA, Inc. also declared a noncash distribution to Cinemark Holdings, Inc. during the years ended December 31, 2013 and 2015 of approximately \$4,971 and \$17,935, respectively.

CINEMARK HOLDINGS, INC.
NOTES TO PARENT COMPANY FINANCIAL STATEMENTS
In thousands, except share and per share data

4. LONG-TERM DEBT

Cinemark Holdings, Inc. has no direct outstanding debt obligations, but its subsidiaries do. For a discussion of the debt obligations of Cinemark Holdings, Inc.'s subsidiaries, see Note 11 to the Company's consolidated financial statements included elsewhere in this annual report on Form 10-K.

5. CAPITAL STOCK

Cinemark Holdings, Inc.'s capital stock along with its long-term incentive plan and related activity are discussed in Note 16 of the Company's consolidated financial statements included elsewhere in this annual report on Form 10-K.

6. COMMITMENTS AND CONTINGENCIES

Cinemark Holdings, Inc. has no direct commitments and contingencies, but its subsidiaries do. See Note 19 of the Company's consolidated financial statements included elsewhere in this annual report on Form 10-K.

EXHIBITS
TO
FORM 10-K
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR
CINEMARK HOLDINGS, INC.
FOR FISCAL YEAR ENDED
DECEMBER 31, 2015
E-1

EXHIBIT INDEX

<u>Number</u>	<u>Exhibit Title</u>
2.1(a)	Stock Contribution and Exchange Agreement, dated as of August 7, 2006, by and between Cinemark Holdings, Inc., Cinemark, Inc., Syufy Enterprises, LP and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. on August 11, 2006).
2.1(b)	Stock Purchase Agreement, dated as of August 7, 2006, by and among Cinemark USA, Inc., Cinemark Holdings, Inc., Syufy Enterprises LP, Century Theatres, Inc. and Century Theatres Holdings, LLC (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. on August 11, 2006).
2.2	Contribution and Exchange Agreement, dated as of August 7, 2006, by and among Cinemark Holdings, Inc. and Lee Roy Mitchell, The Mitchell Special Trust, Alan W. Stock, Timothy Warner, Robert Copple, Michael Cavalier, Northwestern University, John Madigan, Quadrangle Select Partners LP, Quadrangle Capital Partners A LP, Madison Dearborn Capital Partners IV, L.P., K&E Investment Partners, LLC — 2004-B-DIF, Piola Investments Ltd., Quadrangle (Cinemark) Capital Partners LP and Quadrangle Capital Partners LP (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. on August 11, 2006).
2.3	Asset Purchase Agreement, dated as of November 16, 2012, by and among Cinemark USA, Inc., Rave Real Property Holdco, LLC and certain of its subsidiaries, Rave Cinemas, LLC and RC Processing, LLC. (incorporated by reference to Exhibit 2.3 to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 28, 2013).
3.1	Second Amended and Restated Certificate of Incorporation of Cinemark Holdings, Inc. filed with the Delaware Secretary of State on April 9, 2007 (incorporated by reference to Exhibit 3.1 to Amendment No. 2 to our Registration Statement on Form S-1, File No. 333-140390, filed April 9, 2007).
3.2(a)	Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 9, 2007 (incorporated by reference to Exhibit 3.2 to Amendment No. 2 to our Registration Statement on Form S-1, File No. 333-140390, filed April 9, 2007).
3.2(b)	First Amendment to the Amended and Restated Bylaws of Cinemark Holdings, Inc. dated April 16, 2007 (incorporated by reference to Exhibit 3.2(b) to Amendment No. 4 to our Registration Statement on Form S-1, File No. 333-140390, filed April 19, 2007).
3.2(c)	Second Amendment to the Amended and Restated Bylaws of Cinemark Holdings, Inc. dated August 20, 2015 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8K, File No. 001-33401, filed August 21, 2015).
4.1	Specimen stock certificate of Cinemark Holdings, Inc. (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to our Registration Statement on Form S-1, File No. 333-140390, filed April 9, 2007).
4.2(a)	Indenture dated as of June 29, 2009, between Cinemark USA, Inc. and Wells Fargo Bank, N.A., as trustee governing the 8 ³ / ₈ % senior notes of Cinemark USA, Inc. issued thereunder (incorporated by reference to Exhibit 4.2 to the Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed July 6, 2009).
4.2(b)	Form of 8 ³ / ₈ % senior notes of Cinemark USA, Inc. (contained in the Indenture listed as Exhibit 4.2(a) above) (incorporated by reference to Exhibit 4.3 to the Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed July 6, 2009).

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- 4.3(a) Indenture, dated as of June 3, 2011, between Cinemark USA, Inc. and Wells Fargo Bank, N.A. governing the 7⁷/₈% senior subordinated notes issued thereunder (incorporated by reference to Exhibit 4.1 to Cinemark Holdings, Inc.'s Current Report on Form 8K, File No. 001-33401, filed on July 6, 2011).
- 4.3(b) Form of 7³/₈% senior subordinated notes of Cinemark USA, Inc. (contained in the Indenture listed as Exhibit 4.3(a) above) (incorporated by reference to Exhibit 4.3 to the Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed on July 6, 2011).
- 4.4(a) Indenture, dated as of December 18, 2012, between Cinemark USA, Inc. and Wells Fargo Bank, N.A. governing the 5⁵/₈% senior notes issued thereunder (incorporated by reference to Exhibit 4.1 to Cinemark Holdings, Inc.'s Current Report on Form 8K, File No. 001-33401, filed on December 20, 2012).
- 4.4(b) Form of 5¹/₈% senior notes of Cinemark USA, Inc. (contained in the Indenture listed as Exhibit 4.4(a) above) (incorporated by reference to Exhibit 4.1 to the Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed on December 20, 2012).
- 4.5(a) Indenture, dated as of May 24, 2013, between Cinemark USA, Inc. and Well Fargo Bank, N.A. governing the 4.875% Senior Notes issued thereunder (incorporated by reference to Exhibit 4.1 to Cinemark Holdings, Inc.'s Current Report on Form 8K, File No. 001-33401 filed May 28, 2013).
- 4.5(b) Form of 4.875% Senior Notes of Cinemark USA, Inc. (contained in the Indenture listed as Exhibit 4.5(a) above) (incorporated by reference to Exhibit 4.3 to Cinemark Holdings, Inc.'s Current Report on Form 8K, File No. 001-33401, filed May 28, 2013).
- 10.1(a) Management Agreement, dated December 10, 1993, between Laredo Theatre, Ltd. and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(b) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
- 10.1(b) First Amendment to Management Agreement of Laredo Theatre, Ltd., effective as of December 10, 2003, between CNMK Texas Properties, Ltd. (successor in interest to Cinemark USA, Inc.) and Laredo Theatre Ltd. (incorporated by reference to Exhibit 10.1(d) to Cinemark, Inc.'s Registration Statement on Form S-4, File No. 333-116292, filed June 8, 2004).
- 10.1(c) Second Amendment to Management Agreement of Laredo Theatres, Ltd., effective as of December 10, 2008, between CNMK Texas Properties, L.L.C. (Successor in interest to Cinemark USA, Inc.) and Laredo Theatre Ltd. (incorporated by reference to Exhibit 10.1(c) to the Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed March 13, 2009).
- *10.1(d) Third Amendment to Management Agreement of Laredo Theatres, Ltd., effective as of December 10, 2013, between CNMK Texas Properties, L.L.C. (Successor in interest to Cinemark USA, Inc.) and Laredo Theatre Ltd.
- 10.2 License Agreement, dated December 10, 1993, between Laredo Joint Venture and Cinemark USA, Inc. (incorporated by reference to Exhibit 10.14(c) to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1994).
- 10.4(a) Amended and Restated Credit Agreement, dated as of December 18, 2012, among Cinemark USA, Inc., Cinemark Holdings, Inc., the several banks and other financial institutions and entities from time to time parties thereto, Barclays Bank PLC, Deutsche Bank Securities Inc., Morgan Stanley Senior Funding, Inc. and Wells Fargo Securities, LLC, as joint bookrunners, Morgan Stanley Senior Funding, Inc., as syndication agent, Deutsche Bank Securities Inc., Wells Fargo Securities, Inc. and Webster Bank, N.A., as co-documentation agents, and Barclays Bank PLC, as administrative agent. (incorporated by reference to Exhibit 10.1 to Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed on December 20, 2012).

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- 10.4(b) Second Amendment to the Amended and Restated Credit Agreement, dated as of May 8, 2015, among Cinemark USA, Inc., Cinemark Holdings, Inc., the several banks and other financial institutions and entities from time to time parties thereto, Barclays Bank PLC as administrative agent, Barclays Bank PLC as lead arranger, Barclays, Morgan Stanley Senior Funding, Inc., Deutsche Bank Securities Inc. and Wells Fargo Securities, LLC, as joint bookrunners, J.P.Morgan Securities LLC, Webster Bank, N.A., as co-arrangers (incorporated by reference to Exhibit 10.1 to Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed on May 14, 2015).
- 10.4(c) Guarantee and Collateral Agreement, dated as of October 5, 2006, among Cinemark Holdings, Inc., Cinemark, Inc., CNMK Holding, Inc., Cinemark USA, Inc. and each subsidiary guarantor party thereto (incorporated by reference to Exhibit 10.6 to Current Report on Form 8-K, File No. 000-47040, filed by Cinemark USA, Inc. on October 12, 2006).
- 10.4(d) Reaffirmation agreement, dated as of December 18, 2012, between Cinemark Holdings, Inc., Cinemark USA, Inc. and each subsidiary guarantor party thereto (incorporated by reference to Exhibit 10.4(c) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 28, 2013).
- 10.5(a) Tax Sharing Agreement, between Cinemark USA, Inc. and Cinemark International, L.L.C. (f/k/a Cinemark II, Inc.), dated as of June 10, 1992 (incorporated by reference to Exhibit 10.22 to Cinemark USA, Inc.'s Annual Report on Form 10-K, File No. 033-47040, filed March 31, 1993).
- 10.5(b) Tax Sharing Agreement, dated as of July 28, 1993, between Cinemark USA, Inc. and Cinemark Mexico (USA) (incorporated by reference to Exhibit 10.10 to Cinemark Mexico (USA)'s Registration Statement on Form S-4, File No. 033-72114, filed November 24, 1993).
- +10.6(a) Employment Agreement, dated as of December 15, 2008, between Cinemark Holdings, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.5 (q) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed March 13, 2009).
- +10.6(b) Employment Agreement, dated as of December 15, 2008, between Cinemark Holdings, Inc. and Rob Carmony (incorporated by reference to Exhibit 10.5 (r) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed March 13, 2009).
- +10.6(c) Second Amended and Restated Employment Agreement, dated as of January 21, 2014 between Cinemark Holdings, Inc. and Timothy Warner (incorporated by reference to Exhibit 10.42 to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 28, 2014).
- +10.6(d) First Amendment to Second Amended and Restated Employment Agreement, dated as of August 20, 2015 (to be effective as of August 24, 2015), between Cinemark Holdings, Inc. and Timothy Warner (incorporated by reference to Exhibit 10.1 to Current Report on Form 8K, File No. 001-33401, filed August 21, 2015).
- +10.6(e) Amended and Restated Employment Agreement, dated as of January 21, 2014, between Cinemark Holdings, Inc. and Robert Copple (incorporated by reference to Exhibit 10.43 to Cinemark Holdings, Inc.'s Annual Report on Form 10-K , File No. 001-33401, filed February 28, 2014).
- +10.6(f) Employment Agreement dated as of June 23, 2014, by and between Cinemark Holdings, Inc. and Sean Gamble (incorporated by reference to Exhibit 10.1 to Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No.001-33401, filed June 23, 2014).
- +10.6(g) Employment agreement, dated as of June 16, 2008, between Cinemark Holdings, Inc. and Michael Cavalier (incorporated by reference to Exhibit 10.4 to Cinemark Holdings, Inc.'s Quarterly Report on Form 10-Q, File No. 001-33401, filed August 8, 2008).

