Cinemark Holdings, Inc.
Form 10-Q
November 07, 2013
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2013

Commission File Number: 001-33401

CINEMARK HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-5490327**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

3900 Dallas Parkway

Suite 500

Plano, Texas **75093**
(Address of principal executive offices) **(Zip Code)**
Registrant s telephone number, including area code: (972) 665-1000

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 x 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 x No ¨

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 x Accelerated filer ¨

Non-accelerated filer ¨ (Do not check if a smaller reporting company) Smaller reporting company ¨

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

As of October 31, 2013, 115,335,511 shares of common stock were issued and outstanding.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

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Cautionary Statement Regarding Forward-Looking Statements

Certain matters within this Quarterly Report on Form 10Q include 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. The forward-looking statements may include our current expectations, assumptions, estimates and projections about our business and our industry. They may 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. Forward-looking statements can be identified by the use of words such as may, should, could, estimates, predicts, potential, continue, anticipates, believes, plans, expects, future and in expressions. Forward-looking statements may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the 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. For a description of the risk factors, please review the Risk Factors section or other sections in the Company s Annual Report on Form 10-K filed February 28, 2013 and quarterly reports on Form 10-Q, filed with the Securities and Exchange Commission. All forward-looking statements are expressly qualified in their entirety by such risk factors. 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.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share data, unaudited)

	September 30, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	$ 479,779	$ 742,664
Inventories	12,324	12,571
Accounts receivable	75,335	57,122
Current income tax receivable	1,536	7,129
Current deferred tax asset	16,908	14,397
Prepaid expenses and other	14,578	11,278
Total current assets	600,460	845,161
Theatre properties and equipment	2,476,990	2,284,129
Less accumulated depreciation and amortization	1,059,967	979,171
Theatre properties and equipment, net	1,417,023	1,304,958
Other assets		
Goodwill	1,328,842	1,150,811
Intangible assets - net	368,972	330,741
Investment in NCM	179,415	78,123
Investment in DCIP	34,924	23,012
Investment in marketable securities - RealD	8,559	13,707
Investments in and advances to affiliates	4,199	1,482
Long-term deferred tax asset	12,987	13,187
Deferred charges and other assets - net	127,517	102,044
Total other assets	2,065,415	1,713,107
Total assets	$ 4,082,898	$ 3,863,226
Liabilities and equity		
Current liabilities		
Current portion of long-term debt	$ 9,014	$ 9,546
Current portion of capital lease obligations	14,173	11,064
Current income tax payable	19,079	8,891
Current liability for uncertain tax positions		14,900

Accounts payable and accrued expenses	283,010	293,803
Total current liabilities	325,276	338,204
Long-term liabilities		
Long-term debt, less current portion	1,817,750	1,754,464
Capital lease obligations, less current portion	207,914	139,107
Long-term deferred tax liability	145,712	177,960
Long-term liability for uncertain tax positions	19,752	19,575
Deferred lease expenses	42,257	38,297
Deferred revenue - NCM	336,096	241,305
Other long-term liabilities	78,034	59,330
Total long-term liabilities	2,647,515	2,430,038
Commitments and contingencies (see Note 20)		
Equity		
Cinemark Holdings, Inc. s stockholders equity:		
Common stock, $0.001 par value: 300,000,000 shares authorized, 119,026,467 shares issued and 115,332,338 shares outstanding at September 30, 2013 and 118,502,752 shares issued and 114,949,667 shares outstanding at December 31, 2012	119	118
Additional paid-in-capital	1,073,330	1,064,016
Treasury stock, 3,694,129 and 3,553,085 shares, at cost, at September 30, 2013 and December 31, 2012, respectively	(51,946)	(48,482)
Retained earnings	161,324	106,111
Accumulated other comprehensive loss	(83,517)	(37,698)
Total Cinemark Holdings, Inc. s stockholders equity	1,099,310	1,084,065
Noncontrolling interests	10,797	10,919
Total equity	1,110,107	1,094,984
Total liabilities and equity	$ 4,082,898	$ 3,863,226

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

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data, unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues				
Admissions	$ 479,631	$ 402,440	$ 1,293,528	$ 1,194,306
Concession	242,257	200,112	643,399	581,346
Other	35,678	31,021	94,034	86,345
Total revenues	757,566	633,573	2,030,961	1,861,997
Cost of operations				
Film rentals and advertising	254,792	214,002	692,219	636,718
Concession supplies	38,971	32,924	103,992	93,162
Salaries and wages	73,267	63,707	198,821	184,548
Facility lease expense	85,085	72,883	230,827	213,059
Utilities and other	84,723	74,336	229,835	210,419
General and administrative expenses	42,395	36,996	120,720	107,011
Depreciation and amortization	42,399	36,897	120,165	110,054
Impairment of long-lived assets	131	976	2,076	1,472
(Gain) loss on sale of assets and other	611	6,699	(2,532)	8,004
Total cost of operations	622,374	539,420	1,696,123	1,564,447
Operating income	135,192	94,153	334,838	297,550
Other income (expense)				
Interest expense	(29,478)	(30,861)	(96,542)	(94,369)
Interest income	1,569	1,396	2,966	3,656
Foreign currency exchange gain (loss)	(507)	1,215	(847)	1,662
Loss on early retirement of debt			(72,302)	
Distributions from NCM	5,622	4,673	13,418	13,090
Equity in income of affiliates	11,733	6,844	15,839	9,622
Total other expense	(11,061)	(16,733)	(137,468)	(66,339)
Income before income taxes	124,131	77,420	197,370	231,211
Income taxes	43,386	29,453	62,726	88,229
Net income	$ 80,745	$ 47,967	$ 134,644	$ 142,982
Less: Net income attributable to noncontrolling interests	726	582	1,766	1,855
	$ 80,019	$ 47,385	$ 132,878	$ 141,127

Net income attributable to Cinemark Holdings, Inc.				
Weighted average shares outstanding				
Basic	114,050	113,355	113,836	113,161
Diluted	114,449	113,814	114,291	113,664
Earnings per share attributable to Cinemark Holdings, Inc. s common stockholders				
Basic	$ 0.69	$ 0.41	$ 1.15	$ 1.23
Diluted	$ 0.69	$ 0.41	$ 1.15	$ 1.23
Dividends declared per common share	$ 0.25	$ 0.21	$ 0.67	$ 0.63

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

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands, unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Net income	$ 80,745	$ 47,967	$ 134,644	$ 142,982
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) due to fair value adjustments on interest rate swap agreements, net of taxes of $70, $48, $1,461 and $72	115	(79)	2,481	(35)
Unrealized gain (loss) due to fair value adjustments on available-for-sale securities, net of taxes of $3,181, $2,760, $1,933 and $459	(5,256)	(4,601)	(3,215)	764
Amortization of accumulated other comprehensive loss on terminated interest rate swap agreement		494		2,470
Other comprehensive income in equity method investments	1,776		3,454	
Foreign currency translation adjustments	(9,518)	7,354	(48,759)	(16,086)
Total other comprehensive income (loss), net of tax	(12,883)	3,168	(46,039)	(12,887)
Total comprehensive income, net of tax	67,862	51,135	88,605	130,095
Comprehensive income attributable to noncontrolling interests	(621)	(593)	(1,546)	(1,673)
Comprehensive income attributable to Cinemark Holdings, Inc.	$ 67,241	$ 50,542	$ 87,059	$ 128,422

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

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands, unaudited)

	Nine months ended September 30,	
	2013	**2012**
Operating activities		
Net income	$ 134,644	$ 142,982
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	117,195	106,838
Amortization of intangible and other assets and favorable/unfavorable leases	2,970	3,216
Amortization of long-term prepaid rents	2,104	1,988
Amortization of debt issue costs	4,165	3,575
Amortization of deferred revenues, deferred lease incentives and other	(8,478)	(6,890)
Amortization of accumulated other comprehensive loss related to terminated interest rate swap agreement		2,470
Fair value change in interest rate swap agreements not designated as hedges		(761)
Amortization of bond discount	482	692
Impairment of long-lived assets	2,076	1,472
Share based awards compensation expense	10,346	10,165
(Gain) loss on sale of assets and other	(2,532)	8,004
Write-off of unamortized debt discount and debt issue costs related to early retirement of debt	15,688	
Deferred lease expenses	4,038	3,327
Deferred income tax expenses	(34,087)	6,935
Equity in income of affiliates	(15,839)	(9,622)
Interest paid on redemption of senior notes	(8,054)	
Distributions from equity investees	7,645	4,563
Changes in assets and liabilities	(53,870)	(4,779)
Net cash provided by operating activities	178,493	274,175
Investing activities		
Additions to theatre properties and equipment	(159,488)	(146,527)
Proceeds from sale of theatre properties and equipment	29,880	737
Acquisitions of theatres in U.S., net of cash acquired	(259,247)	(14,080)
Investment in DCIP and other	(5,080)	(1,375)
Net cash used for investing activities	(393,935)	(161,245)
Financing activities		
Proceeds from stock option exercises	58	4
Payroll taxes paid as a result of restricted stock withholdings	(3,464)	(3,263)
Dividends paid to stockholders	(77,191)	(72,236)
Issuance of senior notes	530,000	

Other short-term borrowings	1,473	
Redemption of senior notes	(461,946)	
Repayments of long-term debt	(7,060)	(9,051)
Payment of debt issue costs	(9,328)	
Payments on capital leases	(8,480)	(6,958)
Purchase of noncontrolling interest share of Adamark S.A., a Brazilian subsidiary	(5,621)	
Other	2,861	39
Net cash used for financing activities	(38,698)	(91,465)
Effect of exchange rate changes on cash and cash equivalents	(8,745)	(2,114)
Increase (decrease) in cash and cash equivalents	(262,885)	19,351
Cash and cash equivalents:		
Beginning of period	742,664	521,408
End of period	$ 479,779	$ 540,759

Supplemental information (see Note 17)

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

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In thousands, except share and per share data

1. The Company and Basis of Presentation

Cinemark Holdings, Inc. and subsidiaries (the Company) is a leader in the motion picture exhibition industry, with theatres in the United States (U.S.), Brazil, Mexico, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala. The Company also managed additional theatres in the U.S., Brazil, and Colombia during the nine months ended September 30, 2013.

