AMC ENTERTAINMENT HOLDINGS, INC.
Form S-1/A
December 10, 2007

QuickLinks -- Click here to rapidly navigate through this document

As filed with the Securities and Exchange Commission on December 10, 2007

Registration No. 333-146021

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

**AMENDMENT
NO. 2 to**

FORM S-1

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

AMC ENTERTAINMENT HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**7832**	**26-0303916**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

**c/o AMC Entertainment Inc.
920 Main Street
Kansas City, Missouri 64105-1977
(816) 221-4000**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Kevin M. Connor, Esq.
Senior Vice President, General Counsel & Secretary
AMC Entertainment Inc.
920 Main Street
Kansas City, Missouri 64105
(816) 221-4000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of Communications to:

Monica K. Thurmond, Esq. O'Melveny & Myers LLP 7 Times Square New York, New York 10036 (212) 326-2000	**Matthew D. Bloch, Esq.** **Erika L. Weinberg, Esq.** Weil, Gotshal & Manges LLP 767 Fifth Avenue New York, New York 10153 (212) 310-8000

Approximate date of commencement of proposed sale to public: As soon as practicable after the effective date of this Registration Statement.

If any securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. o ______________

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ______________

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ______________

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ______________

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. o

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 10, 2007

Shares

AMC Entertainment Holdings, Inc.

Common Stock

This is an initial public offering of shares of common stock of AMC Entertainment Holdings, Inc. We are selling an aggregate of shares in this offering.

Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is expected to be between $ and $ per share. We have applied to list the common stock on the New York Stock Exchange under the symbol "AC".

The underwriters have an option to purchase up to an additional shares of common stock from us.

Investing in our common stock involves risks. See "Risk Factors" beginning on page 23.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share			
Total			

Delivery of the shares of common stock will be made on or about , 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2007.

TABLE OF CONTENTS

You should rely only on the information contained in or incorporated by reference in this document. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Dealer Prospectus Delivery Obligation

Until , 2007, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to unsold allotments or subscriptions.

MARKET AND INDUSTRY INFORMATION

Information regarding market share, market position and industry data pertaining to our business contained in this prospectus consists of our estimates based on data and reports compiled by industry professional organizations (including the Motion Picture Association of America, the National Association of Theatre Owners ("NATO"), Nielsen Media Research, and Rentrak Corporation ("Rentrak")), industry analysts and our management's knowledge of our business and markets. Unless otherwise noted in this prospectus, all information provided by the Motion Picture Association of America is for the 2006 calendar year, all information provided by NATO is for the 2006 calendar year and all information provided by Rentrak is as of September 27, 2007.

Although we believe that the sources are reliable, we have not independently verified market industry data provided by third parties or by industry or general publications. While we believe our internal estimates with respect to our industry are reliable, our estimates have not been verified by any independent sources. While we are not aware of any misstatements regarding any industry data presented in this prospectus, our estimates involve risks and uncertainties and are subject to changes based on various factors, including those discussed under "Risk Factors."

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, especially the risks of investing in our common stock discussed under "Risk Factors" and our consolidated financial statements and accompanying notes.

AMC Entertainment Holdings, Inc. ("Parent"), an entity created on June 6, 2007, is the sole stockholder of Marquee Holdings Inc. ("Holdings"). Holdings is a holding company with no operations of its own and has one direct subsidiary, AMC Entertainment Inc. ("AMC Entertainment"). On June 11, 2007, Marquee Merger Sub Inc. ("Merger Sub"), a wholly-owned subsidiary of Parent, merged with and into Holdings, with Holdings continuing as the surviving corporation. As a result, Holdings became a wholly owned subsidiary of Parent, a newly formed entity controlled by the Sponsors, as defined under " The Reclassification." The Sponsors created Parent to facilitate a debt financing by Parent and a related dividend by Parent to its stockholders. Upon completion of this initial public offering, Holdings will be merged with and into Parent, with Parent continuing as the surviving entity. Except as otherwise indicated or otherwise required by the context, references in this prospectus to "we," "us," the "combined company" or the "company" refer to the combined business of Parent and its subsidiaries after giving effect to such merger.