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+10.6(h)	Employment Agreement, dated as of February 15, 2010, between Cinemark Holdings, Inc. and Valmir Fernandes (incorporated by reference to Exhibit 10.5(v) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed March 10, 2010).
+10.6(i)	Amendment to Employment Agreement dated as of November 12, 2014 between Cinemark Holdings, Inc. and Lee Roy Mitchell (incorporated by reference to Exhibit 10.6(h) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
+10.6(j)	Employment Agreement, dated as of August 20, 2015 (to be effective as of August 24, 2015), between Cinemark Holdings, Inc. and Mark Zoradi (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K, File No. 001-33401, filed August 21, 2015).
+10.6(k)	Consulting Agreement, dated as of August 20, 2015 (to be effective as of April 1, 2016), between Cinemark Holdings, Inc. and Timothy Warner (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K, File No. 001-33401, filed August 21, 2015).
*+10.6(l)	Amended and Restated Employment Agreement, dated as of February 19, 2016, between Cinemark Holdings, Inc. and Mark Zoradi.
+10.7(a)	Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan (incorporated by reference to Exhibit 4.1 to Cinemark Holdings, Inc.'s Quarterly Report on form 10-Q, File No. 001-33401, filed May 9, 2008).
+10.7(b)	First Amendment to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K, File No. 001-33401, filed February 18, 2014).
+10.7(c)	Form of Stock Option Agreement (incorporated by reference to Exhibit 10.7(b) to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed February 1, 2007).
+10.7(d)	Form of Restricted Share Award Agreement pursuant to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan (incorporated by reference to Exhibit 4.6 to Cinemark Holdings, Inc.'s Registration Statement on Form S-8, File No. 333-146349, filed August 29, 2008).
+10.7(e)	Form of Restricted Stock Unit Award Agreement pursuant to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan (incorporated by reference to Exhibit 10.7(f) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 29, 2012).
+10.7(f)	First Amendment to the Amended and Restated 2006 Long Term Incentive Plan (incorporated by reference to Exhibit 10.1 to Cinemark Holdings, Inc.'s Current Report on Form 8-K, File No. 001-33401, filed February 18, 2014).
+10.7(g)	Form of Restricted Stock Unit Award Agreement pursuant to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan, as amended (incorporated by reference to Exhibit 10.7(f) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
*+10.7(h)	Form of Restricted Share Award Agreement pursuant to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan as amended.
10.8	Amended and Restated Exhibitor Services Agreement between National CineMedia, LLC and Cinemark USA, Inc., dated as of December 26, 2013 (incorporated by reference to Exhibit 10.45 to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 28, 2014).

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- 10.9 Third Amended and Restated Limited Liability Company Operating Agreement, dated as of February 12, 2007, by and between Cinemark Media, Inc., American Multi-Cinema, Inc., Regal CineMedia, LLC and National CineMedia, Inc. (incorporated by reference to Exhibit 10.9 to Amendment No. 1 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed March 16, 2007).
- 10.10(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA (incorporated by reference to Exhibit 10.10(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.10(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA (incorporated by reference to Exhibit 10.10(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.10(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA (incorporated by reference to Exhibit 10.10(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.10(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 14, Sacramento, CA (incorporated by reference to Exhibit 10.10(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.10(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century Stadium 14, Sacramento, CA. (incorporated by reference to Exhibit 10.10(a) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.11(a) Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA (incorporated by reference to Exhibit 10.11(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.11(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA (incorporated by reference to Exhibit 10.11(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.11(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA (incorporated by reference to Exhibit 10.11(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.11(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Laguna 16, Elk Grove, CA (incorporated by reference to Exhibit 10.11(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).

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- 10.11(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century Laguna 16, Elk Grove, CA. (incorporated by reference to Exhibit 10.10(b) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.12(a) Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA (incorporated by reference to Exhibit 10.14(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007)..
- 10.12(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA (incorporated by reference to Exhibit 10.14(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.12(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA (incorporated by reference to Exhibit 10.14(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.12(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 14, Folsom, CA (incorporated by reference to Exhibit 10.14(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.12(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of December 1, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century 14, Folsom, CA. (incorporated by reference to Exhibit 10.10(c) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.13(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV (incorporated by reference to Exhibit 10.15(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.13(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV (incorporated by reference to Exhibit 10.15(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.13(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV (incorporated by reference to Exhibit 10.15(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.13(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV (incorporated by reference to Exhibit 10.15(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).

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- 10.13(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of Nevada, Inc., as tenant, for Cinedome 12, Henderson, NV (incorporated by reference to Exhibit 10.15(e) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.13(f) Fifth Amendment to Indenture of Lease, dated as of October 5, 2012 by and between Syufy Enterprises, L.P. as landlord and Century Theatres, Inc., as tenant, for Cinedome 12, Henderson, NV. (incorporated by reference to Exhibit 10.13(f) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
- 10.14(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA (incorporated by reference to Exhibit 10.17(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.14(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA (incorporated by reference to Exhibit 10.17(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.14(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA (incorporated by reference to Exhibit 10.17(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.14(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA (incorporated by reference to Exhibit 10.17(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.14(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 8, North Hollywood, CA (incorporated by reference to Exhibit 10.17(e) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.14(f) Fifth Amendment to Indenture of Lease dated as of May 1, 2014 by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant for Century 8, North Hollywood, CA. (incorporated by reference to Exhibit 10.14(f) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
- 10.15(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA (incorporated by reference to Exhibit 10.21(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.15(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA (incorporated by reference to Exhibit 10.21(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).

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- 10.15(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA (incorporated by reference to Exhibit 10.21(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.15(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Cinema 16, Mountain View, CA (incorporated by reference to Exhibit 10.21(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.15(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century Cinema 16, Mountain View, CA. (incorporated by reference to Exhibit 10.10(d) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.16(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA (incorporated by reference to Exhibit 10.24(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.16(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA (incorporated by reference to Exhibit 10.24(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.16(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA (incorporated by reference to Exhibit 10.24(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.16(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA (incorporated by reference to Exhibit 10.24(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.16(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Cinedome 8, Napa, CA (incorporated by reference to Exhibit 10.24(e) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.17(a) Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA (incorporated by reference to Exhibit 10.25(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.17(b) First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA (incorporated by reference to Exhibit 10.25(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).

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- 10.17(c) Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA (incorporated by reference to Exhibit 10.25(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.17(d) Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of April 10, 1998, by and between Dyer Triangle LLC, as landlord and Century Theatres, Inc., as tenant, for Century 25 Union Landing, Union City, CA. (incorporated by reference to Exhibit 10.10(j) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.18(a) Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV (incorporated by reference to Exhibit 10.26(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.18(b) First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV (incorporated by reference to Exhibit 10.26(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.18(c) Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV (incorporated by reference to Exhibit 10.26(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.18(d) Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of March 7, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Sparks, Sparks, NV. (incorporated by reference to Exhibit 10.10(i) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.19(a) Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA (incorporated by reference to Exhibit 10.27(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.19(b) First Amendment, dated as of April 15, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, (incorporated by reference to Exhibit 10.27(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.19(c) Second Amendment, dated as of September 29, 2005, to Lease Agreement, dated as of October 1, 1996, by and between Syufy Enterprises, L.P.(succeeded by Stadium Promenade LLC), as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, (incorporated by reference to Exhibit 10.27(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.19(d) Third Amendment, dated as of August 5, 2006, to Lease Agreement, dated as of October 1, 1996, by and between Stadium Promenade LLC, as landlord and Century Theatres, Inc., as tenant, for Century Stadium 25, Orange, CA. (incorporated by reference to Exhibit 10.10(h) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).

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- 10.20(a) Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM (incorporated by reference to Exhibit 10.28(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.20(b) First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM (incorporated by reference to Exhibit 10.28(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.20(c) Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of July 1, 1996, by and between Synm Properties Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM (incorporated by reference to Exhibit 10.28(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.20(d) Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of July 1, 1996, by and between SYN M Properties Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres, Inc., as tenant, Century Rio 24, Albuquerque, NM. (incorporated by reference to Exhibit 10.10(g) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.21(a) Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA (incorporated by reference to Exhibit 10.29(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.21(b) First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA (incorporated by reference to Exhibit 10.29(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.21(c) Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA (incorporated by reference to Exhibit 10.29(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.21(d) Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 3, 1996, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century 14, Roseville, CA. (incorporated by reference to Exhibit 10.10(e) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.22(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.31(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.22(b) First Amendment, dated as of October 1, 1996, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.31(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).