The accompanying condensed consolidated balance sheet as of December 31, 2012, which was derived from audited financial statements, and the unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete consolidated financial statements. In the opinion of management, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from these estimates. 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 condensed consolidated financial statements effective with their formation or from their dates of acquisition. Intercompany balances and transactions are eliminated in consolidation.

These condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements and the notes thereto for the year ended December 31, 2012, included in the Annual Report on Form 10-K filed February 28, 2013 by the Company under the Securities Exchange Act of 1934, as amended (the Exchange Act). Operating results for the nine months ended September 30, 2013 are not necessarily indicative of the results to be achieved for the full year.

2. New Accounting Pronouncements

In July 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2012-02, *Testing Indefinite-Lived Intangible Assets for Impairment, an amendment to FASB ASC Topic 350, Intangibles - Goodwill and Other* (ASU 2012-02). The update provides an entity with the option first to assess qualitative factors in determining whether it is more likely than not that the indefinite-lived intangible asset is impaired. After assessing the qualitative factors, if an entity determines that it is not more likely than not that the indefinite-lived intangible asset is impaired, the entity is not required to take further action. If an entity concludes otherwise, then it is required to determine the fair value of the indefinite-lived intangible asset and perform the quantitative impairment test. ASU 2012-02 is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption was permitted. The adoption of ASU 2012-02 did not have a significant impact on our condensed consolidated financial statements.

During February 2013, the FASB issued ASU 2013-02, *Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income* (ASU 2013-02). ASU 2013-02 amended existing guidance by requiring additional disclosure either on the face of the income statement or in the notes to the financial statements of significant amounts reclassified out of accumulated other comprehensive income. ASU 2013-02 requires prospective adoption and affects financial statement disclosures only. For public entities, the new disclosure requirements are effective for fiscal years, and interim periods within those years, beginning after December 15, 2012. The adoption of ASU 2013-02 did not have a significant impact on our condensed consolidated financial statements. See Note 12 for changes in accumulated other comprehensive loss, including amounts reclassified out of accumulated other comprehensive loss, for the three and nine months ended September 30, 2013 and 2012.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In thousands, except share and per share data

3. Earnings Per Share

The Company considers its unvested restricted stock 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 plus the potentially dilutive effect of common equivalent shares outstanding determined under both the two class method and the treasury stock method.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Numerator:				
Net income attributable to Cinemark Holdings, Inc.	$ 80,019	$ 47,385	$ 132,878	$ 141,127
Earnings allocated to participating share-based awards [1]	(880)	(630)	(1,367)	(1,674)
Net income attributable to common stockholders	$ 79,139	$ 46,755	$ 131,511	$ 139,453
Denominator (shares in thousands):				
Basic weighted average common stock outstanding	114,050	113,355	113,836	113,161
Common equivalent shares for stock options	8	40	9	39
Common equivalent shares for restricted stock units	391	419	446	464
Diluted	114,449	113,814	114,291	113,664
Basic earnings per share attributable to common stockholders	$ 0.69	$ 0.41	$ 1.15	$ 1.23
Diluted earnings per share attributable to common stockholders	$ 0.69	$ 0.41	$ 1.15	$ 1.23

(1) For the three months ended September 30, 2013 and 2012, a weighted average of approximately 1,272 and 1,535 shares of unvested restricted stock, respectively, were considered participating securities. For the nine months ended September 30, 2013 and 2012, a weighted average of approximately 1,191 and 1,364 shares of unvested restricted stock, respectively, were considered participating securities.

4. Income Taxes

During the nine months ended September 30, 2013, the Company recorded income tax expense of approximately $62,726, which resulted in a tax rate of approximately 31.8%. The effective tax rate reflects the impact of items related to the Company s Mexico subsidiaries.

5. Long-Term Debt Activity

Issuance of 4.875% Senior Notes Due 2023

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 Company incurred debt issue costs of approximately $8,258 in connection with the issuance.

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 debt and senior in right of payment to all of Cinemark USA, Inc. s and its guarantors existing and future senior subordinated debt. The 4.875% Senior Notes and the guarantees are effectively subordinated to all of Cinemark

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In thousands, except share and per share data

USA, Inc. s and its guarantor s existing and future secured debt to the extent of the value of the collateral securing such debt, including all borrowings under Cinemark USA, Inc. s amended 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. Upon a change of control, as defined in the indenture, the Company 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 we satisfy the coverage ratio specified in the indenture, after giving effect to the incurrence of the additional indebtedness, and in certain other circumstances.

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.

On June 26, 2013, Cinemark USA, Inc. and its guarantor subsidiaries filed a registration statement with the Securities and Exchange Commission (the Commission), pursuant to which Cinemark USA, Inc. offered to exchange the 4.875% Senior Notes for substantially identical notes registered under the Securities Act of 1933, as amended, that do not contain terms restricting the transfer thereof or providing for registration rights. The registration statement was declared effective by the Commission on July 9, 2013. On August 7, 2013, Cinemark USA, Inc. completed the exchange of registered 4.875% Senior Notes for all of the outstanding 4.875% Senior Notes.

Redemption of 8.625% Senior Notes

On June 24, 2013, Cinemark USA, Inc. redeemed its $470,000 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 Cinemark USA, Inc. 4.875% Senior Notes discussed above. As a result of the redemption, the Company 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 nine months ended September 30, 2013.

Amended Senior Secured Credit Facility

On December 18, 2012, Cinemark USA, Inc. amended and restated its senior secured credit facility to include a seven year $700,000 term loan and a five year $100,000 revolving credit line, (the Amended Senior Secured Credit Facility). The proceeds from the Amended Senior Secured Credit Facility, combined with a portion of the proceeds from the 5.125% Senior Notes discussed below, were used to refinance Cinemark USA, Inc. s former senior secured credit facility. The term loan under the Amended Senior Secured Credit Facility matures in December 2019. The revolving credit line matures in December 2017. Quarterly principal payments in the amount of $1,750 are due on the term loan through September 2019, with the remaining principal of $652,750 due on December 18, 2019.

Issuance of 5.125% Senior Notes Due 2022

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 6) and the remainder is expected to be used for general corporate purposes. Interest on the 5.125% Senior Notes is payable on June 15 and December 15 of each year. The 5.125% Senior Notes mature on December 15, 2022.

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CINEMARK HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In thousands, except share and per share data

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 Accounting Standards Codification (ASC) Topic 820-10-35, *Fair Value Measurement*. The carrying value of the Company s long-term debt was $1,826,764 and $1,764,010 as of September 30, 2013 and December 31, 2012, respectively. The fair value of the Company s long-term debt was $1,780,457 and $1,851,246 as of September 30, 2013 and December 31, 2012, respectively.

6. 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 condensed consolidated statements of income for the nine months ended September 30, 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	$ 236,875

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 following unaudited pro forma information summarizes our results of operations as if the Rave Acquisition had occurred as of January 1, 2012:

	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Total revenues	$ 757,566	$ 694,771	$ 2,125,525	$ 2,042,253
Income before income taxes	$ 124,131	$ 85,791	$ 206,947	$ 253,833

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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 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	$ 22,372

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 will sell its Mexican subsidiaries, which consist of 31 theatres and 290 screens. The sales price, which will be paid in Mexican pesos and is subject to certain closing date adjustments, will be approximately $123,620, based on the exchange rate at September 30, 2013. The transaction is 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 has filed an appeal for the Competition Commission to reconsider the sale. The Company expects the Competition Commission to respond to the appeal during the fourth quarter of 2013.

Disposition of Recently Acquired 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.

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7. Equity

Below is a summary of changes in stockholders equity attributable to Cinemark Holdings, Inc., noncontrolling interests and total equity for the nine months ended September 30, 2013 and 2012:

	Cinemark Holdings, Inc. Stockholders Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2013	$ 1,084,065	$ 10,919	$ 1,094,984
Purchase of noncontrolling interest s share of Adamark S.A., a Brazilian subsidiary	(4,618)	(1,003)	(5,621)
Share based awards compensation expense	10,346		10,346
Stock withholdings related to restricted stock and restricted stock units that vested during the nine months ended September 30, 2013	(3,464)		(3,464)
Exercise of stock options	58		58
Tax benefit related to restricted stock and restricted stock unit vesting and dividends paid on unvested stock	3,529		3,529
Dividends paid to stockholders[1]	(77,191)		(77,191)
Dividends accrued on unvested restricted stock unit awards	(474)		(474)
Dividends paid to noncontrolling interests		(665)	(665)
Net income	132,878	1,766	134,644
Fair value adjustments on interest rate swap agreements designated as hedges, net of taxes of $1,461	2,481		2,481
Fair value adjustments on available-for-sale securities, net of taxes of $1,933	(3,215)		(3,215)
Other comprehensive income in equity method investees	3,454		3,454
Foreign currency translation adjustments	(48,539)	(220)	(48,759)
Balance at September 30, 2013	$ 1,099,310	$ 10,797	$ 1,110,107

(1) Below is a summary of dividends paid to stockholders during the nine months ended September 30, 2013:

Declaration Date	Record Date	Date Paid	Amount per Share of Common Stock	Total Amount Paid
02/12/13	03/04/13	03/15/13	$ 0.21	$ 24,140
05/24/13	06/06/13	06/20/13	$ 0.21	24,216
08/15/13	08/28/13	09/12/13	$ 0.25	28,835
Total			$ 0.67	$ 77,191

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	Cinemark Holdings, Inc. Stockholders Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2012	$ 1,012,877	$ 10,762	$ 1,023,639
Share based awards compensation expense	10,165		10,165
Stock withholdings related to restricted stock and restricted stock units that vested during the nine months ended September 30, 2012	(3,263)		(3,263)
Exercise of stock options	4		4
Tax benefit related to restricted stock and restricted stock unit vesting and dividends paid on unvested restricted stock	860		860
Dividends paid to stockholders	(72,236)		(72,236)
Dividends accrued on unvested restricted stock unit awards	(460)		(460)
Dividends paid to noncontrolling interests		(706)	(706)
Net income	141,127	1,855	142,982
Fair value adjustments on interest rate swap agreements designated as hedges, net of taxes of $72	(35)		(35)
Amortization of accumulated other comprehensive loss on terminated swap agreement	2,470		2,470
Fair value adjustments on available-for-sale securities, net of taxes of $459	764		764
Foreign currency translation adjustments	(15,904)	(182)	(16,086)
Balance at September 30, 2012	$ 1,076,369	$ 11,729	$ 1,088,098

Purchase of Noncontrolling Interest s Share of Adamark S.A.