As used in this prospectus, the term "pro forma" refers to, in the case of pro forma financial information, such information after giving pro forma effect to (i) the initial public offering of National CineMedia, Inc. ("NCM, Inc.") in February 2007 (the "NCM, Inc. IPO"), our use of proceeds from the NCM, Inc. IPO to fund bond redemptions and the related transactions described under "Unaudited Pro Forma Condensed Consolidated Financial Information The NCM Transactions," which we refer to collectively as the "NCM Transactions,"(ii) the disposition during fiscal 2007 of certain theatres relating to the merger of Loews Cineplex Entertainment Corporation ("Loews") with AMC Entertainment in January 2006 (the "Loews Dispositions"), (iii) the Parent Transactions (as defined under " Recent Developments Parent Transactions") and (iv) this offering, the reclassification of Parent's capital stock described under " The Reclassification" and related transactions, including the merger of Holdings into Parent (the "Offering Transactions"). Except as stated otherwise herein, the share data set forth in this prospectus reflects the reclassification of Parent's capital stock as described below under " The Reclassification."

Parent has a 52-week or 53-week fiscal year ending on the Thursday closest to April 1. Fiscal years 2004, 2005, 2006 and 2007 contained 52 weeks. Fiscal 2003 contained 53 weeks.

Who We Are

We are one of the world's leading theatrical exhibition companies based on a number of measures, including total revenues, total number of screens and annual attendance. For the fiscal year ended March 29, 2007 and the 52 weeks ended September 27, 2007, each on a pro forma basis, we had revenues of $2.4 billion and $2.5 billion, respectively. As of September 27, 2007, we owned, operated or held interests in 358 theatres with a total of 5,128 screens, approximately 89% of which were located in the United States and Canada. Our theatres are primarily located in large urban markets in which we have a strong market position relative to our competition. We believe that we operate a modern and highly productive theatre circuit. Our average screen per theatre count in the United States and Canada of 14.8 and our pro forma attendance per theatre, a commonly used measure of asset utilization in our industry, of more than 676,000 patrons substantially exceed industry averages. Historically, these favorable attributes have enabled us to generate significant cash provided by operating activities. Our industry is in its initial phase of transition to digital technology, and we expect this technology to provide an enhanced patron experience, operational and programming efficiencies and the opportunity to exhibit a broader array of content. We believe that our favorable attributes mentioned above will enable us to generate incremental revenues as digital technologies become more pervasive in our theatres.

In the United States and Canada, as of September 27, 2007, we operated 309 theatres with 4,585 screens in 30 states, the District of Columbia and two Canadian provinces. We have a significant presence in most major urban "Designated Market Areas," or "DMA's" (television areas as defined by Nielsen Media Research). Our U.S. and Canada theatre circuit represented 92.6% of our revenues for the 52 weeks ended September 27, 2007 on a pro forma basis.

As of September 27, 2007, our international circuit of 49 theatres with 543 screens consisted principally of wholly-owned theatres in Mexico, where we operated 44 theatres with 488 screens primarily located in the Mexico City Metropolitan Area, or MCMA, through Grupo Cinemex, S.A. de C.V. and its subsidiaries (Cinemex). We believe that we have the number one market share in the MCMA with an estimated 49% of MCMA attendance for the year ended December 31, 2006. Our wholly-owned international circuit represented 7.4% of our revenues for the 52 weeks ended September 27, 2007 on a pro forma basis.

We were founded in 1920 and since that time have pioneered many of the industry's most important innovations, including the multiplex theatre format in the early 1960s and the North American megaplex theatre format in the mid-1990s. In addition, we have acquired some of the most respected companies in the theatrical exhibition industry, including Loews and General Cinema, and we have a demonstrated track record of successfully integrating those companies through timely conversion to AMC's operating procedures, headcount reductions, consolidation of corporate functions and adoption of best practices. We have also created and invested in a number of value-enhancing strategic opportunities that have created substantial value for our company and, we believe, will continue to generate incremental value for our shareholders. For example:

- We created National Cinema Network, Inc., our advertising subsidiary, in 1985, and combined it with Regal CineMedia to form National CineMedia, LLC ("NCM"), a cinema screen advertising venture, in March 2005. Another major exhibitor joined the NCM joint venture by contributing its screen advertising business in July 2005. On February 13, 2007, we received net proceeds of $517.1 million upon completion of the NCM Transactions. We currently own approximately 18.6% of NCM;

- We were a founding partner and currently own approximately 27% of MovieTickets.com, an Internet ticketing venture representing over 10,000 screens; and

- In February 2007, we formed our most recent joint venture, known as Digital Cinema Implementation Partners LLC ("DCIP"), with two other major exhibitors to facilitate the financing and deployment of digital technology in our theatres and to enter into agreements with equipment vendors and major motion picture studios for the implementation of digital cinema.