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- 10.22(c) Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.31(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.22(d) Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.31(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.22(e) Fourth Amendment dated as of September 29, 2005 to Indenture of Lease, dated September 30, 1995 between Syufy Enterprises L.P., as landlord and Century Theatres, Inc., as tenant for Century Stadium 16, Ventura, CA. (incorporated by reference to Exhibit 10.22(e) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
- 10.22(f) Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.31(e) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.22(g) Sixth Amendment dated November 29, 2012 to Indenture of Lease, dated as of September 30, 1995, between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Stadium 16, Ventura, CA (incorporated by reference to Exhibit 10.22(g) to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 27, 2015).
- 10.23(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA (incorporated by reference to Exhibit 10.32(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.23(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA (incorporated by reference to Exhibit 10.32(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.23(c) Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Northridge 14, Salinas, CA (incorporated by reference to Exhibit 10.32(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.23(d) Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Northridge 14, Salinas, CA. (incorporated by reference to Exhibit 10.10(m) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.24(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT (incorporated by reference to Exhibit 10.33(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).

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- 10.24(b) First Amendment, dated as of January 4, 1998, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT (incorporated by reference to Exhibit 10.33(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.24(c) Second Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT (incorporated by reference to Exhibit 10.33(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.24(d) Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT (incorporated by reference to Exhibit 10.33(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.24(e) Fourth Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Properties, Inc. (succeeded by Syufy Enterprises, L.P.), as landlord and Century Theatres of Utah, Inc., as tenant, for Century 16, Salt Lake City, UT (incorporated by reference to Exhibit 10.33(e) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.24(f) Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between SYUT Properties, Inc. (succeeded by Syufy Properties, Inc.), as landlord and Century Theatres of Utah, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century 16, Salt Lake City, UT. (incorporated by reference to Exhibit 10.10(l) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.25(a) Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA (incorporated by reference to Exhibit 10.34(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.25(b) First Amendment, dated as of April 30, 2003, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA (incorporated by reference to Exhibit 10.34(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.25(c) Second Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA (incorporated by reference to Exhibit 10.34(c) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.25(d) Third Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA (incorporated by reference to Exhibit 10.34(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).

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- 10.25(e) Fourth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of April 17, 1998, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Larkspur, Larkspur, CA. (incorporated by reference to Exhibit 10.10(k) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.26(a) Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV (incorporated by reference to Exhibit 10.35(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.26(b) First Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV (incorporated by reference to Exhibit 10.35(b) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.26(c) Second Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV (incorporated by reference to Exhibit 10.35(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.26(d) Third Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of August 1, 1997, by and between Syufy Enterprises, L.P., as landlord and Century Theatres, Inc., as tenant, for Century Park Lane 16, Reno, NV. (incorporated by reference to Exhibit 10.10(f) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
- 10.27(a) Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.36(a) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.27(b) First Amendment, dated as of September 1, 2000, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.36(b) to Amendment No. 5 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 20, 2007).
- 10.27(c) Second Amendment, dated as of October 1, 2001, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.36(c) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.27(d) Third Amendment, dated as of April 15, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.36(d) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).
- 10.27(e) Fourth Amendment, dated as of September 29, 2005, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc., as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.36(e) to Amendment No. 3 to Cinemark Holdings, Inc.'s Registration Statement on Form S-1, File No. 333-140390, filed April 18, 2007).

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10.27(f)	Fifth Amendment, dated as of August 7, 2006, to Indenture of Lease, dated as of September 30, 1995, by and between Syufy Enterprises, L.P., as landlord and Century Theatres of California, Inc. (succeeded by Century Theatres, Inc.), as tenant, for Century 16, Sacramento, CA (incorporated by reference to Exhibit 10.10(n) of Cinemark Holdings, Inc. Quarterly Report on Form 10-Q, File No. 001-33401, filed November 7, 2013).
+10.28	Cinemark Holdings, Inc. Performance Bonus Plan, as amended (incorporated by reference to Appendix B to Cinemark Holdings, Inc.'s Definitive Proxy Statement filed on April 11, 2013).
+10.29	Amended and Restated Non-Employee Director Compensation Policy (incorporated by reference to Exhibit 10.40 to Cinemark Holdings, Inc.'s Annual Report on Form 10-K, File No. 001-33401, filed February 28, 2014).
*12	Calculation of Ratio of Earnings to Fixed Charges.
*21	Subsidiaries of Cinemark Holdings, Inc.
*23.1	Consent of Deloitte & Touche LLP.
*31.1	Certification of Mark Zoradi, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of Sean Gamble, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*32.1	Certification of Mark Zoradi, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as added by Section 906 of the Sarbanes-Oxley Act of 2002.
*32.2	Certification of Sean Gamble, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as added by Section 906 of the Sarbanes-Oxley Act of 2002.
*101	The following financial information from Cinemark Holdings, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2015 filed with the SEC on February 24, 2016, formatted in XBRL includes: (i) Consolidated Balance Sheets (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Comprehensive Loss, (iv) Consolidated Statements of Equity, (v) Consolidated Statements of Cash Flows and (vi) the Notes to Consolidated Financial Statements tagged as detailed text.

* Filed herewith.

+ Any management contract, compensatory plan or arrangement.

THIRD AMENDMENT TO MANAGEMENT AGREEMENT
OF LAREDO THEATRE, LTD.

This Third Amendment to Management Agreement (the "Amendment") is effective as of December 10, 2013 (the "Effective Date") by and between CNMK Texas Properties, L.L.C., a Texas limited liability company, as successor in interest to Cinemark USA, Inc. ("Manager"), and Laredo Theatre, Ltd., a Texas limited partnership ("Owner").

RECITALS:

A. Owner and Manager are parties to that certain Management Agreement effective as of December 10, 1993, as amended by the First Amendment to Management Agreement dated December 10, 2003 and the Second Amendment to Management Agreement dated December 10, 2008 (the "Original Agreement").

B. The parties hereto desire to amend the Original Agreement to extend its term in accordance with the provisions of this Amendment.

C. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings as in the Original Agreement unless otherwise defined herein.

NOW, THEREFORE, BE IT RESOLVED, that in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Extension of Term. The parties hereto agree that Section 5(a) of the Original Agreement is hereby amended to renew and extend the term of the Original Agreement for a period of five (5) years from the Effective Date of this Amendment, which term will expire on December 10, 2018.

2. Ratification. Except as hereby expressly amended, the Original Agreement shall remain in full force and effect, and is hereby ratified and confirmed in all respects on and as of the date hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CNMK TEXAS PROPERTIES, L.L.C.

By: /s/ Michael Cavalier
Name: Michael Cavalier
Title: Senior VP — General Counsel

LAREDO THEATRE, LTD.

By: CNMK TEXAS PROPERTIES, LTD.,
its General Partner

By: SUNNYMEAD CINEMA CORP.,
its General Partner

By: /s/ Tim Warner
Name: Tim Warner
Title: Chief Executive Officer

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This Amended and Restated Employment Agreement (this "**Agreement**") is made and entered into as of February 19, 2016 (the "**Effective Date**"), by and between Cinemark Holdings, Inc., a Delaware corporation (the "**Company**"), and Mark Zoradi ("**Executive**").

PRELIMINARY STATEMENTS

1. The Company and Executive are parties to that certain Employment Agreement made and entered into as of August 20, 2015, by and between the Company and Executive (the "**Agreement**"). Capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the Agreement.

2. The Company and Executive have agreed to amend the Agreement as hereinafter set forth.

1. Employment.

1.1 **Title and Duties.** The Company hereby employs Executive as Chief Executive Officer of the Company effective as of August 24, 2015 (the "**Effective Date**"). Executive's duties, responsibilities and authority shall be consistent with Executive's position and titles and shall include serving in a similar capacity with certain of the Company's Subsidiaries (as hereinafter defined) and such other duties, responsibilities and authority as may be assigned to Executive by the Board of Directors of the Company (the "**Board**"). Executive shall report directly to the Board.

1.2 **Services and Exclusivity of Services.** The Company and Executive recognize that the services to be rendered by Executive are of such a nature as to be peculiarly rendered by Executive, encompass the individual ability, managerial skills and business experience of Executive and cannot be measured exclusively in terms of hours or services rendered in any particular period. Executive shall devote Executive's full business time and shall use Executive's best efforts, energy and ability exclusively toward advancing the business, affairs and interests of the Company and its Subsidiaries, and matters related thereto. Nothing in this Agreement shall preclude Executive from serving on boards of directors of up to one other company which is not competitive to the Company upon the Board's approval not to be unreasonably withheld or participating on a board of or in trade organizations, charitable, community, school or religious activities that do not substantially interfere with his duties and responsibilities hereunder or conflict with the interests of the Company.

1.3 **Location of Office.** The Company shall make available to Executive an office and support services at the Company's headquarters in Dallas/Plano, Texas area. Executive's main office shall be at such location.

1.4 **Subsidiaries; Person.** For purposes of this Agreement, "**Subsidiary**" or "**Subsidiaries**" means, as to any Person, any other Person (i) of which such Person or any other Subsidiary of such Person is a general partner; (ii) of which such Person, any one or more of its other Subsidiaries of such Person, or such Person and any one or more of its other Subsidiaries, directly or indirectly owns or controls securities or other equity interests representing more than

fifty percent (50%) of the aggregate voting power; or (iii) of which such Person, any one or more of its other Subsidiaries of such Person, or such Person and any one or more of its other Subsidiaries, possesses the right to elect more than fifty percent (50%) of the board of directors or Persons holding similar positions; and "Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or other entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended).

2. **Term.** The term of Executive's employment under this Agreement (the "**Term**") shall commence on the Effective Date and shall continue until August 23, 2018; provided, however, that at the end of the Term, the Company may elect to extend the Term for an additional one-year period upon six (6) months prior written notice by the Company to Executive, exercising its right to extend the Term for one additional year (the "**Renewal Term**"). References in this Agreement to the "balance of the Term" shall mean the period of time remaining in the initial Term, or if applicable, the one year extension if exercised by the Company.

3. **Compensation.**

3.1 **Base Salary.** During the Term, the Company will pay to Executive a base salary at the rate of \$816,000 per year, payable in accordance with the Company's practices in effect from time to time ("**Base Salary**"). Company shall also pay Executive a personal allowance in the amount of \$30,000 per calendar year. Amounts payable shall be reduced by standard withholding and other authorized deductions. Such Base Salary shall be reviewed during the Term for increase (but not decrease) in the sole discretion of the Board, or such individual, group or committee that the Board may select as its delegate, not less frequently than annually during the Term. In conducting any such review, the Board or such delegate shall consider and take into account, among other things, any change in Executive's responsibilities, performance of Executive, the compensation of other similarly situated executives of comparable companies and other pertinent factors. Once increased, Executive's Base Salary shall not be decreased except upon mutual agreement between the parties, and, as so increased, shall constitute Base Salary hereunder.