During August 2013, the Company purchased the 49.9% noncontrolling interest share of one of its Brazilian subsidiaries, Adamark S.A., for approximately $5,621 in cash. Adamark S.A. owns 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 S.A.

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

	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013
Net income attributable to Cinemark Holdings, Inc.	$ 80,019	$ 132,878
Transfers from noncontrolling interests:		
Decrease in Cinemark Holdings, Inc. additional paid-in-capital for the buyout of a noncontrolling interest in Brazil	(4,618)	(4,618)
Net transfers from non-controlling interests	(4,618)	(4,618)
Change from net income attributable to Cinemark Holdings, Inc. and transfers from noncontrolling interests	$ 75,401	$ 128,260

8. Investment in National CineMedia

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 with NCM (ESA), pursuant to which NCM provides advertising, promotion and event services to our theatres. As described further in Note 6 to the Company s financial statements as included in its 2012 Annual Report on Form 10-K, on February 13, 2007, National CineMedia, Inc. (NCM, Inc.), an entity that serves as the sole manager of NCM, completed an initial public offering (IPO) of its common stock. In connection with the NCM Inc. initial public offering, the Company amended its operating agreement and the ESA. Following the NCM, Inc. IPO, the Company does not recognize undistributed equity in the earnings on its original NCM

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membership units (referred to herein as the Company s 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 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.

Below is a summary of activity with NCM included in the Company s condensed consolidated financial statements:

	Investment in NCM	Deferred Revenue	Distributions from NCM	Equity in Earnings	Other Revenue	Other Comprehensive Income	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]					(5,818)		5,818
Receipt of excess cash distributions	(7,153)		(12,091)				19,244
Receipt under tax receivable agreement	(492)		(1,327)				1,819
Equity in earnings	8,524			(8,524)			
Equity in other comprehensive income	1,616					(1,616)	
Amortization of deferred revenue		4,006			(4,006)		
Balance as of and for the period ended September 30, 2013	$ 179,415	$ (336,096)	$ (13,418)	$ (8,524)	$ (9,824)	$ (1,616)	$ 26,881

(1) Amount includes 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 of approximately $9,061.

During the nine months ended September 30, 2013 and 2012, the Company recorded equity earnings of approximately $8,524 and $3,574, respectively.

Pursuant to a Common Unit Adjustment Agreement dated as of February 13, 2007 between NCM, Inc. and the Company, AMC Entertainment, Inc. (AMC) and Regal Entertainment Group (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, the Company follows 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. 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 NCM. The Company 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 its incremental new screens would not be considered funding of prior losses. The Company accounts for these additional common units, which it refers 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 Company s 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 earnings in equity in income of affiliates and distributions received related to its Tranche 2 Investment are recorded as a reduction of its investment basis. In the event that a common unit adjustment is determined to be a negative number, the Founding Member can

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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 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.

During March 2013, NCM performed its annual common unit adjustment calculation under the Common Unit Adjustment Agreement. As a result of the calculation, the Company received an additional 588,024 common units of NCM, each of which is convertible into one share of NCM, Inc. common stock. The Company recorded the additional common units received at fair value as part of its Tranche 2 Investment with a corresponding adjustment to deferred revenue of approximately $8,869. The deferred revenue will be recognized over the remaining term of the ESA, which is approximately 23 years.

During May 2013, the Company completed the Rave Acquisition (see Note 6), which required an extraordinary common unit adjustment calculation by NCM in accordance with the Common Unit Adjustment Agreement. As a result of this extraordinary common unit adjustment, the Company was granted an additional 5,315,837 common units of NCM, each of which is convertible into one share of NCM, Inc. common stock. The Company recorded the additional common units received at fair value as part of its Tranche 2 Investment with a corresponding adjustment to deferred revenue of approximately $89,928. The deferred revenue will be recognized over the remaining term of the ESA, which is approximately 23 years.

As of September 30, 2013, the Company owned a total of 23,998,505 common units of NCM, representing an ownership interest of approximately 20%.

Below is summary financial information for NCM for the three and six months ended June 27, 2013 (financial information was not yet available for the nine months ended September 26, 2013).

	Three Months Ended June 27, 2013	Six Months Ended June 27, 2013
Gross revenues	$ 122,810	$ 205,029
Operating income	$ 57,928	$ 79,563
Net earnings	$ 41,153	$ 46,778

9. Investment in Digital Cinema Implementation Partners

On February 12, 2007, the Company, AMC and Regal entered into a joint venture known as Digital Cinema Implementation Partners LLC (DCIP) 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. As of September 30, 2013, the Company had a 33% voting interest in DCIP and a 24.3% economic interest in DCIP.

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. The Company accounts for its investment in DCIP and its subsidiaries under the equity method of accounting. During the nine months ended September 30, 2013 and 2012, the Company recorded equity income of approximately $7,315 and $6,144, respectively, relating to this investment.

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Below is a summary of changes in the Company s investment in DCIP for the nine months ended September 30, 2013:

	Investment in DCIP
Balance as of January 1, 2013	$ 23,012
Cash contributions	2,759
Equity in income	7,315
Equity in other comprehensive income	1,838
Balance as of September 30, 2013	$ 34,924

The digital projection systems that are leased from Kasima are 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 minimum annual rent of one thousand dollars per digital projection system for the first six and a half years from the effective date of the agreement and minimum annual rent of three thousand dollars per digital projection system beginning at six and a half years from the effective date through the end of the lease term. The Company is also 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 September 30, 2013, the Company had 3,556 digital projection systems being leased under the master equipment lease agreement with Kasima. The Company recorded equipment lease expense of approximately $5,930 and $5,827 during the nine months ended September 30, 2013 and 2012, respectively, which is included in utilities and other costs on the condensed consolidated statements of income.

Below is summary financial information for DCIP for the three and nine months ended September 30, 2013.

	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013
Revenues	$ 46,321	$ 134,398
Operating income	$ 29,748	$ 85,274
Net income	$ 16,530	$ 30,793

10. Investment in Marketable Securities RealD, Inc.

Under its license agreement with RealD, Inc. (RealD), during 2010 and 2011, the Company earned an aggregate of 1,222,780 options to purchase shares of common stock upon installation of a certain number of 3-D systems as

outlined in the license agreement. Upon vesting in these options, the Company recorded an investment in RealD with an offset to deferred lease incentive liability. 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 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 September 30, 2013, the Company owned 1,222,780 shares in RealD, with an estimated fair value of $8,559, which is based on the closing price of RealD s common stock on September 30, 2013, and falls under Level 1 of the U.S. GAAP fair value hierarchy as defined by ASC Topic 820-10-35. During the nine months ended September 30, 2013, the Company recorded an unrealized holding loss of approximately $5,148, before taxes, as a component of accumulated other comprehensive loss on the condensed consolidated balance sheet.

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Below is a summary of changes in the Company s investment in RealD for the nine months ended September 30, 2013:

	Investment in RealD
Balance as of January 1, 2013	$ 13,707
Unrealized holding loss	(5,148)
Balance as of September 30, 2013	$ 8,559

11. Treasury Stock and Share Based Awards

Treasury Stock Treasury stock represents shares of common stock repurchased or withheld 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 nine months ended September 30, 2013:

	Number of Treasury Shares	Cost
Balance at January 1, 2013	3,553,085	$ 48,482
Restricted stock withholdings [1]	119,197	3,464
Restricted stock forfeitures	21,847	
Balance at September 30, 2013	3,694,129	$ 51,946

[1] The Company withheld restricted shares as a result of the election by certain employees to satisfy their tax liabilities upon vesting in restricted stock and restricted stock units. The Company determined the number of shares to be withheld based upon market values ranging from $27.19 to $30.23 per share.

As of September 30, 2013, the Company had no plans to retire any shares of treasury stock.

Stock Options A summary of stock option activity and related information for the nine months ended September 30, 2013 is as follows:

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value
Outstanding at January 1, 2013	22,022	$ 7.63	
Exercised	(7,438)	$ 7.63	
Outstanding at September 30, 2013	14,584	$ 7.63	$ 352
Options exercisable at September 30, 2013	14,584	$ 7.63	$ 352

All outstanding stock options were fully vested as of April 2, 2009. There were no stock options granted or forfeited during the nine months ended September 30, 2013. The total intrinsic value of options exercised during the nine months ended September 30, 2013 was $168. The Company recognized a tax benefit of approximately $71 during the nine months ended September 30, 2013 related to these stock option exercises. Options outstanding at September 30, 2013 have an average remaining contractual life of approximately one year.

Restricted Stock During the nine months ended September 30, 2013, the Company granted 220,526 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 $27.92 to $29.44 per share. The Company assumed forfeiture rates ranging from 0% to 5% for the restricted stock awards. Restricted stock granted to directors vests over a one-year period. Certain of the restricted stock granted to employees vests over three years based on continued service and the remaining restricted stock granted to employees vests over 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.

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Below is a summary of restricted stock activity for the nine months ended September 30, 2013:

	Shares of Restricted Stock	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2013	1,534,163	$ 18.85
Granted	220,526	$ 29.28
Vested	(461,060)	$ 15.50
Forfeited	(21,847)	$ 22.85
Outstanding at September 30, 2013	1,271,782	$ 21.81
Unvested restricted stock at September 30, 2013	1,271,782	$ 21.81

The Company receives an income tax deduction upon vesting of the restricted stock awards. The total fair value of shares that vested during the nine months ended September 30, 2013 was $13,440. The Company recognized a tax benefit of approximately $4,268 during the nine months ended September 30, 2013 related to these vested shares.

The Company recorded compensation expense of $7,823 and $8,004 related to restricted stock awards during the nine months ended September 30, 2013 and 2012, respectively. As of September 30, 2013, the remaining unrecognized compensation expense related to restricted stock awards was $16,850 and the weighted average period over which this remaining compensation expense will be recognized is approximately two years.