Our Competitive Strengths

There are several principal characteristics of our business that we believe make us a particularly effective competitor in our industry and position us well for future growth. These include:

Major Market Position. We are one of the world's leading theatrical exhibition companies and enjoy geographic market diversification and leadership in major markets worldwide. As of September 27, 2007, we operated in 23 of the top 25 DMA's and had the number one or two market share in 22 of those DMA's, including the number one market share in New York City, Chicago, Dallas and Washington, D.C. We also operated 24 of the top 50 theatres in the United States based on box office revenues for the 52 weeks ended September 27, 2007. In certain of our densely populated urban markets we believe there is scarcity of attractive retail real estate opportunities and often zoning requirements. We believe our major market presence makes our theatres more important to content providers who rely on our markets for a disproportionate share of box office receipts (as typically 60% of all U.S. box office receipts derive from the top 25 DMA's).

Traditionally, the population densities, affluence and ethnic and cultural diversity of top DMA's create a greater opportunity to exhibit a broad array of film genres, which we believe drives higher levels of attendance at our theatres as compared to theatres in less densely populated markets. Historically, this has produced the highest asset utilization among our peer competitors as measured by attendance per theatre. We believe our strong presence in major markets positions us well relative to our peer competitors to take advantage of opportunities for incremental revenues associated with operating a digital theatre circuit given our patrons' interest in a broader array of content offerings.

Modern, Highly Productive Theatre Circuit. We are an industry leader in the development and operation of megaplex theatres, typically defined as a theatre having 14 or more screens and offering amenities to enhance the movie-going experience, such as stadium seating, digital sound and enhanced seat design. As of September 27, 2007, 3,350, or approximately 73%, of our screens in the United States and Canada were located in megaplex theatres and the average number of screens per theatre was 14.8, which was more than twice the industry average of 6.8, according to NATO, and higher than any of our peer competitors. Over the past five years we have invested over $730 million to improve and expand our theatre circuit, contributing to the modern portfolio of theatres we operate today.

We believe our high average number of screens per theatre and design of our megaplex theatres provide a more enjoyable entertainment experience and offer us operational benefits, as we are able to offer a wider selection of content and show times. We believe this contributes to our generating the highest attendance and revenues per theatre among our peer competitors. For the 52 weeks ended September 27, 2007, on a pro forma basis, our theatre circuit in the United States and Canada produced box office revenues per screen at rates approximately 26% higher than our closest peer competitor and 48% higher than the industry average, as measured by Rentrak.

We believe that our patrons' entertainment experience will be further enhanced with the installation of digital projection systems in our theatres, which began in newly opened theatres in the fourth quarter of calendar 2007 and which we expect to take approximately two years to roll out to substantially all of our existing theatres. We believe operating a digital theatre circuit will provide us with greater flexibility in exhibiting our content, which we expect will enhance our capacity utilization, enable us to achieve higher ticket prices for differentiated content formats such as Digital 3D and IMAX, and provide incremental revenue from exhibition of alternative content such as live concerts, sporting events, Broadway shows and opera.

Strong Cash Flow Generation. The U.S. theatrical exhibition industry has a long-term history of steady box office growth, even during times of economic downturn. When combined with our major market focus and highly productive theatre assets, we have been able to generate significant and stable cash flow provided by operating activities. For the 52 weeks ended September 27, 2007, our net cash provided by operating activities (exclusive of $231.3 million of non-recurring cash receipts related to the NCM Transactions) totaled $216.2 million. In future years, we expect to continue to generate cash flow to allow us to maintain our facilities, invest in our business, service our debt and pay dividends to our stockholders.

Proven Management Team. Our executive management team has an average of approximately 23 years of experience in the theatrical exhibition industry. Our leadership team has guided our company through a number of economic and industry cycles, and has successfully integrated a number of strategic acquisitions, including Loews and General Cinema, as well as delivered targeted cost savings and strong operating results.

Risk Factors. Despite our competitive strengths discussed above, investing in our common stock involves a number of risks, including:

- Our substantial debt could adversely affect our operations and prevent us from satisfying our obligations under our debt obligations, and may have an adverse effect on the price of our stock.