3.2 **Bonuses; Incentive, Savings and Retirement Plans; Welfare Benefit Plans.**

(a) Executive shall be entitled to participate in all annual and long-term bonuses and incentive, savings and retirement plans generally available to other similarly situated executive employees of the Company. Executive, and Executive's family as the case may be, shall be eligible to participate in and receive all benefits under welfare benefit plans, practices, programs and policies provided to senior executives of the Company, including the Chief Executive Officer, the President, other Executive Vice Presidents and other Senior Vice Presidents of the Company, including, without limitation, medical, prescription, dental, disability, salary continuance, employee life, group life, accidental death and travel accident insurance plans and programs. The Company reserves the right to modify, suspend or discontinue any and all of its benefits referred to in this Section 3.2 at any time without recourse by Executive so long as such action is taken generally with respect to other executives and does not single out Executive.

(b) In addition to his Base Salary, for each fiscal year ending during the Term, Executive will be entitled to participate in the Cinemark Holdings, Inc.

Performance

Bonus Plan (the "**Annual Bonus Plan**"), as such Annual Bonus Plan may be amended from time to time, or pursuant to the terms of any successor plan provided, however, Executive's target bonus shall not be less than 100% of Executive's Base Salary and Executive's maximum target shall not be less than 150% of Executive's Base Salary. If the performance targets specified by the Compensation Committee of the Board are satisfied, Executive will receive an annual incentive cash bonus (the "**Annual Bonus** ") based upon the award opportunity parameters and performance targets established by the Compensation Committee of the Board pursuant to the terms of the Annual Bonus Plan. The amount of the Annual Bonus award opportunity and the performance targets that must be satisfied to receive such Annual Bonus award will be established by the Compensation Committee, in its sole discretion, each fiscal year pursuant to the terms of the Annual Bonus Plan. All such Annual Bonus award payments will be payable as specified pursuant to the terms of the Annual Bonus Plan and will be reduced by standard withholding and other authorized deductions.

(c) Executive will be eligible to participate in and receive grants of equity incentive awards ("**Equity Awards**") under the Company's Amended and Restated 2006 Long Term Incentive Plan (the "**Equity Incentive Plan**"), as such Equity Incentive Plan may be amended from time to time, or pursuant to the terms of any successor plan. Equity Awards to Executive may be granted at such times and subject to such terms and conditions as the Equity Incentive Plan administrator shall determine; provided, however, Equity Awards shall be at least 200% of Executive's Base Salary. Upon the consummation of a Sale of the Company, Executive's Equity Awards will accelerate and become fully vested (assuming Executive is then, and has been continuously, employed by the Company or any of its Subsidiaries). For purposes hereof, "**Sale of the Company**" is defined and has the meaning specified in the Equity Incentive Plan.

3.3 Fringe Benefits and Personal Expense Allowance.

(a) Executive shall be entitled to receive an annual personal expense allowance in the amount of \$30,000 for personal travel and living expenses. Such personal expense allowance shall be reduced by standard withholding and other authorized deductions.

3.4 Travel and Expenses. Executive shall be entitled to reimbursement for expenses incurred in the furtherance of the business of the Company in accordance with the Company's practices and procedures, as they may exist from time to time. Executive may, in his discretion, elect to purchase, and be reimbursed for, business class tickets on any international flights for which scheduled flight time exceeds five hours. Executive shall keep complete and accurate records of all expenditures such that Executive may substantiate and fully account for such expenses according to the Company's practices and procedures.

3.5 Vacation. Executive shall be entitled to no less than twenty (20) days paid vacation and other absences from work in accordance with the Company's vacation and absence policy in effect at the time of such vacations or absences which shall be taken at such times as are consistent with Executive's responsibilities hereunder.

3.6 Payment of Compensation and Benefits. Executive acknowledges and agrees that all payments required to be paid to Executive and benefits to be provided to Executive may be paid or provided by the Company, its successor or any other Subsidiary of the Company.

4. Confidential Information; Non-Competition.

4.1 General. Executive acknowledges that during his employment and as a result of his relationship with the Company and its affiliates, Executive has obtained and will obtain knowledge of, and has been given and will be given access to, information, including, but not limited to, information regarding the business, operations, services, proposed services, business processes, advertising, marketing and promotional plans and materials, price lists, pricing policies, ticket sales, film licensing, purchasing, real estate acquisition and leasing, other financial information and other trade secrets, confidential information and proprietary material of the Company and its affiliates or designated as being confidential by the Company or its affiliates which are not generally known to non-Company personnel, including information and material originated, discovered or developed in whole or in part by Executive (collectively referred to herein as "**Confidential Information**"). The term "Confidential Information" does not include any information which (i) at the time of disclosure is generally available to the public (other than as a result of a disclosure by Executive in breach of this Agreement) or (ii) was available to Executive on a non-confidential basis from a source (other than the Company or its Affiliates or their representatives) that is not and was not prohibited from disclosing such information to Executive by a contractual, legal or fiduciary obligation. Executive agrees that during the Term and, to the fullest extent permitted by law, thereafter, Executive will, in a fiduciary capacity for the benefit of the Company and its affiliates, hold all Confidential Information strictly in confidence and will not directly or indirectly reveal, report, disclose, publish or transfer any of such Confidential Information to any Person, or utilize any of the Confidential Information for any purpose, except in furtherance of Executive's employment under this Agreement and except to the extent that Executive may be required by law to disclose any Confidential Information. Executive acknowledges that the Company and its affiliates are providing Executive additional Confidential Information that Executive was not given prior to execution of this Agreement, as further consideration to Executive for executing this Agreement, including the promises and covenants made by Executive in this Section 4.

4.2 Non-Competition. In further consideration of the compensation to be paid to Executive hereunder, Executive acknowledges that during the course of his employment with the Company and its Subsidiaries, he has, and will, become familiar with the trade secrets of the Company and its Subsidiaries and with other Confidential Information concerning the Company and its Subsidiaries and that his services have been and shall continue to be of special, unique and extraordinary value to the Company and its Subsidiaries. Therefore, Executive agrees that, during Executive's employment hereunder and for one year after the date of termination of employment (the "**Non-compete Period**"), he shall not directly or indirectly own any interest in, manage, control, participate in, consult with, render services for, be employed in an executive, managerial or administrative capacity by, or in any manner engage in, any Competing Business. For purposes hereof, "**Competing Business**" means any business that owns, operates or manages any movie theatre within a 25-mile radius (if such theatre is outside of a Major DMA) or a 10-mile radius (if such theatre is within a Major DMA) of any theatre (i) being operated by the Company or any of its Subsidiaries during Executive's employment hereunder (but excluding any theatres which the Company and its Subsidiaries have ceased to operate as of the date of the termination of Executive's employment hereunder) or (ii) under consideration by the Company or any of its Subsidiaries for opening as of the date of termination of employment; "**Major DMA**" means a Designated Market Area with a number of households

in excess of 700,000; "**Designated Market Area**" means each of those certain geographic market areas for the United States designated as such by Nielsen Media Research, Inc. ("**Nielsen**"), as modified from time to time by Nielsen, whereby Nielsen divides the United States into non-overlapping geography for planning, buying and evaluating television audiences across various markets and whereby a county in the United States is exclusively assigned, on the basis of the television viewing habits of the people residing in the county, to one and only one Designated Market Area; and all theatres operated by the Company and its Subsidiaries in Canada shall be treated as being outside of a Major DMA. Nothing herein shall prohibit Executive from (i) being a passive owner of not more than five percent (5%) of the outstanding stock of any class of a corporation which is publicly traded, so long as Executive has no active participation in the business of such corporation or (ii) during the one year period following the termination of Executive's employment, owning, operating or investing in up to five (5) movie theatres, so long as each such theatre is outside of a 25-mile radius of the theatres being operated by the Company or any of its Subsidiaries or under consideration by the Company or any of its Subsidiaries for opening, in each case, as of the time of termination of Executive's employment. During the one-year period following the termination of Executive's employment for any reason, Executive shall provide reasonable notice to the Company of his plans for acquiring ownership in, commencing operations of, or investing in, any movie theatre prior to any such event. Notwithstanding the foregoing, Executive's obligations under this Section 4.2 shall terminate and become null and void if Executive terminates his employment with Good Reason.

4.3 Proprietary Interest. All inventions, designs, improvements, patents, copyrights and discoveries conceived by Executive during Executive's employment by the Company or its affiliates that are useful in or directly or indirectly related to the business of the Company and its affiliates or to any experimental work carried on by the Company or its affiliates, shall be the property of the Company and its affiliates. Executive will promptly and fully disclose to the Company or its affiliates all such inventions, designs, improvements, patents, copyrights and discoveries (whether developed individually or with other persons) and shall take all steps necessary and reasonably required to assure the Company's or such affiliate's ownership thereof and to assist the Company and its affiliates in protecting or defending the Company's or such affiliate's proprietary rights therein.

4.4 Return of Materials. Executive expressly acknowledges that all data, books, records and other Confidential Information of the Company and its affiliates obtained in connection with the Company's business is the exclusive property of the Company or its affiliates and that upon the termination of Executive's employment by the Company or its affiliates, Executive will immediately surrender and return to the Company or its affiliates all such items and all other property belonging to the Company or its affiliates then in the possession of Executive, and Executive shall not make or retain any copies thereof.

4.5 Property of the Company. Executive acknowledges that from time to time in the course of providing services pursuant to this Agreement, Executive shall have the opportunity to inspect and use certain property, both tangible and intangible, of the Company and its affiliates and Executive hereby agrees that such property shall remain the exclusive property of the Company and its affiliates. Executive shall have no right or proprietary interest in such property, whether tangible or intangible, including, without limitation, Executive's customer and supplier lists, contract forms, books of account, computer programs and similar property.

4.6 Reasonable in Scope and Duration; Consideration. Executive agrees and acknowledges that the restrictions contained in this Section 4 are reasonable in scope and duration and are necessary to protect the business interests and Confidential Information of the Company and its affiliates after the Effective Date of this Agreement, and Executive further agrees and acknowledges that he has reviewed the provisions of this Agreement with his legal counsel. Executive acknowledges and agrees that Executive will receive substantial, valuable consideration from the Company for the covenants contained in this Section 4, including, without limitation, compensation and other benefits.

5. Termination.

5.1 Termination Prior to Expiration of Term. Notwithstanding anything to the contrary contained in Section 2, Executive's employment may be terminated prior to the expiration of the Term only as provided in this Section 5.