Restricted Stock Units During the nine months ended September 30, 2013, the Company granted restricted stock units representing 115,107 hypothetical shares of common stock 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) during the three fiscal year period ending December 31, 2015 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 financial performance factors for the restricted stock units have a threshold, target and maximum level of payment opportunity. If the IRR for the three year period is at least 8.5%, which is the threshold, one-third of the restricted stock units vest. If the IRR for the three year period is at least 10.5%, which is the target, two-thirds of the restricted stock units vest. If the IRR for the three year period is at least 12.5%, which is the maximum, 100% of the restricted stock units vest. Grantees are eligible to receive a ratable portion of the common stock issuable if the IRR is within the targets previously noted. All payouts of restricted stock units that vest will be subject to an additional one year service requirement and will be paid in the form of common stock if the participant continues to provide services through March 2017, which is the fourth anniversary of the grant date. 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 nine months ended September 30, 2013 at each of the three target levels of financial performance (excluding forfeiture assumptions):

	Number of Shares Vesting	Value at Grant
at IRR of at least 8.5%	38,366	$ 1,129
at IRR of at least 10.5%	76,741	$ 2,259
at IRR of at least 12.5%	115,107	$ 3,389

Due to the fact that the IRR for the three year performance period could not be determined at the time of grant, the Company estimated that the most likely outcome is the achievement of the mid-point IRR level. The fair value of the restricted stock unit awards was determined based on the market value of the Company s common stock on the date of grant, which was $29.44 per share. The Company assumed a forfeiture rate of 5% for the restricted stock unit

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awards. If during the service period, additional information becomes available to lead the Company to believe a different IRR level will be achieved for the three-year performance period, the Company will reassess the number of units that will vest for the grant and adjust its compensation expense accordingly on a prospective basis over the remaining service period.

The Company recorded compensation expense of $2,523 and $2,161 related to restricted stock unit awards during the nine months ended September 30, 2013 and 2012, respectively.

During the nine months ended September 30, 2013, 11,498 restricted stock unit awards were forfeited. During the nine months ended September 30, 2013, 295,751 restricted stock unit awards vested. Upon vesting, each restricted stock unit was converted into one share of the Company s common stock. In addition, the Company paid approximately $939 in dividends on the vested restricted stock units, which represented dividends that had accumulated on the awards since they were granted. The fair value of the restricted stock unit awards that vested during the nine months ended September 30, 2013 was approximately $8,723. The Company recognized a tax benefit of approximately $3,663 during the nine months ended September 30, 2013 related to these vested awards.

As of September 30, 2013, the remaining unrecognized compensation expense related to the outstanding restricted stock unit awards was $4,602. The weighted average period over which this remaining compensation expense will be recognized is approximately one year. As of September 30, 2013, the Company had restricted stock units outstanding that represented a total of 802,529 hypothetical shares of common stock, net of actual cumulative forfeitures of 11,498 units, assuming the maximum IRR level is achieved for each of the grants.

12. Interest Rate Swap Agreements

The Company is currently a party to three interest rate swap agreements that are used to hedge interest rate risk associated with the variable interest rates on the Company s term loan debt and qualify for cash flow hedge accounting. The fair values of the interest rate swaps are recorded on the Company s condensed consolidated balance sheet as an asset or liability with the effective portion of the interest rate swaps gains or losses reported as a component of accumulated other comprehensive loss and the ineffective portion reported in earnings. The changes in fair values are reclassified from accumulated other comprehensive loss into earnings in the same period that the hedged items affect 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 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 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 15 for a summary of unrealized gains or losses recorded in accumulated other comprehensive loss and earnings.

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Below is a summary of the Company s current interest rate swap agreements designated as cash flow hedges as of September 30, 2013:

Nominal Amount	Effective Date	Pay Rate	Receive Rate	Expiration Date	Current Liability [1]	Long-Term Liability [2]	Estimated Total Fair Value at September 30, 2013
$175,000	December 2010	1.3975%	1-Month LIBOR	September 2015	$ 1,961	$ 1,624	$ 3,585
$175,000	December 2010	1.4000%	1-Month LIBOR	September 2015	1,991	1,614	3,605
$100,000	November 2011	1.7150%	1-Month LIBOR	April 2016	1,437	1,623	3,060
$450,000					$ 5,389	$ 4,861	$ 10,250

(1) Included in accounts payable and accrued expenses on the condensed consolidated balance sheet as of September 30, 2013.

(2) Included in other long-term liabilities on the condensed consolidated balance sheet as of September 30, 2013.

The Company amortized approximately $2,470 to interest expense during the nine months ended September 30, 2012 related to a previously terminated interest rate swap agreement. The accumulated other comprehensive loss related to the terminated interest rate swap agreement became fully amortized in August 2012. See Note 15 for additional information about the Company s fair value measurements related to its interest rate swap agreements.

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The changes in accumulated other comprehensive loss, net of taxes, related to the Company s interest rate swap agreements for the three months ended September 30, 2013 and 2012 were as follows:

	Interest Rate Swaps	
	2013	2012
Beginning balances July 1	$ (6,501)	$ (10,338)
Other comprehensive loss before reclassifications, net of taxes	(1,352)	(5,000)
Amounts reclassified from accumulated other comprehensive loss to interest expense	1,467	5,415
Net other comprehensive income	$ 115	$ 415
Ending balances September 30	$ (6,386)	$ (9,923)

The changes in accumulated other comprehensive loss, net of taxes, related to the Company s interest rate swap agreements for the nine months ended September 30, 2013 and 2012 were as follows:

	Interest Rate Swaps	
	2013	2012
Beginning balances January 1	$ (8,867)	$ (12,358)
Other comprehensive loss before reclassifications, net of taxes	(1,866)	(11,219)
Amounts reclassified from accumulated other comprehensive loss to interest expense	4,347	13,654
Net other comprehensive income	$ 2,481	$ 2,435
Ending balances September 30	$ (6,386)	$ (9,923)

13. Goodwill and Other Intangible Assets

The Company s goodwill was as follows:

	U.S. Operating Segment	International Operating Segment	Total
Balance at January 1, 2013 [1]	$ 956,997	$ 193,814	$ 1,150,811
Acquisition of U.S. theatres (Note 6)	203,827		203,827
Disposition of U.S. theatres (Note 6)	(10,353)		(10,353)
Foreign currency translation adjustments		(15,443)	(15,443)
Balance at September 30, 2013 [1]	$ 1,150,471	$ 178,371	$ 1,328,842

[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.

The Company evaluates goodwill for impairment on an annual basis during the fourth quarter or whenever events or changes in circumstances indicate the carrying value of goodwill might exceed its estimated fair value. 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. The Company considers the reporting unit to be each of its eighteen regions in the U.S. and each of its eight countries internationally (Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala are considered one reporting unit). Goodwill impairment is evaluated using a two-step approach 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 the 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 seven and a half times for the evaluation performed during the fourth quarter of 2012.

No events or changes in circumstances occurred during the nine months ended September 30, 2013 that indicated the carrying value of goodwill might exceed its estimated fair value.

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Intangible assets consisted of the following:

	Balance at January 1, 2013	Acquisitions [2]	Amortization	Other [1]	Balance at September 30, 2013
Intangible assets with finite lives:					
Gross carrying amount	$ 71,921	$ 44,487	$	$ (2,246)	$ 114,162
Accumulated amortization	(51,354)		(4,207)	726	(54,835)
Total net intangible assets with finite lives	$ 20,567	$ 44,487	$ (4,207)	$ (1,520)	$ 59,327
Intangible assets with indefinite lives:					
Tradename	310,174			(529)	309,645
Total intangible assets net	$ 330,741	$ 44,487	$ (4,207)	$ (2,049)	$ 368,972

(1) Consists primarily of foreign currency translation adjustments and the write-off of intangibles associated with theatres sold during the nine months ended September 30, 2013.

(2) Consists of definite-lived tradename, favorable leases and other intangible assets (see Note 6).

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

For the three months ended December 31, 2013	$ 1,909
For the twelve months ended December 31, 2014	6,934
For the twelve months ended December 31, 2015	6,641
For the twelve months ended December 31, 2016	6,418
For the twelve months ended December 31, 2017	5,773
Thereafter	31,652
Total	$ 59,327

14. 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.

The Company considers actual theatre level cash flows, future years 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 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 useful life correlates with the available remaining lease period, which includes the probability of renewal periods for leased properties and a period of approximately twenty years 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 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 the nine months ended September 30, 2013 and 2012. As of September 30, 2013, the estimated aggregate fair value of the long-lived assets impaired during the nine months ended September 30, 2013 was approximately $327.

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.

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
United States theatre properties	$ 131	$ 884	$ 901	$ 1,261
International theatre properties		92	1,175	211
Impairment of long-lived assets	$ 131	$ 976	$ 2,076	$ 1,472

15. 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 September 30, 2013:

		Carrying	Fair Value		
Description		Value	Level 1	Level 2	Level 3
Interest rate swap liabilities	current (see Note 12)	$ (5,389)	$	$	$ (5,389)
Interest rate swap liabilities	long-term (see Note 12)	$ (4,861)	$	$	$ (4,861)
Investment in RealD (see Note 10)		$ 8,559	$ 8,559	$	$

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, 2012:

	Carrying	Fair Value

Description		Value	Level 1	Level 2	Level 3
Interest rate swap liabilities	current (see Note 12)	$ (5,503)	$	$	$ (5,503)
Interest rate swap liabilities	long term (see Note 12)	$ (8,689)	$	$	$ (8,689)
Investment in RealD (see Note 10)		$ 13,707	$ 13,707	$	$

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	
	2013	2012
Beginning balances - January 1	$ 14,192	$ 16,576
Total loss included in accumulated other comprehensive loss	405	11,291
Total gain included in earnings		(761)
Settlements	(4,347)	(11,184)
Ending balances September 30	$ 10,250	$ 15,922

The Company also uses the income approach for fair value measurements on a nonrecurring basis in the impairment evaluations of its long-lived assets (see Note 13 and Note 14). Additionally, the Company uses the market approach to estimate the fair value of its long-term debt (see Note 5). 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 nine months ended September 30, 2013.