- On a pro forma basis, we had $1,939.9 million of outstanding indebtedness as of September 27, 2007 and interest expense of $180.4 million for the 52 weeks ended September 27, 2007;

- The agreements governing our indebtedness contain covenants that may limit our ability to take advantage of certain business opportunities;

- Prior to fiscal 2007, we had reported net losses in each of the last nine fiscal years totaling approximately $545.1 million;

- We face significant competition for new theatre sites, and we may not be able to build or acquire theatres on terms favorable to us; and

- Our loss of key management personnel or our inability to hire and retain skilled employees at our theatres could adversely affect our business.

For a discussion of the significant risks associated with our business, our industry and investing in our common stock, you should read the section entitled "Risk Factors."

Our Strategy

Our strategy is driven by the following four key elements:

Growing Revenues by Broadening and Enhancing the AMC Experience. We provide an entertainment experience for our patrons that is convenient, enjoyable and affordable. We intend to generate incremental revenues in the future by broadening and enhancing the experience in our theatres through a number of initiatives. Specifically, we will continue to broaden our content offerings through installation of additional IMAX and Digital 3D systems, present attractive alternative content and enhance our food and beverage offerings. We also will continue creating new strategic marketing and loyalty programs aimed at increasing attendance.

We recently announced an agreement with IMAX to install 100 MPX digital projection systems at our theatres in 33 major U.S. markets. Deployment of these systems will commence in July 2008 and extend through 2010, depending upon the achievement of specified financial measures. The agreement has an initial term of seven years with one three-year renewal option and provides for territorial exclusivity for each theatre.

Additionally, we and two other exhibitors, recently formed DCIP, a joint venture to facilitate the deployment of digital technology in theatres. We believe the benefits associated with digital technologies will be significant for our theatre circuit and will provide us with the opportunity for incremental revenues at attractive margins. Over the past 12 months, we have successfully exploited digital technology in our theatres by:

- Exhibiting traditional motion picture content in a variety of formats, including 2D, Digital 3D and IMAX 3D. In the aggregate, industry-average performance of the Digital 3D and IMAX versions of this content exceeded the 2D release on a revenue per theatre basis by over two times and nine times, respectively. The performance of the Digital 3D and IMAX 3D versions was even more striking in our markets, where Digital 3D and IMAX 3D exceeded the industry 2D average by over three times and by over 14 times, respectively; and

- Offering 47 live or prerecorded alternative content events in a number of our theatres, including opera, concert, sporting events or other similar types of entertainment. In the aggregate, these broadcasts produced capacity utilization over 11 times what we would have otherwise realized

  from exhibiting traditional content at the slotted times and produced average ticket prices 58% higher than the average ticket price for traditional content at our circuit over this same period.

This recent performance supports our belief that the opportunity for incremental revenues by providing an enhanced consumer experience is greatest in major markets, where audiences have demonstrated a strong interest in alternative content. As directors and producers continue to embrace new film making technologies and embed it in their productions, we expect the pipeline for new and innovative content generation to continue to grow.

The costs of implementing digital projection in our theatres will be substantially funded by DCIP. DCIP and its members have yet to execute definitive agreements concerning the extent of such funding, but based on current negotiations, we expect that with respect to our existing theatres, allowances from DCIP of $70,000 per screen will cover substantially all of the costs of installing digital projection systems, and with respect to our new-build theatres, allowances from DCIP will cover $30,000 to $45,000 of such costs per screen, the estimated incremental cost of digital projection systems over conventional film projectors. We expect DCIP to fund allowances through virtual print fees ("VPFs") from motion picture studios. We will bear maintenance costs with respect to digital projection systems in our theatres, which we expect to be similar to what we currently spend on our conventional film projectors. We will also bear any incremental installation costs relating to Digital 3D or to enable the exhibition of alternative-content.

Our ability to implement digital cinema systems in accordance with our plans will depend on the availability of equipment from third-party vendors and on the ongoing negotiation of definitive agreements by DCIP for financing, payment of VPFs by motion picture studios and equipment use agreements with participating exhibitors. We believe that the supply of digital cinema equipment will be sufficient for our needs and that such definitive agreements are likely to be executed in the first quarter of calendar 2008.