5.2 Death or Disability.

(a) The Company may terminate Executive's employment hereunder due to death or Disability (as defined below). If Executive's employment hereunder is terminated as a result of death or Disability, Executive (or Executive's estate or personal representative in the event of death) shall be entitled to receive (i) all Base Salary due to Executive through the date of termination; (ii) the actual bonus, if any, he would have received in respect of the fiscal year in which his termination occurs, prorated by a fraction, the numerator of which is the number of days in such fiscal year prior to the date of Executive's termination and the denominator of which is 365, payable at the same time as any Annual Bonus payments are made to other similarly situated active executives pursuant to the terms of the Annual Bonus Plan and subject to satisfaction of the performance targets for such fiscal year; (iii) any previously vested Equity Awards and benefits, such as retirement benefits and vacation pay, in accordance with the terms of the plan or agreement pursuant to which such Equity Awards or benefits were granted to Executive (items (i) through (iii) above collectively referred to as "**Accrued Employment Entitlements**"); (iv) a lump sum payment equal to twelve (12) months of Executive's full Base Salary, which shall be payable as soon as practicable following the date of termination but not later than March 15 of the first calendar year following the year of such termination; provided, that in the case of Disability such payment shall be offset by the amount of Base Salary paid by the Company to Executive or Executive's personal representative from the date on which Executive was first unable substantially to perform Executive's duties through the date of such termination; and (v) any benefits payable to Executive or Executive's beneficiaries, as applicable, in accordance with the terms of the applicable benefit plan. At the Company's expense, Executive and/or Executive's dependents shall be entitled to continue to participate in the Company's welfare benefit plans and programs on the same terms as similarly situated actively-employed executives for a period of twelve (12) months from the date of such termination. Executive and/or Executive's dependents shall thereafter be entitled to any continuation of such benefits provided under such benefit plans or by applicable law. Following the death or Disability of Executive, Executive's participation under any Equity Award or other incentive compensation plan (other than Annual Bonuses included in the definition of Accrued Employment Entitlements) shall be governed by the terms of such plans.

(b) **“Disability”** shall mean if, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, Executive is either (i) unable to engage in any substantial gainful activity or (ii) receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering Company employees. Executive’s Disability shall be determined by the Company, in good faith, based upon information supplied by Executive and the physician mutually agreed upon by the Company and Executive. Executive agrees to submit to physical exams and diagnostic tests reasonably recommended by such physician.

5.3 Termination by the Company for Cause or by Executive because of a Voluntary Termination

(a) Executive’s employment hereunder may be terminated by the Company for Cause (as hereinafter defined) or by Executive under a Voluntary Termination (as hereinafter defined). If Executive’s employment hereunder is terminated under this Section 5.3, Executive shall be entitled to receive all Base Salary due to Executive through the date of termination. Furthermore, all previously vested rights of Executive under an Equity Award or similar incentive compensation plan or program shall be treated in accordance with the terms of such plan or program. Except as specifically set forth in this Section 5.3, the Company shall have no further obligations to Executive following a termination for Cause, or a Voluntary Termination.

(b) **“Cause”** shall mean (i) subject to clause (ii) below, a felony which results in a conviction, a guilty plea or a plea of nolo contendere; (ii) engaging in conduct involving moral turpitude that causes the Company and its affiliates material and demonstrable public disrepute or material and demonstrable economic harm; (iii) a willful material breach of this Agreement by Executive and/or Executive’s gross neglect of Executive’s duties hereunder which is not cured to the Board’s reasonable satisfaction within fifteen (15) days after notice thereof is given to Executive by the Board; or (iv) the intentional wrongful damage to or misappropriation or conversion of material property of the Company or its affiliates. No act or failure to act by the Executive shall be deemed “willful” or “intentional” if done, or omitted to be done, by him in good faith and with the reasonable belief that his action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Company shall not be entitled to terminate Executive for Cause under clause (ii) above, unless (a) the Board shall have made a good faith investigation and can produce demonstrable evidence of the existence of the commission of the fraud, embezzlement or theft which would serve as the basis of Executive’s termination for Cause under clause (ii) above, during which investigation the Company may place Executive on a paid administrative leave of absence and (b) no less than two-thirds (2/3) of the members of the Board (excluding Executive if Executive is then a member of the Board) shall have made a good faith determination that the Company is entitled to terminate Executive for Cause under clause (ii) above.

(c) **“Voluntary Termination”** shall mean a termination of employment by Executive on Executive’s own initiative other than (i) a termination due to Disability or (ii) a termination for Good Reason.

5.4 Termination by the Company without Cause or by Executive for Good Reason The Company may terminate Executive’s employment hereunder without Cause,

Executive shall be permitted to terminate Executive's employment hereunder for Good Reason (as hereinafter defined) or Executive's employment hereunder shall terminate at the end of the Term or Renewal Term, as applicable. If the Company terminates Executive's employment hereunder without Cause, other than due to death or Disability, or if Executive effects a termination for Good Reason or if Executive's employment terminates at the end of the Term or Renewal Term, as applicable, Executive shall be entitled to receive the payments and benefits set forth in this Section 5.4.

(a) So long as Executive has not breached any of the terms contained in Section 4, Executive shall be entitled to each of the following:

(i) Executive's Accrued Employment Entitlements;

(ii) Executive's annual Base Salary in effect as of the date of such termination, payable in accordance with the Company's normal payroll practices through the end of the Term or Renewal Term, as applicable; provided, however, that if Executive is, as of the date of such termination, a "specified employee" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), any amount that is (1) not treated as a short-term deferral within the meaning of Treas. Regs. §1.409A-1(b)(4), and (2) exceeds the separation pay limit under Treas. Regs. §1.409A-1(b)(9)(iii)(A) (two times the lesser of (a) the sum of Executive's annualized compensation based on Executive's annual Base Salary for the calendar year preceding the calendar year in which termination occurs (adjusted for any increase during that year that was expected to continue indefinitely if Executive's employment had not been terminated), or (b) the maximum amount that may be taken into account under a qualified plan pursuant to Code Section 401(a)(17) for the year in which such termination occurs), will not be paid before the date that is six (6) months after such date of termination, or if earlier, the date of Executive's death. Any payments or benefits to which Executive would otherwise be entitled during such non-payment period will be accumulated and paid or otherwise provided to Executive on the first day of the seventh month following such date of termination, or if earlier, within 30 days of Executive's death to his surviving spouse (or to his estate if Executive's spouse does not survive him). For purposes of this Section 5.4(a)(ii) and Section 5.4(b), any amount that is paid as a short-term deferral within the meaning of Treas. Regs. §1.409A-1(b)(4), or within the separation pay limit under Treas. Regs. §1.409A-1(b)(9)(iii)(A) shall be treated as a separate payment, provided the aggregate of the separate payments under this Section 5.4(a)(ii) shall not exceed an amount equal to two times the Executive's annual Base Salary in effect as of the date of such termination or for a period in excess of twenty-four (24) months following any such termination; and

(iii) Executive and Executive's dependents shall be entitled to continue to participate in the Company's welfare benefit plans and insurance programs on the same terms as similarly situated active employees for a period of twenty-four months from the termination date. Following the expiration of such period, Executive and/or Executive's dependents shall be entitled to any continuation of benefits as are provided under such benefit plans by the Company or as are required to be provided in accordance with applicable law.

(b) Any outstanding Equity Award with time based vesting provisions

granted to Executive shall immediately become vested as of the termination date. Any Equity Awards with performance based vesting provisions shall remain outstanding through the remainder of the applicable performance period (without regard to any continued employment requirement) and if or to the extent the performance provisions are attained, such Equity Awards shall become immediately and fully vested without regard to any continued employment requirement once the performance provisions have been attained and certified by the compensation committee of the Company.

(c) For purposes of the calculation of Executive's benefits under any supplemental defined benefit plan in which Executive participates, Executive shall be credited with one additional year of service as a result of termination pursuant to this [Section 5.4](#).

(d) "**Good Reason**" means and shall be deemed to exist if, without the prior written consent of Executive, (i) Executive suffers a significant reduction in duties, responsibilities or effective authority associated with Executive's titles and positions as set forth and described in this Agreement or is assigned any duties or responsibilities inconsistent in any material respect therewith (other than in connection with a termination for Cause); (ii) the Company fails to pay Executive any amounts or provide any benefits required to be paid or provided under this Agreement or is otherwise in material breach of this Agreement; (iii) the Company adversely changes Executive's titles or reporting requirements; (iv) Executive's compensation opportunity (other than Base Salary, which is governed by [Section 3.1](#)) or benefits provided for hereunder are materially decreased; or (v) the Company transfers Executive's primary workplace from the Company's headquarters in Dallas/Plano, Texas area. No termination by Executive shall be for "Good Reason" unless written notice of such termination setting forth in particular the event(s) constituting Good Reason is delivered to the Company within thirty (30) days following the date on which the event constituting Good Reason occurs and the Company fails to cure or remedy the event(s) identified in the notice within thirty (30) days after receipt of such notice.

5.5 Termination During a Change of Control. Notwithstanding [Section 5.4](#), if within one year after a Change of Control (as defined below), executive's employment is terminated by the Company (other than for Disability, death or Cause) or Executive resigns for Good Reason, Executive shall receive the payments and benefits set forth in this [Section 5.5](#):

(a) Executive's Accrued Employment Entitlements; plus

(b) An amount (the "**Section 5.5 Termination Amount**") in addition to any other cash compensation beyond that provided in (a) above, which amount shall be equal to the sum of two times Executive's annual Base Salary; plus an amount equal to one and one half times the most recent Annual Bonus received by Executive for any fiscal year ended prior to the date of such termination (determined without regard to any performance goals), payable in a lump sum within thirty (30) days following such termination of employment provided further, that if such termination or resignation occurs within thirty (30) days prior to the calendar year end, the payment, without interest, the amount shall be paid no earlier than January 1 of the next year; and

(c) Executive and Executive's dependents shall be entitled to continue to participate in the Company's, a successor's or acquiror's welfare benefit plans and insurance programs on the same terms as similarly situated active employees for a period of thirty (30)

months from the termination date. Following the expiration of such thirty (30) month period, Executive and/or Executive's dependents shall be entitled to any continuation of benefits as are provided under such benefit plans by the Company or as are required to be provided in accordance with applicable law.

(d) Any outstanding Equity Awards granted to Executive shall be fully vested and/or exercisable as of the date of such termination of employment and shall remain exercisable, in each case, in accordance with the terms contained in the plan and the agreement pursuant to which such compensation awards were granted, but in no event shall Executive's rights under any such Equity Awards be less favorable than the terms applicable to a Sale of the Company or other change in control contained in the plan and the agreement pursuant to which such Equity Awards were granted.