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16. Foreign Currency Translation

The accumulated other comprehensive loss account in stockholders equity of $37,698 and $83,517 at December 31, 2012 and September 30, 2013, respectively, includes cumulative foreign currency adjustments of $31,330 and $79,869, respectively, from translating the financial statements of the Company s international subsidiaries, and also includes 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 September 30, 2013 financial statements of certain of the Company s international subsidiaries:

Country	Exchange Rate as of September 30, 2013	Exchange Rate as of December 31, 2012	Total Assets at September 30, 2013	Other Comprehensive Loss for The Nine Months Ended September 30, 2013
Brazil	2.28	2.05	$ 330,871	$ (24,042)
Argentina	5.74	4.91	$ 128,482	(15,347)
Mexico	13.08	13.02	$ 117,884	(888)
Colombia	1,919.51	1,768.23	$ 54,619	(2,742)
Peru	2.83	2.56	$ 41,480	(3,461)
All other				(2,059)
				$ (48,539)

17. Supplemental Cash Flow Information

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

	Nine Months Ended September 30,

	2013	2012
Cash paid for interest	$ 74,071	$ 75,737
Cash paid for income taxes, net of refunds received	$ 86,333	$ 63,638
Noncash investing and financing activities:		
Change in accounts payable and accrued expenses for the acquisition of theatre properties and equipment [1]	$ 5,937	$ (9,943)
Theatre properties acquired under capital lease (see Note 6)	$ 66,545	$ 3,802
Change in fair market values of interest rate swap agreements, net of taxes	$ 2,481	$ (35)
Investment in NCM receipt of common units (see Note 8)	$ 98,797	$ 9,137
Dividends accrued on unvested restricted stock unit awards	$ (474)	$ (460)
Change in fair market value of available-for-sale securities, net of taxes (see Note 10)	$ (5,148)	$ 764

[1] Additions to theatre properties and equipment included in accounts payable as of December 31, 2012 and September 30, 2013 were $4,685 and $10,622, respectively.

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18. Segments

The Company manages its international market and its U.S. market as separate reportable operating segments, with the international segment consisting of operations in Brazil, Mexico, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala. 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 of or allocate resources between segments.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues				
U.S.	$ 529,426	$ 416,165	$ 1,412,898	$ 1,271,155
International	231,771	220,633	627,843	598,880
Eliminations	(3,631)	(3,225)	(9,780)	(8,038)
Total revenues	$ 757,566	$ 633,573	$ 2,030,961	$ 1,861,997
Adjusted EBITDA				
U.S.	$ 132,803	$ 94,538	$ 341,579	$ 302,222
International	57,370	53,832	142,874	143,428
Total Adjusted EBITDA	$ 190,173	$ 148,370	$ 484,453	$ 445,650
Capital expenditures				
U.S.	$ 35,746	$ 27,357	$ 71,533	$ 74,160
International	33,354	25,583	87,955	72,367
Total capital expenditures	$ 69,100	$ 52,940	$ 159,488	$ 146,527

The following table sets forth a reconciliation of net income to Adjusted EBITDA:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income	$ 80,745	$ 47,967	$ 134,644	$ 142,982
Add (deduct):				
Income taxes	43,386	29,453	62,726	88,229
Interest expense [1]	29,478	30,861	96,542	94,369
Loss on early retirement of debt			72,302	
Other income [2]	(12,795)	(9,455)	(17,958)	(14,940)
Depreciation and amortization [3]	42,399	36,897	120,165	110,054
Impairment of long-lived assets	131	976	2,076	1,472
(Gain) loss on sale of assets and other	611	6,699	(2,532)	8,004
Deferred lease expenses	1,935	997	4,038	3,327
Amortization of long-term prepaid rents	725	678	2,104	1,988
Share based awards compensation expense	3,558	3,297	10,346	10,165
Adjusted EBITDA	$ 190,173	$ 148,370	$ 484,453	$ 445,650

(1) Includes amortization of debt issue costs.

(2) Includes interest income, foreign currency exchange gain (loss) and equity in income of affiliates and excludes distributions from NCM. Distributions from NCM are reported entirely within the U.S. operating segment.

(3) Includes amortization of favorable/unfavorable leases.

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Financial Information About Geographic Areas

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenues	**2013**	**2012**	**2013**	**2012**
U.S.	$ 529,426	$ 416,165	$ 1,412,898	$ 1,271,155
Brazil	87,028	82,457	251,831	244,487
Other international countries	144,743	138,176	376,012	354,393
Eliminations	(3,631)	(3,225)	(9,780)	(8,038)
Total	$ 757,566	$ 633,573	$ 2,030,961	$ 1,861,997

Theatre Properties and Equipment-net	**September 30, 2013**	**December 31, 2012**
U.S.	$ 1,043,261	$ 940,922
Brazil	186,998	190,990
Other international countries	186,764	173,046
Total	$ 1,417,023	$ 1,304,958

19. Related Party Transactions

The Company manages theatres for Laredo Theatre, 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 8.5% 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 $444 and $404 of management fee revenues during the nine months ended September 30, 2013 and 2012, respectively. All such amounts are included in the Company s condensed consolidated financial statements with the intercompany amounts eliminated in consolidation.

The Company leases 18 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 19 leases,

16 have fixed minimum annual rent. The three leases without minimum annual rent have rent based upon a specified percentage of gross sales as defined in the lease with no minimum annual rent. For the nine months ended September 30, 2013 and 2012, the Company paid total rent of approximately $17,543 and $19,441, respectively, to Syufy.

20. Commitments and Contingencies

From time to time, the Company is involved in 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. The Company believes its potential liability with respect to proceedings currently pending is not material, individually or in the aggregate, to the Company s financial position, results of operations and cash flows.

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Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes and schedules included elsewhere in this report.

We are a leader in the motion picture exhibition industry, with theatres in the U.S., Brazil, Mexico, Argentina, Chile, Colombia, Peru, Ecuador, Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Guatemala. As of September 30, 2013, we managed our business under two reportable operating segments U.S. markets and international markets. See Note 18 to our condensed consolidated financial statements.

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 contracts with NCM have assisted us in expanding our offerings to domestic advertisers and broadening ancillary revenue sources such as digital video monitor advertising, third party branding, and the use of our domestic theatres for alternative entertainment, such as live and pre-recorded sports programs, concert events, the opera, and other special presentations. Our revenues are affected by changes in attendance and concession revenues per patron. Attendance is primarily affected by the quality and quantity of films released by motion picture studios. Films leading the box office during the nine months ended September 30, 2013 included *Iron Man 3, Despicable Me 2, Man of Steel, Monsters University, Fast & Furious 6, Oz: The Great and Powerful, Star Trek Into Darkness, World War Z, The Croods, The Heat, The Great Gatsby* and *We re The Millers*, among other films. Films currently scheduled for release during the remainder of 2013 include sequels such as *The Hunger Games: Catching Fire, The Hobbit: The Desolation of Smaug, Thor: The Dark World* and highly anticipated original titles such as *Gravity, Ender s Game, Walking with Dinosaurs, Saving Mr. Banks, American Hustle, The Secret Life of Walter Mitty* and *Frozen,* 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.

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 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 certain costs that have both fixed and variable components such as utilities, property taxes, janitorial costs, repairs and maintenance and security services.

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Results of Operations

The following table sets forth, for the periods indicated, certain operating data and the percentage of revenues represented by certain items reflected in our condensed consolidated statements of income. On May 29, 2013, we completed the Rave Acquisition, which consisted of 32 theatres with 483 screens. The results of operations for these 32 theatres are reflected as of the date of acquisition.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Operating data (in millions):				
Revenues				
Admissions	$ 479.6	$ 402.4	$ 1,293.5	$ 1,194.3
Concession	242.3	200.1	643.4	581.3
Other	35.7	31.1	94.1	86.4
Total revenues	$ 757.6	$ 633.6	$ 2,031.0	$ 1,862.0
Cost of operations				
Film rentals and advertising	254.8	214.0	692.2	636.7
Concession supplies	39.0	33.0	104.0	93.2
Salaries and wages	73.2	63.7	198.8	184.5
Facility lease expense	85.1	72.9	230.8	213.1
Utilities and other	84.7	74.3	229.8	210.4
General and administrative expenses	42.4	37.0	120.7	107.0
Depreciation and amortization	42.4	36.9	120.2	110.1
Impairment of long-lived assets	0.2	1.0	2.1	1.5
(Gain) loss on sale of assets and other	0.6	6.7	(2.5)	8.0
Total cost of operations	622.4	539.5	1,696.1	1,564.5
Operating income	$ 135.2	$ 94.1	$ 334.9	$ 297.5
Operating data as a percentage of total revenues:				
Revenues				
Admissions	63.3%	63.5%	63.7%	64.1%
Concession	32.0%	31.6%	31.7%	31.2%
Other	4.7%	4.9%	4.6%	4.7%
Total revenues	100.0%	100.0%	100.0%	100.0%
Cost of operations [1]				
Film rentals and advertising	53.1%	53.2%	53.5%	53.3%
Concession supplies	16.1%	16.5%	16.2%	16.0%
Salaries and wages	9.7%	10.1%	9.8%	9.9%
Facility lease expense	11.2%	11.5%	11.4%	11.4%

Utilities and other	11.2%	11.7%	11.3%	11.3%
General and administrative expenses	5.6%	5.8%	5.9%	5.7%
Depreciation and amortization	5.6%	5.8%	5.9%	5.9%
Impairment of long-lived assets	0.0%	0.2%	0.1%	0.1%
(Gain) loss on sale of assets and other	0.1%	1.1%	(0.1)%	0.4%
Total cost of operations	82.2%	85.1%	83.5%	84.0%
Operating income	17.8%	14.9%	16.5%	16.0%
Average screen count (month end average)	5,793	5,207	5,524	5,189
Revenues per average screen (dollars)	$ 130,772	$ 121,677	$ 367,661	$ 358,856

(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.

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Three months ended September 30, 2013 versus September 30, 2012

Revenues. Total revenues increased $124.0 million to $757.6 million for the three months ended September 30, 2013 (third quarter of 2013) from $633.6 million for the three months ended September 30, 2012 (third quarter of 2012), representing a 19.6% increase. The table below, presented by reportable operating segment, summarizes our period-over-period revenue performance and certain key performance indicators that impact our revenues.