(e) For purposes of the calculation of Executive's benefits under any supplemental defined benefit plan in which Executive participates, Executive shall be credited with one additional year of service as a result of termination pursuant to this [Section 5.5](#).

(f) A "**Change of Control**" shall be deemed to have occurred upon (i) the date that (a) any individual, entity or group (within the meaning both of Section 1.409A-3(i)(5)(vi)(D) of the Treasury Regulations and of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or the Mitchell Family (as defined below), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such individual, entity or group), beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty percent (30%) or more of the total combined voting power of the voting securities of the Company entitled to vote generally in the election of directors ("**Voting Power**") and (b) such beneficial ownership (as so defined) by such individual, entity or group of more than thirty percent (30%) of the Voting Power then exceeds the combined beneficial ownership (as so defined) of Voting Power of the Mitchell Family; (ii) a majority of the members of the Company's Board of Directors shall not be Continuing Directors (as defined below); or (iii) the sale of all or substantially all of the Company's assets.

(g) "Continuing Director" shall mean with respect to any twelve (12) month period, individuals that at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by such board or whose nomination for election by the stockholders of the Company was approved by a vote of at least a majority of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination was previously so approved).

(h) "Mitchell Family" shall mean (a) Lee Roy or Tandy Mitchell, or the estate of Lee Roy Mitchell or Tandy Mitchell and (b) any trust or other arrangement for the benefit of a Mitchell.

5.6 General Release. Except where the termination is the result of Executive's death and notwithstanding the foregoing, no payment shall be made by the Company to Executive under this [Section 5](#) unless otherwise required by state, local or federal law, until Executive executes a general release of all claims in a form reasonably approved by the Company. The terms of any such general release will not, without the written consent of the Executive, terminate any continuing payment or benefit obligations hereunder by the Company

to the Executive. Notwithstanding the foregoing, if the Company fails to deliver a form of general release to the Executive by the forty-fifth (45th) day following the date of termination, the Executive will be deemed to have satisfied the condition of this Section 5.6 without being required to execute a general release.

5.7 Office Support. Upon the termination of Executive's employment hereunder for any reason except for Cause, the Company shall make available to Executive, at the Company's expense, an office and support services, (including, without limitation, telephone, telefax and internet access), at the Company's election, either at the Company's main office or at another suitable office space in the Dallas/Plano area, for a period not to exceed three (3) months following the date of such termination.

6. Arbitration.

6.1 General. Any dispute, controversy or claim arising out of or relating to this Agreement, the breach hereof or the coverage or enforceability of this arbitration provision shall be settled by arbitration in Dallas, Texas (or such other location as the Company and Executive may mutually agree), conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as such rules are in effect in Dallas/Fort Worth, Texas on the date of delivery of demand for arbitration. The arbitration of any such issue, including the determination of the amount of any damages suffered by either party hereto by reason of the acts or omissions of the other, shall be to the exclusion of any court of law. Notwithstanding the foregoing, either party hereto may seek any equitable remedy in a court to enforce the provisions of this Agreement, including, but not limited to, an action for injunctive relief or attachment, without waiving the right to arbitration.

6.2 Procedure.

(a) Either party may demand such arbitration by giving notice of that demand to the other party. The party demanding such arbitration is referred to herein as the "*Demanding Party*," and the party adverse to the Demanding Party is referred to herein as the "*Responding Party*." The notice shall state (x) the matter in controversy, and (y) the name of the arbitrator selected by the party giving the notice.

(b) Not more than fifteen (15) days after such notice is given, the Responding Party shall give notice to the Demanding Party of the name of the arbitrator selected by the Responding Party. If the Responding Party shall fail to timely give such notice, the arbitrator that the Responding Party was entitled to select shall be named by the Arbitration Committee of the American Arbitration Association. Not more than fifteen (15) days after the second arbitrator is so named; the two arbitrators shall select a third arbitrator. If the two arbitrators shall fail to timely select a third arbitrator, the third arbitrator shall be named by the Arbitration Committee of the American Arbitration Association.

(c) The dispute shall be arbitrated at a hearing that shall be concluded within ten days immediately following the date the dispute is submitted to arbitration unless a majority of the arbitrators shall elect to extend the period of arbitration. Any award made by a majority of the arbitrators (x) shall be made within ten days following the conclusion of the arbitration hearing, (y) shall be conclusive and binding on the parties, and (z) may be made the subject of a judgment of any court having jurisdiction.

(d) Any amount to which Executive is entitled under this Agreement (including any disputed amount) which is not paid when due shall bear interest from the date due but not paid at a rate equal to the lesser of eight percent (8%) per annum and the maximum lawful rate.

6.3 Costs and Expenses. All administrative and arbitration fees, costs and expenses shall be borne by the Company.

7. **Indemnification.** To the fullest extent permitted by the indemnification provisions of the certificate of incorporation and bylaws of the Company in effect as of the date of this Agreement and the indemnification provisions of the corporation statute of the jurisdiction of the Company's incorporation in effect from time to time (collectively, the "**Indemnification Provisions**"), and in each case subject to the conditions thereof, the Company shall (i) indemnify Executive, as a director and/or officer of the Company or a subsidiary of the company or a trustee or fiduciary of an employee benefit plan of the Company or a subsidiary of the Company, or, if Executive shall be serving in such capacity at the Company's written request, as a director or officer of any other corporation (other than a subsidiary of the company) or as a trustee or fiduciary of an employee benefit plan not sponsored by the Company or a subsidiary of the Company, against all liabilities and reasonable expenses that may be incurred by Executive in any threatened, pending, or completed action, suit or proceeding, whether civil, criminal or administrative, or investigative and whether formal or informal (collectively, "Claims"), because Executive is or was a director or officer of the Company, a director or officer of such other corporation or a trustee or fiduciary of such employee benefit plan, and against which Executive may be indemnified by the Company, and (ii) pay for or reimburse within twenty (20) days after request by Executive of the reasonable expenses incurred from time to time by Executive in the defense of any proceeding to which Executive is a party because Executive is or was a director or officer of the Company, a director or officer of such other corporation or a trustee or fiduciary of such employee benefit plan. The Company shall have the right to defend Executive against a Claim with counsel of its choice reasonably acceptable to Executive so long as (i) the Claim involves primarily money damages; (ii) the Company conducts the defense of the Claim actively and diligently; and (iii) there are no conflicts of such counsel representing both the Company and the Executive. So long as the Company is conducting the defense of the Claim, (i) Executive may retain separate co-counsel at his sole cost and expense and participate in the defense of the Claim; (ii) the Company shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim, nor take any voluntary action prejudicial to the determination of the Claim, without the prior written consent of the Executive, such consent not to be unreasonably withheld; and (iii) the Company will not consent to the entry of any judgment or enter into any settlement with respect to the Claim unless a written agreement from the party asserting the Claim is obtained releasing the Executive from all liability thereunder. The rights of Executive under the Indemnification Provisions and this Section 7 shall survive the termination of the employment of Executive by the Company.

8. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the heirs and representatives of Executive and the assigns and successors of the Company, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive (except by will or by operation of the laws of intestate succession) or by the Company, except that the Company may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock, assets or businesses of the Company, if such successor expressly agrees to assume the obligations of the Company hereunder.

9. **Remedies.** Executive acknowledges that the services Executive is to render under this Agreement are of a unique and special nature, the loss of which cannot reasonably or adequately be compensated for in monetary damages, and that irreparable injury and damage will result to the Company and its Subsidiaries in the event of any default or breach of this Agreement by Executive. The parties agree and acknowledge that the breach by Executive of any of the terms of this Agreement will cause irreparable damage to the Company and its affiliates, and upon any such breach, the Company shall be entitled to injunctive relief, specific performance, or other equitable relief (without posting a bond or other security); provided, however, that this shall in no way limit any other remedies which the Company and its affiliates may have (including, without limitations, the right to seek monetary damages).

10. **Survival.** The provisions of Sections 4 through 20 shall survive the expiration or earlier termination of the Term.

11. **Taxes.** All payments to Executive under this Agreement shall be reduced by all applicable withholding required by Federal, state or local law.

12. **No Obligation to Mitigate; No Rights of Offset.**

12.1 No Obligation to Mitigate. Executive shall not be required to mitigate the amount of any payment or other benefit required to be paid to Executive pursuant to this Agreement, whether by seeking other employment or otherwise, nor shall the amount of any such payment or other benefit be reduced on account of any compensation earned by Executive as a result of employment by another person; provided that Executive and Executive's dependents shall not be entitled to continue to participate in the welfare benefit plans of the Company and its Subsidiaries if Executive is covered by the welfare benefit plans of another employer.

12.2 No Rights of Offset. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Executive or others.

13. Notices. Any notice or other communications relating to this Agreement shall be in writing and delivered personally or mailed by certified mail, return receipt requested, or sent by overnight courier, to the party concerned at the address set forth below:

If to Company: 3900 Dallas Parkway, Suite 500
 Plano, Texas 75093
 Attn: General Counsel

If to Executive: At Executive's residence address as maintained by the
 Company in the regular course of its business for payroll purposes.

Either party may change the address for the giving of notices at any time by written

notice given to the other party under the provisions of this Section 13. If notice is given by personal delivery or overnight courier, said notice shall be conclusively deemed given at the time of such delivery or upon receipt of such couriered notice. If notice is given by mail, such notice shall be conclusively deemed given upon deposit thereof in the United States mail.

14. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes all prior written and oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may not be changed orally, but only by an agreement in writing signed by both parties.

15. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one agreement.

16. **Construction.** This Agreement shall be governed under and construed in accordance with the laws of the State of Texas, without regard to the principles of conflicts of laws. The paragraph headings and captions contained herein are for reference purposes and convenience only and shall not in any way affect the meaning or interpretation of this Agreement. It is intended by the parties that this Agreement be interpreted in accordance with its fair and simple meaning, not for or against either party, and neither party shall be deemed to be the drafter of this Agreement.

17. **Severability.** The parties agree that if any provision of this Agreement as applied to any party or to any circumstance is adjudged by a court or arbitrator to be invalid or unenforceable, the same will in no way affect any other circumstance or the validity or enforceability of this Agreement. Without limiting the generality of the foregoing, in particular, if any provision in Section 4, or any part thereof, is held to be unenforceable because of the duration of such provision or the area covered thereby, the parties agree that the court or arbitrator making such determination shall have the power to reduce the duration and/or area of such provision, and/or to delete specific words or phrases, and in its reduced form, such provision shall then be enforceable and shall be enforced. In addition, in the event of a breach or violation by Executive of Section 4, the Non-compete Period and the Non-solicitation Period shall be automatically extended respectively by the amount of time between the initial occurrence of the breach or violation and when such breach or violation has been duly cured.

18. **Binding Effect.** Subject to Section 8 hereof, the rights and obligations of the parties under this Agreement shall be binding upon and inure to the benefit of the permitted successors, assigns, heirs, administrators, executors and personal representatives of the parties.

19. **Effective Date; No Prior Agreement.** This Agreement shall become effective as of the Effective Date. This Agreement contains the entire understanding between the parties hereto and supersedes in all respects any prior or other agreement or understanding between the Company or any affiliate of the Company and Executive. There is no prior agreement between the Company and Executive with respect to the subject matter hereof.

20. **Executive's Cooperation.** During the Term and for five (5) years thereafter, Executive shall cooperate with the Company and its Subsidiaries in any internal investigation, any administrative, regulatory or judicial proceeding or investigation or any material dispute with a third party, in each case as reasonably requested by the Company (including, without limitation, Executive's being reasonably available to the Company upon reasonable notice for

interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other activities and commitments), in each case limited to the extent that such cooperation (a) becomes unduly burdensome for Executive (including in terms of the time commitments required by Executive in connection with such cooperation), (b) in the event that such cooperation is required after the Term, unreasonably interferes with Executive's duties under his then current employment, (c) causes Executive to breach in any material respect any material agreement by which he is bound, or (d) is limited to the extent Executive is advised by legal counsel that such cooperation would not be in Executive's best interests. In the event that the Company requires Executive's cooperation in accordance with this paragraph, the Company shall reimburse Executive solely for: (i) his reasonable out-of-pocket expenses (including travel, lodging and meals) upon submission of receipts and (ii) any reasonable attorneys' fees incurred by Executive to the extent that, after consultation with the Company, Executive deems it advisable to seek the advice of legal counsel regarding his obligations hereunder.

21. **Beneficiaries; References.** Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative, and the Company shall pay amounts payable under this Agreement, unless otherwise provided herein, in accordance with the terms of this Agreement, to Executive's personal or legal representatives, executors, administrators, heirs, distributees, devisees, legatees or estate, as the case may be.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the day and in the year first written above.

COMPANY:

CINEMARK HOLDINGS, INC.

By: /s/ Michael Cavalier

Name: Michael Cavalier

EXECUTIVE:

By: /s/ Mark Zoradi

Name: Mark Zoradi

*Signature Page to
Employment Agreement*

**THIRD AMENDED AND RESTATED CINEMARK HOLDINGS, INC.
2006 LONG TERM INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD CERTIFICATE**

THIS IS TO CERTIFY that Cinemark Holdings, Inc., a Delaware corporation (the “*Company*”), has offered you (“*Grantee*”) the right to receive restricted stock units (“*Restricted Stock Units*” or the “*Award*”) under the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan (the “*Plan*”), as follows:

Name of Grantee:

Hypothetical Number of Shares:

Offer Grant Date:

Offer Expiration Date: 30 Days after the Offer Grant Date

Payment Date:

Vesting Provisions:

The Award will vest in whole or in part on _____ provided (i) Grantee continues to provide Service through such date and (ii) the change in Implied Equity Value between January 1, [] and [2 years from Offer Grant Date] results in an internal rate of return (“IRR”) equal to or greater than the following performance schedule:

<u>IRR</u>	<u>Vesting Percentage</u>
less than 6.0%	0.0%
6.0%	33.3%
8%	66.6%
10% or greater	100.0%

Grantee is eligible to receive a ratable portion of the common stock issuable under this Award if the IRR is within the targets specified above rounded down to the nearest whole share.

Any Restricted Stock Units that vest in accordance with the performance schedule will be paid in the form of shares of Common Stock on the Payment Date specified above. The Restricted Stock Units will vest and the restrictions will lapse if the Grantee continues to provide Service through _____, [4 years from Offer Grant Date] and the performance targets specified above are attained. For purposes of determining Implied Equity Value, the multiple factor will be 7.5.

By your signature and the signature of the Company’s representative below, you and the Company agree to be bound by all of the terms and conditions of the Restricted Stock Unit Agreement, which is attached hereto as Annex I and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Restricted Stock Units rights granted pursuant to this Certificate and the related Restricted Stock Unit Agreement and to receive the Award of Restricted Stock Units designated above subject to the terms of the Plan, this Certificate and the Award Agreement.

GRANTEE:

Name:

Dated:

Cinemark Holdings, Inc.

By: /s/ Mark Zoradi
Name: Mark Zoradi
Title: Chief Executive Officer
Dated: _____

**THIRD AMENDED AND RESTATED
CINEMARK HOLDINGS, INC.
2006 LONG TERM INCENTIVE PLAN**

RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Agreement (this "**Agreement**"), is made and entered into on the execution date of the Restricted Stock Unit Certificate to which it is attached (the "**Certificate**"), by and between Cinemark Holdings, Inc., a Delaware corporation (the "**Company**"), and the Director, Employee or Consultant ("**Grantee**") named in the Certificate.

Pursuant to the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan, as amended or restated from time to time (the "**Plan**"), the Administrator of the Plan has authorized the grant to Grantee of restricted stock units ("**Restricted Stock Units**" or the "**Award**"), upon the terms and subject to the conditions set forth in this Agreement and in the Plan. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Basis for Award.** This Award is made pursuant to Section 5.6 of the Plan. The Grantee hereby receives as of the date hereof an Award of Restricted Stock Units pursuant to the terms of this Agreement (the "**Grant**")

2. Units Awarded.

(a) The Company hereby awards to Grantee Restricted Stock Units for the Hypothetical Number of Shares set forth in the Certificate. Restricted Stock Units are hypothetical Common Stock units having a value equal to the Fair Market Value of an identical number of shares of the Company's Common Stock. Each restricted stock unit represents a right to receive one share of Common Stock from the Company at the Payment Date set forth in the Certificate.

(b) The Company shall in accordance with the Plan establish and maintain an account (the "**Restricted Stock Unit Account**") for Grantee, and shall credit such account for the number of Restricted Stock Units granted to Grantee. The Company shall credit the Restricted Stock Unit Account for any securities or other property (including regular cash dividends) distributed by the Company in respect of its Common Stock. Any such property shall be subject to the same vesting schedule as the Restricted Stock Units to which they relate.

(c) Until the Restricted Stock Units awarded to the Grantee have vested and become payable on the Payment Date specified in the Certificate, the Restricted Stock Units and any related securities, cash dividends or other property nominally credited to a Restricted Stock Unit Account may not be sold, transferred, or otherwise disposed of, and may not be pledged or otherwise hypothecated.

3. **Vesting.** The Restricted Stock Units covered by this Agreement shall vest subject to the Vesting Schedule set forth in the Certificate. In the event of termination of Grantee's Service prior to the Payment Date specified in the Certificate, all rights of Grantee related to the Restricted Stock Units shall be governed by the terms of the Plan.

4. **Payment.** Subject to Grantee's satisfaction of applicable withholding requirements pursuant to Section 7 hereof, payment will be made in shares of Common Stock as soon as practicable after the Payment Date set forth in the Certificate. If the Certificate does not specify a Payment Date, the Payment Date will be the Vesting Date. The Administrator shall cause a stock certificate to be delivered to Grantee with respect to such shares free of all restrictions hereunder, except for applicable federal securities laws restrictions. Any securities, cash dividends or other property credited to the Restricted Stock Unit Account other than Restricted Stock Units will be paid in cash, or, in the discretion of the Administrator, in kind.

5. **Compliance with Laws and Regulations.** The issuance and transfer of Common Stock upon vesting of the Restricted Stock Units is subject to compliance by the Company and Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's Common Stock may be listed at the time of such issuance or transfer. Grantee understands that the Company is under no obligation to register or qualify such shares of Common Stock with the Securities and Exchange Commission, any state securities commission, or any stock exchange to effect such compliance.

6. **Tax Withholding.** As a condition to payment under Section 4 hereof, Grantee agrees that no later than the date as of which the Restricted Stock Units vest, Grantee shall pay to the Company (in cash or to the extent permitted by the Administrator, by tendering shares of Common Stock held by Grantee, including shares that otherwise would be issued and transferred to Participant as payment upon vesting of the Restricted Stock Units ("**Share Withholding**"), with a Fair Market Value on the date the Restricted Stock Units vest equal to the amount of Grantee's minimum statutory tax withholding liability, or to the extent permitted by the Administrator, a combination thereof) any federal, state, or local taxes of any kind required by law to be withheld with respect to the Restricted Stock Units for which the restrictions lapse. Alternatively, the Company or its Subsidiaries will, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Grantee (including payments due when the Restricted Stock Units vest) any federal, state, or local taxes of any kind required by law to be withheld with respect to such Restricted Stock Units.

7. **Data Privacy.** The Company's Human Resources Department in Plano, Texas (U.S.A.) administers and maintains the data regarding the Plan, all Grantees under the Plan and the Award granted to each Grantee.

The data administered and maintained by the Company includes information that maybe considered personal data, including the name of the Grantee, the award granted and the number of shares of restricted stock included in any award ("**Employee Personal Data**"). From time to time during the course of your employment with the Company, the Company may transfer certain of your Employee Personal Data to certain third parties ("**Third Parties**") as necessary for the purpose of implementation, administration and management of your participation in the Plan (the "**Purposes**"), and the Company and its Third Parties may each further transfer your

Employee Personal Data to additional third parties assisting the Company in the implementation, administration and management of the Plan (collectively, “**Data Recipients**”). The countries to which your Employee Personal Data may be transferred may have data protection standards that are different than those in your home country and that offer a level of data protection that is less than that in your home country.

In accepting the Award set forth in the Agreement, you hereby expressly acknowledge that you understand that from time to time during the course of your employment with the Company the Company may transfer your Employee Personal Data to Data Recipients for the Purposes. You further acknowledge that you understand that the countries to which your Employee Personal Data may be transferred may have data protection standards that are different than those in your home country and that offer a level of data protection that is less than that in your home country.

Further, in accepting the Award set forth in the Agreement, you hereby expressly affirm that you do not object, and you hereby expressly consent, to the transfer of your Employee Personal Data by the Company to Data Recipients for the Purposes from time to time during the course of your employment with the Company.