	U.S. Operating Segment Three Months Ended September 30,			International Operating Segment Three Months Ended September 30,			Consolidated Three Months Ended September 30,		
	2013	2012	% Change	2013	2012	% Change	2013	2012	% Change
Admissions revenues [1]	$ 337.9	$ 265.3	27.4%	$ 141.7	$ 137.1	3.4%	$ 479.6	$ 402.4	19.2%
Concession revenues [1]	$ 171.1	$ 135.6	26.2%	$ 71.2	$ 64.5	10.4%	$ 242.3	$ 200.1	21.1%
Other revenues [1] [2]	$ 16.8	$ 12.1	38.8%	$ 18.9	$ 19.0	(0.5)%	$ 35.7	$ 31.1	14.8%
Total revenues [1] [2]	$ 525.8	$ 413.0	27.3%	$ 231.8	$ 220.6	5.1%	$ 757.6	$ 633.6	19.6%
Attendance [1]	50.6	41.2	22.8%	30.4	28.5	6.7%	81.0	69.7	16.2%

[1] Amounts in millions.

[2] U.S. operating segment revenues include eliminations of intercompany transactions with the international operating segment. See Note 18 of our condensed consolidated financial statements.

U.S. The increase in admissions revenues of $72.6 million was attributable to a 22.8% increase in attendance and a 3.7% increase in average ticket price from $6.44 for the third quarter of 2012 to $6.68 for the third quarter of 2013. The increase in concession revenues of $35.5 million was attributable to the 22.8% increase in attendance and a 2.7% increase in concession revenues per patron from $3.29 for the third quarter of 2012 to $3.38 for the third quarter of 2013. The increase in attendance was partly due to the solid slate of films released during the third quarter of 2013. Our revenues and attendance for the third quarter of 2013 also benefited from the inclusion of the 32 Rave theatres acquired on May 29, 2013 (see Note 6 to the condensed consolidated financial statements). The increase in average ticket price was primarily due to the pricing at acquired theatres and price increases. The increase in concession revenues per patron was primarily due to incremental sales and price increases. The increase in other revenues was primarily attributable to the 22.8% increase in attendance, which resulted in increases in screen advertising, video game and other promotional revenues.

International. The increase in admissions revenues of $4.6 million was attributable to a 6.7% increase in attendance partially offset by a 3.1% decrease in average ticket price from $4.81 for the third quarter of 2012 to $4.66 for the third quarter of 2013. The increase in concession revenues of $6.7 million was attributable to the 6.7% increase in attendance and a 3.5% increase in concession revenues per patron from $2.26 for the third quarter of 2012 to $2.34 for the third quarter of 2013. The decrease in average ticket price was primarily due to the unfavorable impact of exchange rates in certain countries in which we operate. The increase in concession

revenues per patron was primarily due to incremental sales and price increases, partially offset by the unfavorable impact of exchange rates in certain countries in which we operate.

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

	U.S. Operating Segment Three Months Ended September 30,		International Operating Segment Three Months Ended September 30,		Consolidated Three Months Ended September 30,	
	2013	2012	2013	2012	2013	2012
Film rentals and advertising	$ 185.3	$ 146.9	$ 69.5	$ 67.1	$ 254.8	$ 214.0
Concession supplies	23.0	17.9	16.0	15.1	39.0	33.0
Salaries and wages	53.0	44.1	20.2	19.6	73.2	63.7
Facility lease expense	58.5	47.4	26.6	25.5	85.1	72.9
Utilities and other	57.5	47.8	27.2	26.5	84.7	74.3

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U.S. Film rentals and advertising costs were $185.3 million, or 54.8% of admissions revenues, for the third quarter of 2013 compared to $146.9 million, or 55.4% of admissions revenues, for the third quarter of 2012. The increase in film rentals and advertising costs was due to the $72.6 million increase in admissions revenues, partially offset by a decrease in the film rentals and advertising rate. The decrease in the film rentals and advertising rate was primarily due to the mix of films released during the third quarter of 2013 compared to the third quarter of 2012. Concession supplies expense was $23.0 million, or 13.4% of concession revenues, for the third quarter of 2013 compared to $17.9 million, or 13.2% of concession revenues, for the third quarter of 2012. The increase in the concession supplies rate was primarily due to increases in inventory procurement costs on certain concession products and the impact of special concession promotions that help drive incremental concession sales.

Salaries and wages increased to $53.0 million for the third quarter of 2013 from $44.1 million for the third quarter of 2012. Facility lease expense increased to $58.5 million for the third quarter of 2013 from $47.4 million for the third quarter of 2012. Utilities and other costs increased to $57.5 million for the third quarter of 2013 from $47.8 million for the third quarter of 2012. All of the above-mentioned theatre operating costs for the third quarter of 2013 increased due to the inclusion of the 32 Rave theatres acquired on May 29, 2013 (see Note 6 to the condensed consolidated financial statements). Salaries and wages were also impacted by higher staffing levels to support the 22.8% increase in attendance.

International. Film rentals and advertising costs were $69.5 million, or 49.0% of admissions revenues, for the third quarter of 2013 compared to $67.1 million, or 48.9% of admissions revenues, for the third quarter of 2012. Concession supplies expense was $16.0 million, or 22.5% of concession revenues, for the third quarter of 2013 compared to $15.1 million, or 23.4% of concession revenues, for the third quarter of 2012. The decrease in the concession supplies rate is primarily due to concession sales price increases.

Salaries and wages increased to $20.2 million for the third quarter of 2013 from $19.6 million for the third quarter of 2012 primarily due to increased wage rates and new theatres. Facility lease expense increased to $26.6 million for the third quarter of 2013 from $25.5 million for the third quarter of 2012 primarily due to new theatres. Utilities and other costs increased to $27.2 million for the third quarter of 2013 from $26.5 million for the third quarter of 2012 primarily due to new theatres.

General and Administrative Expenses. General and administrative expenses increased to $42.4 million for the third quarter of 2013 from $37.0 million for the third quarter of 2012. The increase was primarily due to increased salaries and incentive compensation expense of approximately $3.4 million, increased service charges of approximately $1.7 million related to increased credit card transactions and increased professional fees of approximately $0.8 million.

Depreciation and Amortization. Depreciation and amortization expense was $42.4 million during the third quarter of 2013 compared to $36.9 million during the third quarter of 2012. The increase was primarily due to new theatres, including the 32 Rave theatres acquired on May 29, 2013.

Impairment of Long-Lived Assets. We recorded asset impairment charges on assets held and used of $0.2 million during the third quarter of 2013 compared to $1.0 million during the third quarter of 2012. Impairment charges for the third quarter of 2013 consisted of U.S. theatre properties, impacting two of our twenty-six reporting units. Impairment charges for the third quarter of 2012 consisted of U.S. and international theatre properties, impacting seven of our twenty-four 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.

Loss on Sale of Assets and Other. We recorded a loss on sale of assets and other of $0.6 million during the third quarter of 2013 compared to $6.7 million during the third quarter of 2012. The loss recorded during the third quarter of 2013 was primarily due to the retirement of theatre equipment replaced during the period. The loss recorded during the third quarter of 2012 was primarily due to a lease termination reserve recorded for a planned theatre closure.

Interest Expense. Interest costs incurred, including amortization of debt issue costs, were $29.5 million during the third quarter of 2013 compared to $30.9 million during the third quarter of 2012.

Distributions from NCM. We recorded distributions from NCM of $5.6 million during the third quarter of 2013 compared to $4.7 million during the third quarter of 2012, which were in excess of the carrying value of our Tranche 1 investment. See Note 8 to our condensed consolidated financial statements.

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Equity in Income of Affiliates. We recorded equity in income of affiliates of $11.7 million during the third quarter of 2013 compared to $6.8 million during the third quarter of 2012. The equity in income of affiliates recorded during the third quarter of 2013 primarily included income of approximately $4.6 million related to our equity investment in DCIP (see Note 9 to our condensed consolidated financial statements) and income of approximately $7.1 million related to our equity investment in NCM (see Note 8 to our condensed consolidated financial statements). The equity in income of affiliates recorded during the third quarter of 2012 primarily included income of approximately $3.1 million related to our equity investment in DCIP and income of approximately $3.7 million related to our equity investment in NCM.

Income Taxes. Income tax expense of $43.4 million was recorded for the third quarter of 2013 compared to $29.5 million for the third quarter of 2012. The effective tax rate was 35.0% for the third quarter of 2013 compared to 38.0% for the third quarter of 2012. Income tax provisions for interim (quarterly) periods are based on estimated annual income tax rates and are adjusted for the effects of significant, infrequent or unusual items (i.e. discrete items) occurring during the interim period. As a result, the interim rate may vary significantly from the normalized annual rate.

Nine months ended September 30, 2013 versus September 30, 2012

Revenues. Total revenues increased $169.0 million to $2,031.0 million for the nine months ended September 30, 2013 (the 2013 period) from $1,862.0 million for the nine months ended September 30, 2012 (the 2012 period), representing a 9.1% increase. The table below, presented by reportable operating segment, summarizes our period-over-period revenue performance and certain key performance indicators that impact our revenues.

	U.S. Operating Segment Nine Months Ended September 30,			International Operating Segment Nine Months Ended September 30,			Consolidated Nine Months Ended September 30,		
	2013	2012	% Change	2013	2012	% Change	2013	2012	% Change
Admissions revenues [1]	$ 908.4	$ 819.1	10.9%	$ 385.1	$ 375.2	2.6%	$ 1,293.5	$ 1,194.3	8.3%
Concession revenues [1]	$ 453.3	$ 408.7	10.9%	$ 190.1	$ 172.6	10.1%	$ 643.4	$ 581.3	10.7%
Other revenues [1] [2]	$ 41.4	$ 35.4	16.9%	$ 52.7	$ 51.0	3.3%	$ 94.1	$ 86.4	8.9%
Total revenues [1] [2]	$ 1,403.1	$ 1,263.2	11.1%	$ 627.9	$ 598.8	4.9%	$ 2,031.0	$ 1,862.0	9.1%
Attendance [1]	132.2	123.0	7.5%	79.6	77.0	3.4%	211.8	200.0	5.9%

(1) Amounts in millions.

(2) U.S. operating segment revenues include eliminations of intercompany transactions with the international operating segment. See Note 18 of our condensed consolidated financial statements.

U.S. The increase in admissions revenues of $89.3 million was attributable to a 7.5% increase in attendance and a 3.2% increase in average ticket price from $6.66 for the 2012 period to $6.87 for the 2013 period. The increase in concession revenues of $44.6 million was attributable to the 7.5% increase in attendance and a 3.3% increase in concession revenues per patron from $3.32 for the 2012 period to $3.43 for the 2013 period. Our revenues and attendance for the 2013 period also benefited from the inclusion of the 32 Rave theatres acquired on May 29, 2013 (see Note 6 to the condensed consolidated financial statements). The increase in average ticket price was primarily due to price increases and the pricing at acquired theatres. The increase in concession revenues per patron was primarily due to incremental sales and price increases. The increase in other revenues was primarily attributable to the 7.5% increase in attendance, which resulted in increases in screen advertising, video game and other promotional revenues.

International. The increase in admissions revenues of $9.9 million was attributable to a 3.4% increase in attendance partially offset by a 0.6% decrease in average ticket price from $4.87 for the 2012 period to $4.84 for the 2013 period. The increase in concession revenues of $17.5 million was attributable to the 3.4% increase in attendance and a 6.7% increase in concession revenues per patron from $2.24 for the 2012 period to $2.39 for the 2013 period. The increase in attendance was due to new theatres. The decrease in average ticket price was primarily due to the unfavorable impact of exchange rates in certain countries in which we operate. The increase in concession revenues per patron was primarily due to incremental sales and price increases, partially offset by the unfavorable impact of exchange rates in certain countries in which we operate.

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

	U.S. Operating Segment Nine Months Ended September 30,		International Operating Segment Nine Months Ended September 30,		Consolidated Nine Months Ended September 30,	
	2013	2012	2013	2012	2013	2012
Film rentals and advertising	$ 502.6	$ 453.7	$ 189.6	$ 183.0	$ 692.2	$ 636.7
Concession supplies	62.3	52.8	41.7	40.4	104.0	93.2
Salaries and wages	140.2	130.0	58.6	54.5	198.8	184.5
Facility lease expense	157.2	143.1	73.6	70.0	230.8	213.1
Utilities and other	150.9	139.0	78.9	71.4	229.8	210.4

U.S. Film rentals and advertising costs were $502.6 million, or 55.3% of admissions revenues for the 2013 period compared to $453.7 million, or 55.4% of admissions revenues, for the 2012 period. Concession supplies expense was $62.3 million, or 13.7% of concession revenues, for the 2013 period compared to $52.8 million, or 12.9% of concession revenues, for the 2012 period. The increase in the concession supplies rate was primarily due to increased inventory procurement costs on certain concession products and the impact of special concession promotions that help drive incremental concession sales.

Salaries and wages increased to $140.2 million for the 2013 period from $130.0 million for the 2012 period. Facility lease expense increased to $157.2 million for the 2013 period from $143.1 million for the 2012 period. Utilities and other costs increased to $150.9 million for the 2013 period from $139.0 million for the 2012 period. All of the above-mentioned theatre operating costs for the 2013 period increased primarily due to the inclusion of the 32 Rave theatres acquired on May 29, 2013 (see Note 6 to the condensed consolidated financial statements).

International. Film rentals and advertising costs were $189.6 million, or 49.2% of admissions revenues, for the 2013 period compared to $183.0 million, or 48.8% of admissions revenues, for the 2012 period. Concession supplies expense was $41.7 million, or 21.9% of concession revenues, for the 2013 period compared to $40.4 million, or 23.4% of concession revenues, for the 2012 period. The decrease in the concession supplies rate is primarily due to concession sales price increases.

Salaries and wages increased to $58.6 million for the 2013 period from $54.5 million for the 2012 period primarily due to increased wage rates and new theatres. Facility lease expense increased to $73.6 million for the 2013 period from $70.0 million for the 2012 period primarily due to increased common area maintenance expenses and new theatres. Utilities and other costs increased to $78.9 million for the 2013 period from $71.4 million for the 2012 period primarily due to new theatres and increased property taxes.

General and Administrative Expenses. General and administrative expenses increased to $120.7 million for the 2013 period from $107.0 million for the 2012 period. The increase was primarily due to increased salaries and incentive compensation expense of approximately $7.1 million and increased professional fees of approximately $4.7 million.

Depreciation and Amortization. Depreciation and amortization expense was $120.2 million for the 2013 period compared to $110.1 million for the 2012 period. The increase was primarily due to new theatres, including the 32 Rave theatres acquired on May 29, 2013.

Impairment of Long-Lived Assets. We recorded asset impairment charges on assets held and used of $2.1 million for the 2013 period compared to $1.5 million for the 2012 period. Impairment charges for the 2013 period consisted of U.S. and international theatre properties, impacting ten of our twenty-six reporting units. Impairment charges for the 2012 period consisted of U.S. and international theatre properties, impacting twelve of our twenty-four 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.

(Gain) Loss on Sale of Assets and Other. We recorded a gain on sale of assets and other of $2.5 million during the 2013 period compared to a loss of $8.0 million during the 2012 period. The gain recorded during the 2013 period was primarily a result of a gain on sale of a land parcel in the U.S., partially offset by the retirement of theatre equipment replaced during the period. The loss recorded during the 2012 period was primarily due to a lease termination reserve recorded for a planned theatre closure and the retirement of certain theatre equipment that was replaced during the period.

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Interest Expense. Interest costs incurred, including amortization of debt issue costs, were $96.5 million for the 2013 period compared to $94.4 million for the 2012 period. The increase was primarily due to the issuance of the 4.875% Senior Notes on May 24, 2013 with the net proceeds not utilized to pay off the former 8.625% Senior Notes until June 24, 2013. See Note 5 to our condensed consolidated financial statements for further discussion of our recent long-term debt activity.

Loss on Early Retirement of Debt. We recorded a loss on early retirement of debt of approximately $72.3 million during the 2013 period 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 and the write-off of approximately $8.0 million in unamortized bond discount and $7.6 million in unamortized debt issue costs and the payment of $0.1 million of other fees. See Note 5 to our condensed consolidated financial statements.

Distributions from NCM. We recorded distributions from NCM of $13.4 million during the 2013 period and $13.1 million during the 2012 period, which were in excess of the carrying value of our Tranche 1 investment. See Note 8 to our condensed consolidated financial statements.

Equity in Income of Affiliates. We recorded equity in income of affiliates of $15.8 million during the 2013 period compared to $9.6 million during the 2012 period. The equity in income of affiliates recorded during the 2013 period primarily included income of approximately $7.3 million related to our equity investment in DCIP (see Note 9 to our condensed consolidated financial statements) and income of approximately $8.5 million related to our equity investment in NCM (see Note 8 to our condensed consolidated financial statements). The equity in income of affiliates recorded during the 2012 period primarily included income of approximately $6.1 million related to our equity investment in DCIP and income of approximately $3.5 million related to our equity investment in NCM.

Income Taxes. Income tax expense of $62.7 million was recorded for the 2013 period compared to $88.2 million for the 2012 period. The effective tax rate was 31.8% for the 2013 period compared to 38.2% for the 2012 period. Income tax provisions for interim (quarterly) periods are based on estimated annual income tax rates and are adjusted for the effects of significant, infrequent or unusual items (i.e. discrete items) occurring during the interim period. As a result, the interim rate may vary significantly from the normalized annual rate. The effective tax rate for the 2013 period reflects the impact of items related to our Mexico subsidiaries.

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 or debit 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 was $178.5 million for the nine months ended September 30, 2013 compared to $274.2 million for the nine months ended September 30, 2012. The decrease in cash provided by operating activities was primarily due to the make-whole premium of $56.6 million paid upon the redemption of the 8.625% Senior Notes, which is reflected in net income for the nine months ended September 30, 2013.

Investing Activities

Our investing activities have been principally related to the development 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 was $393.9 million for the nine months ended September 30, 2013 compared to $161.2 million for the nine months ended September 30, 2012. The increase in cash used for investing activities was primarily due to the acquisition of theatres in the U.S. for approximately $259.2 million (see Note 6 to the condensed consolidated financial statements).

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Capital expenditures for the nine months ended September 30, 2013 and 2012 were as follows (in millions):

Period	New Theatres	Existing Theatres	Total
Nine Months Ended September 30, 2013	$ 88.9	$ 70.6	$ 159.5
Nine Months Ended September 30, 2012	$ 71.2	$ 75.3	$ 146.5

We continue to invest in our U.S. theatre circuit, which consisted of 4,413 screens at September 30, 2013. During the nine months ended September 30, 2013, we acquired 34 theatres with 513 screens, built four new theatres and 45 screens, sold four theatres with 56 screens and closed one theatre with five screens. At September 30, 2013, we had signed commitments to open seven new theatres with 80 screens in domestic markets during the remainder of 2013 and open 12 new theatres with 140 screens subsequent to 2013. We estimate the remaining capital expenditures for the development of these 220 domestic screens will be approximately $129 million. Actual expenditures for continued theatre development and acquisitions are subject to change based upon the availability of attractive opportunities.

We also continue to invest in our international theatre circuit. We built eight new theatres and 58 screens and closed one screen during the nine months ended September 30, 2013, bringing our total international screen count to 1,381 as of September 30, 2013. At September 30, 2013, we had signed commitments to open eight new theatres and 48 screens in international markets during the remainder of 2013 and open 11 new theatres and 69 screens subsequent to 2013. We estimate the remaining capital expenditures for the development of these 117 international screens will be approximately $89 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.

Financing Activities

Cash used for financing activities was $38.7 million for the nine months ended September 30, 2013 compared to $91.5 million for the nine months ended September 30, 2012. Cash used for financing activities for the nine months ended September 30, 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 Note 5 to the condensed consolidated financial statements).

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 September 30, 2013 (in millions):

Cinemark, USA, Inc. term loan	$ 694.8

Cinemark USA, Inc. 4.875% senior notes due 2023	530.0
Cinemark USA, Inc. 5.125% senior notes due 2022	400.0
Cinemark USA, Inc. 7.375% senior subordinated notes due 2021	200.0
Other	2.0
Total long-term debt	$ 1,826.8
Less current portion	(9.0)
Long-term debt, less current portion	$ 1,817.8

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As of September 30, 2013, Cinemark USA, Inc. had $100.0 million in available borrowing capacity on our revolving credit line.