8. **Nontransferability.** This Award is not transferable.

9. **No Right to Continued Service.** Nothing in the Plan or this Agreement confers on Grantee any right to continue to serve as an Employee, Director or Consultant of the Company or any Subsidiary, or limits in any way the right of the Company or any Subsidiary to terminate Grantee’s Service to the Company or any Subsidiary, with or without Cause.

10. **Representations and Warranties of Grantee.** Grantee represents and warrants to the Company that:

(a) **Agrees to Terms of the Plan.** Grantee has received a copy of the Plan and has read and understands the terms of the Plan and this Agreement, and agrees to be bound by their terms and conditions. Grantee acknowledges that there may be adverse tax consequences upon the vesting of Restricted Stock Units or thereafter if the Award is paid and Grantee later disposes of the shares of Common Stock, and that Grantee should consult a tax advisor prior to such time.

(b) **Cooperation.** The Grantee agrees to sign such additional documentation as the Company may reasonably require from time to time.

11. **Modification.** The Agreement must not be amended or modified except in writing signed by both parties.

12. **Plan.** Except as otherwise provided herein, or unless the context clearly indicates otherwise, capitalized terms used but not defined herein have the same definitions as provided in the Plan. The terms and provisions of the Plan are incorporated herein by reference, and the Grantee hereby acknowledges receiving a copy of the Plan. This Agreement and the Plan constitute the entire agreement of the parties and supercede all prior undertakings and agreements with respect to the subject matter hereof. In the event of any inconsistency between the nondiscretionary terms and provisions of this Agreement and the Plan, the Plan will govern.

13. **Interpretation.** In the event of any dispute regarding the interpretation of this Agreement, Grantee, the Company, or both shall submit such dispute to the Administrator for review. The resolution of such a dispute by the Administrator shall be final and binding on the Company and Grantee.

14. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding upon Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns.

15. **Governing Law.** This Agreement is to be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

CINEMARK HOLDINGS, INC.
CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,				
	2011	2012	2013	2014	2015
Computation of Earnings:					
Pretax income from continuing operations before equity income	\$199,981	\$283,709	\$241,182	\$267,320	\$319,541
Add:					
Fixed charges	205,167	207,107	215,489	207,100	207,914
Amortization of capitalized interest	496	496	496	496	496
Distributed income of equity investees	5,651	13,109	22,682	22,743	28,126
Less:					
Capitalized interest	—	—	—	—	—
TOTAL EARNINGS	<u>\$411,295</u>	<u>\$504,421</u>	<u>\$479,849</u>	<u>\$497,659</u>	<u>\$556,077</u>
Computation of Fixed Charges:					
Interest expense	\$118,358	\$118,873	\$119,238	\$108,453	\$107,590
Capitalized interest	—	—	—	—	—
Amortization of debt issue costs	4,744	4,792	5,476	5,245	5,151
Interest factor on rent expense	82,065	83,442	90,775	93,402	95,173
TOTAL FIXED CHARGES	<u>\$205,167</u>	<u>\$207,107</u>	<u>\$215,489</u>	<u>\$207,100</u>	<u>\$207,914</u>
RATIO OF EARNINGS TO FIXED CHARGES (1)	<u>2.00x</u>	<u>2.44x</u>	<u>2.23x</u>	<u>2.40x</u>	<u>2.67x</u>

- (1) For the purposes of calculating the ratio of earnings to fixed charges, earnings consist of income from continuing operations before taxes plus fixed charges excluding capitalized interest. Fixed charges consist of interest expense, capitalized interest, amortization of debt issue costs and that portion of rental expense which we believe to be representative of the interest factor.

SUBSIDIARIES OF CINEMARK HOLDINGS, INC.

United States

Cinemark USA, Inc., a Texas corporation
 Cinemark, L.L.C., a Texas limited liability company
 Sunnymead Cinema Corp., a California corporation
 Cinemark Properties, Inc., a Texas corporation
 Greeley Holdings, Inc., a Texas corporation
 Greeley, Ltd., a Texas limited partnership
 Cinemark Concessions, L.L.C., a Florida limited liability company
 Cinemark International, L.L.C., a Texas limited liability company
 Cinemark Mexico (USA), Inc., a Delaware corporation
 Cinemark Partners I, Inc., a Texas corporation
 Cinemark Partners II, Ltd., a Texas limited partnership
 Cinemark Investments Corporation, a Delaware corporation
 CNMK Brazil Investments, Inc., a Delaware corporation
 CNMK Investments, Inc., a Delaware corporation
 CNMK Texas Properties, L.L.C., a Texas corporation
 Laredo Theatre, Ltd., a Texas limited partnership
 Brasil Holdings, L.L.C., a Delaware limited liability company
 Cinemark Media, Inc., a Delaware corporation
 Century Theatres, Inc., a California corporation
 Marin Theatre Management, L.L.C., a California limited liability company
 Century Theatres NG, L.L.C., a California limited liability company
 CineArts, L.L.C., a California limited liability company
 CineArts of Sacramento, L.L.C., a California limited liability company
 Corte Madera Theatres, L.L.C., a California limited liability company
 Novato Theatres, L.L.C., a California limited liability company
 San Rafael Theatres, L.L.C., a California limited liability company
 Northbay Theatres, L.L.C., a California limited liability company
 Century Theatres Summit Sierra, L.L.C., a California limited liability company
 Century Theatres Seattle, L.L.C., a California limited liability company
 Cinemark AB, Inc., a Maryland Corporation
 FM Delaware I, LLC, a Delaware limited liability company
 FM Delaware II, LLC, a Delaware limited liability company

ARGENTINA

Cinemark Argentina, S.R.L., an Argentine limited liability company
 Prodecine S.R.L., an Argentine limited liability company
 Bulnes 2215, S.R.L., an Argentine limited liability company
 Cinemark Argentina Holdings, Inc., a Cayman corporation
 BOCA Holdings, Inc., a Cayman corporation
 Hoyts Cinema de Argentina S.A., an Argentine corporation

BRAZIL

Cinemark Brasil S.A., a Brazilian corporation
 Flix Media Publicidade e Entretenimento Ltda., a Brazilian limited partnership

CANADA

Century Theatres of Canada, ULC, a Canadian corporation

CENTRAL AMERICA

Cinemark Panama, S.A., a Panamanian joint stock company
 Cinemark Equity Holdings Corporation, a British Virgin Islands corporation
 Cinemark Costa Rica, S.R.L., a Costa Rican limited liability company
 Cinemark El Salvador, Ltda de C.V., an El Salvadorian limited liability company
 Cinemark Nicaragua y Cia, Ltda., a Nicaraguan limited liability company
 Cinemark Honduras S. de R.L., a Honduran limited liability company
 Cinemark Guatemala Ltda., a Guatemalan limited company
 Flix Media Holdings Corporation, a British Virgin Islands corporation

SUBSIDIARIES OF CINEMARK HOLDINGS, INC.

CHILE

Cinemark Chile S.A., a Chilean corporation
Inversiones Cinemark, S.A., a Chilean corporation
Worldwide Invest, Inc., a British Virgin Islands corporation
Flix Impirica S.A., a Chilean corporation

COLOMBIA

Cinemark Colombia S.A.S., a Colombian corporation

ECUADOR

Cinemark del Ecuador S.A., an Ecuadorian corporation

MEXICO

Cinemark Plex, S. de R.L. de C.V., a Mexican limited liability company

PERU

Cinemark del Peru S.R.L., a Peruvian limited liability company

BOLIVIA

Cinemark Bolivia, S.R.L., a Bolivian corporation

PARAGUAY

Cinemark Paraguay, S.R.L.

CURACAO

Cinemark Curacao, B.V.

SPAIN

Cinemark Holdings Spain, S.L., a Spanish limited liability company

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-146349 and 333-153273 on Form S-8 and 333-159012 on Form S-3 of our reports dated February 24, 2016, relating to the consolidated financial statements and financial statement schedule of Cinemark Holdings, Inc. and the effectiveness of Cinemark Holdings, Inc.'s internal control over financial reporting, appearing in this Annual Report on Form 10-K of Cinemark Holdings, Inc. for the year ended December 31, 2015.

/s/ Deloitte & Touche LLP

Dallas, Texas
February 24, 2016

**CEO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES - OXLEY ACT OF 2002**

I, Mark Zoradi, certify that:

1. I have reviewed this annual report on Form 10-K of Cinemark Holdings, Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 (e) and 15d-15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15 (f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2016

CINEMARK HOLDINGS, INC.

By: /s/ Mark Zoradi
Mark Zoradi
Chief Executive Officer

**CFO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES - OXLEY ACT OF 2002**

I, Sean Gamble, certify that:

1. I have reviewed this annual report on Form 10-K of Cinemark Holdings, Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 (e) and 15d-15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15 (f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - c) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2016

CINEMARK HOLDINGS, INC.

By: /s/ Sean Gamble
Sean Gamble
Chief Financial Officer

**CEO CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADDED BY
SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002**

This certification is provided pursuant to 18 U.S.C. Section 1350, as added by Section 906 of the Sarbanes-Oxley Act of 2002, and accompanies the annual report on Form 10-K (the "Form 10-K") for the year ended December 31, 2015 of Cinemark Holdings, Inc. (the "Issuer").

I, Mark Zoradi, the Chief Executive Officer of Issuer certify that to the best of my knowledge:

- (i) the Form 10-K fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and
- (ii) the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: February 24, 2016

/s/ Mark Zoradi
Mark Zoradi
Chief Executive Officer

Subscribed and sworn to before me this 24th day of February 2016.

/s/ Christi Reschman
Name: Christi Reschman
Title: Notary Public

My commission expires: 09/26/17

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CFO CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADDED BY
SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002**

This certification is provided pursuant to 18 U.S.C. Section 1350, as added by Section 906 of the Sarbanes-Oxley Act of 2002, and accompanies the annual report on Form 10-K (the "Form 10-K") for the year ended December 31, 2015 of Cinemark Holdings, Inc. (the "Issuer").

I, Sean Gamble, the Chief Financial Officer of Issuer certify that to the best of my knowledge:

- (i) the Form 10-K fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and
- (ii) the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: February 24, 2016

/s/ Sean Gamble
Sean Gamble
Chief Financial Officer

Subscribed and sworn to before me this 24th day of February 2016.

/s/ Christi Reschman
Name: Christi Reschman
Title: Notary Public

My commission expires: 09/26/17

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.