Contractual Obligations

Due to the recent issuance of Cinemark USA, Inc. s 4.875% Senior Notes and the redemption of Cinemark USA, Inc. s 8.625% Senior Notes (see Note 5 to the condensed consolidated financial statements), which impacted the maturity of and the amount of outstanding long-term debt and related interest rates, we have included below our long-term debt and related estimated scheduled interest payments as of September 30, 2013. In addition, as a result of the Rave Acquisition (see Note 6 to the condensed consolidated financial statements), which added 32 leased theatres to our U.S. operations, we have included below our operating and capital lease obligations as of September 30, 2013.

	Payments Due by Period (in millions)				
	Total	Less Than One Year	1 - 3 Years	3 - 5 Years	After 5 Years
Long-term debt	$ 1,826.8	$ 9.0	$ 14.0	$ 14.0	$ 1,789.8
Scheduled interest payments on long-term debt [1]	720.0	88.8	176.8	175.7	278.7
Operating lease obligations	2,137.2	255.8	507.9	442.5	931.0
Capital lease obligations	222.1	14.2	34.1	36.5	137.3
Scheduled interest payments on capital leases	116.7	17.6	30.9	24.4	43.8

[1] 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 currently in effect. The average interest rates currently in effect on our fixed rate and variable rate debt are 5.1% and 3.2%, respectively.

Off-Balance Sheet Arrangements

Other than the operating leases detailed in the table above and purchase commitments disclosed in the Company s annual filing on Form 10-K for the year ended December 31, 2012, we do not have any off-balance sheet arrangements.

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, (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 amended 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 September 30, 2013, Cinemark USA, Inc. could have distributed up to approximately $1,363.0 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

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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 September 30, 2013 was approximately 6.8 to 1.

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.

On June 26, 2013, Cinemark USA, Inc. and its guarantor subsidiaries filed a registration statement with the Securities and Exchange Commission, or the Commission, pursuant to which Cinemark USA, Inc. offered to exchange the 4.875% Senior Notes for substantially identical notes registered under the Securities Act of 1933, as amended, that do not contain terms restricting the transfer thereof or providing for registration rights. The registration statement was declared effective by the Commission on July 9, 2013. On August 7, 2013, Cinemark USA, Inc. completed the exchange of registered 4.875% Senior Notes for all of the outstanding 4.875% Senior Notes.

Amended Senior Secured Credit Facility

On December 18, 2012, Cinemark USA, Inc. amended and restated its senior secured credit facility to include a seven year $700.0 million term loan and a five year $100.0 million revolving credit line (the Amended Senior Secured Credit Facility). The proceeds from the Amended Senior Secured Credit Facility, combined with a portion of the proceeds from the issuance of the 5.125% Senior Notes discussed below, were used to refinance Cinemark USA, Inc. s former senior secured credit facility. The term loan under the Amended Senior Secured Credit Facility matures in December 2019. The revolving credit line matures in December 2017. Quarterly principal payments in the amount of $1.75 million are due on the term loan through September 2019 with the remaining principal of $652.8 million due on December 18, 2019.

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 Amended 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 Amended 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 Amended Senior Secured Credit Facility.

The dividend restriction contained in the Amended 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 Amended 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 consolidated EBITDA minus 1.75 times its consolidated interest expense, each as defined in the Amended Senior Secured Credit Facility, and (c) certain

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other defined amounts. As of September 30, 2013, Cinemark USA, Inc. could have distributed up to approximately $1,559.4 million to its parent company and sole stockholder, Cinemark Holdings, Inc., under the terms of the Amended Senior Secured Credit Facility, subject to its available cash and other borrowing restrictions outlined in the agreement.

At September 30, 2013, there was $694.8 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 Amended Senior Secured Credit Facility at September 30, 2013 was approximately 4.0% per annum.

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 (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 6 to the condensed consolidated financial statements) and the remainder is expected to be used for general corporate purposes. 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 amended 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 September 30, 2013, Cinemark USA, Inc. could have distributed up to approximately $1,364.7 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 September 30, 2013 was approximately 7.1 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.

On April 16, 2013, Cinemark USA, Inc. and its guarantor subsidiaries filed a registration statement with the Commission, pursuant to which Cinemark USA, Inc. offered to exchange the 5.125% Senior Notes for substantially identical notes registered under the Securities Act. The registration statement was declared effective by the Commission on April 25, 2013. On May 23, 2013 Cinemark USA, Inc. completed the exchange of registered 5.125% Senior Notes for all of the outstanding 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 (the Senior Subordinated Notes). The proceeds, after payment of fees, were primarily used to fund the prepayment of the remaining $157.2 million of Cinemark USA, Inc. s unextended portion of term loan debt under its former senior secured credit facility. 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 Amended 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 September 30, 2013, Cinemark USA, Inc. could have distributed up to approximately $1,356.7 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 September 30, 2013 was approximately 6.8 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. and its guarantor subsidiaries filed a registration statement with the Commission on July 27, 2011 pursuant to which Cinemark USA, Inc. offered to exchange the Senior Subordinated Notes for substantially similar registered Senior Subordinated Notes. The registration statement became effective August 4, 2011, and approximately $199.5 million of the notes were exchanged on September 7, 2011. The registered Senior Subordinated Notes, issued in the exchange, do not have transfer restrictions. Approximately $0.5 million of the Senior Subordinated Notes were not exchanged as of September 30, 2013.

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 (the 8.625% Senior Notes), with an original issue discount of $11.5 million, resulting in proceeds of approximately $458.5 million. The proceeds were primarily used to fund the repurchase of the then remaining outstanding $419.4 million aggregate principal amount at maturity of Cinemark, Inc. s 9.75% senior discount notes.

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 $8.0 million in unamortized bond discount and $7.6 million in unamortized debt issue costs, paid a make-whole premium of approximately $56.6 million and paid other fees of $0.1 million, all of which are reflected in loss on early retirement of debt during the nine months ended September 30, 2013.

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Covenant Compliance

As of September 30, 2013, we believe we were in full compliance with all agreements, including all related covenants, governing our outstanding debt.

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 mid-August, 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 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 3. Quantitative and Qualitative Disclosures About Market Risk

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

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 September 30, 2013, there was an aggregate of approximately $244.8 million of variable rate debt outstanding under these facilities, which excludes $450.0 million of Cinemark USA, Inc. s term loan debt that is hedged with the Company s interest rate swap agreements in effect as of September 30, 2013 as discussed below. Based on the interest rates in effect on the variable rate debt outstanding at September 30, 2013, a 100 basis point increase in market interest rates would increase our annual interest expense by approximately $2.4 million.

Our interest rate swap agreements qualify for cash flow hedge accounting. The fair values of the interest rate swaps are recorded on our condensed consolidated balance sheet as an asset or liability with the effective portion of the interest rate swaps 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 agreements as of September 30, 2013:

Nominal Amount (in millions)	**Effective Date**	**Pay Rate**	**Receive Rate**	**Expiration Date**
$175.0	December 2010	1.3975%	1-month LIBOR	September 2015
$175.0	December 2010	1.4000%	1-month LIBOR	September 2015
$100.0	November 2011	1.7150%	1-month LIBOR	April 2016
$450.0				

The table below provides information about our fixed rate and variable rate long-term debt agreements as of September 30, 2013:

	Expected Maturity for the Twelve-Month Periods Ending September 30, (in millions)								Average Interest
	2014	2015	2016	2017	2018	Thereafter	Total	Fair Value	Rate
Fixed rate [1]	$ 2.0	$	$	$	$	$ 1,580.0	$ 1,582.0	$ 1,534.8	5.1%
Variable rate	7.0	7.0	7.0	7.0	7.0	209.8	244.8	245.7	3.2%
Total debt	$ 9.0	$ 7.0	$ 7.0	$ 7.0	$ 7.0	$ 1,789.8	$ 1,826.8	$ 1,780.5	

(1) Includes $450.0 million of the Cinemark USA, Inc. term loan, which represents the debt hedged with the Company s interest rate swap agreements in effect as of September 30, 2013 discussed above.

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Foreign Currency Exchange Rate Risk

There have been no material changes in foreign currency exchange rate risk previously disclosed in Quantitative and Qualitative Disclosures About Market Risk in the Company s Annual Report on Form 10-K filed February 28, 2013.

Item 4. Controls and Procedures

Evaluation of the Effectiveness of Disclosure Controls and Procedures

As of September 30, 2013, we carried out an evaluation required by the Securities Exchange Act of 1934, as amended (the Exchange Act), under the supervision and with the participation of our principal executive officer and principal financial officer, 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 September 30, 2013, 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 September 30, 2013 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

There have been no material changes from legal proceedings previously reported under Business Legal Proceedings in the Company s Annual Report on Form 10-K filed February 28, 2013.

Item 1A. Risk Factors

There have been no material changes from risk factors previously disclosed in Risk Factors in the Company s Annual Report on Form 10-K filed February 28, 2013.

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Item 6. Exhibits

*10.10 (a)	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.
*10.10 (b)	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.
*10.10 (c)	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.
*10.10 (d)	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.
*10.10 (e)	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.
*10.10 (f)	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.
*10.10 (g)	Third Amendment, dated as of August 7, 2006, 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.
*10.10 (h)	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.
*10.10 (i)	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.
*10.10 (j)	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.
*10.10 (k)	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.
*10.10 (l)	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.
*10.10 (m)	

	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.
*10.10 (n)	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
*31.1	Certification of Tim Warner, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of Robert Copple, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*32.1	Certification of Tim Warner, 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 Robert Copple, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as added by Section 906 of the Sarbanes-Oxley Act of 2002.
*101	Financial Statements from the quarterly report on Form 10-Q of Cinemark Holdings, Inc. for the quarter ended September 30, 2013, filed November 7, 2013, formatted in XBRL: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Income, (iii) the Condensed Consolidated Statements of Comprehensive Income, (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to Condensed Consolidated Financial Statements tagged as detailed text.

* filed herewith.

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SIGNATURES

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

CINEMARK HOLDINGS, INC.
Registrant

DATE: November 7, 2013

/s/ Tim Warner
Tim Warner
Chief Executive Officer

/s/ Robert Copple
Robert Copple
Chief Financial Officer

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EXHIBIT INDEX

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