Maximizing Operating Efficiencies. We believe that the size of our circuit and the breadth of our operations will allow us to continue to achieve economies of scale and drive continued improvement in operating margins. Since fiscal 2001, we have been able to increase our Segment Adjusted EBITDA[(1)]

---

(1) See note 13 to our unaudited consolidated financial statements and note 17 to our audited consolidated financial statements included elsewhere in this prospectus for a discussion of Segment Adjusted EBITDA including a reconciliation to operating earnings (loss). We have computed Segment Adjusted EBITDA margins by dividing Segment Adjusted EBITDA by total revenues. Segment Adjusted EBITDA is disclosed in our unaudited and audited financial statements as it is a primary measure used by us to evaluate the performance of our segments and to allocate resources.

margins from 14.5% to 19.1% for the 52 weeks ended September 27, 2007. We have achieved this margin improvement through an ongoing review of all aspects of our operations and the implementation of cost-saving initiatives, including at the theatre level, more effective scheduling of staff and concession gains. As a result, cost of operations as a percentage of total revenues decreased from 67.4% in fiscal 2001 to 63.4% for the 52 weeks ended September 27, 2007. Additionally, general and administrative expenses as a percentage of total revenue decreased from 2.7% in fiscal 2001 to 1.7% for the 52 weeks ended September 27, 2007.

Enhancing our Theatre Portfolio. Through a deliberate and focused internal review process, we have closed or disposed of 687 older or obsolete theatres representing 4,183 screens since the end of fiscal 1995. We believe that our efforts in disposing of theatres that are nearing the end of their productive life cycle has differentiated us from our peer competitors and contributed to our overall portfolio quality. We will continue to evaluate our theatre portfolio and, where appropriate, dispose of theatres through closures, lease terminations, lease buyouts, sales or subleases.

In addition to our disposition activity, we will evaluate the potential for new theatres and, where appropriate, replace underperforming theatres with new, modern theatres that offer amenities that are consistent with our portfolio. As of September 27, 2007, we had five theatres in the United States and Canada with a total of 78 screens under construction and scheduled to open in fiscal 2008. We also intend to selectively pursue acquisitions where the characteristics of the location, overall market and facilities further enhance the quality of our theatre portfolio.

Returning Capital to our Shareholders. We believe that cash dividends are an efficient means of returning capital to our shareholders. Consequently, in connection with this offering, we will institute a quarterly dividend. We expect our cash provided by operating activities to grow over time. Our ability to sustain and grow our dividend will be subject to our cash provided by operating activities after capital expenditures and debt service requirements and the terms of the instruments governing our indebtedness. See "Dividend Policy."

Our Industry

We believe the theatrical exhibition industry is and will continue to be attractive for a number of key reasons, including:

A Highly Popular and Affordable Out-of-Home Entertainment Experience. Going to the movies is one of the most popular and affordable out-of-home entertainment options. In 2006, attendance at indoor movie theatres in the United States and Canada was 1.4 billion. This contrasts to the 115 million combined annual attendance generated by professional baseball, basketball and football over the same time period. The estimated average price of a movie ticket was $6.55 in 2006, considerably less than other out-of-home entertainment alternatives such as concerts and sporting events.

Long-Term History of Steady Growth. The theatrical exhibition industry is a mature business which has, over an extended period, produced steady growth in revenues and attendance. The combination of the popularity of moviegoing, its steady long-term growth characteristics, industry consolidation that has resulted in more rational capital deployment and the relative maturity of the business makes theatrical exhibition a highly cash flow generative business today. Box office revenues in the United States and Canada have increased at a 4.7% CAGR over the last 20 years, driven by increases in both ticket prices and attendance across multiple economic cycles. During this period, the industry experienced short-term variability in attendance and resulting revenues which we believe were highly correlated to the quality of film product being exhibited. We believe that these long-term trends will continue.

Significant Ongoing Investment in Motion Pictures. The number of motion pictures released in the United States has increased in each of the past five years. Since 2005, this reflects, among other things, a significant investment in the movie business from non-traditional sources. A number of recent motion picture financings have attracted significant participation from large financial institutions. We believe this increased investment will further increase the number of motion pictures produced each year.

Transformation of Industry With Adoption of Digital Technology. The theatrical exhibition industry is in the initial stages of conversion from film-based to digital projection technology. Virtually all filmed entertainment content today can be exhibited digitally. Digital projection results in a premium visual experience for patrons as there is no degradation of image over the life of a film. Digital content also gives the theatre operator greater flexibility in programming content. For example, theatre operators are able to better address capacity utilization and meet demand in their theatres by making real-time decisions on the number and size of auditoriums to program with content. Moreover, digital technology provides theatres with the opportunity for additional revenues through Digital 3D and alternative content offerings. Recent experience with digital has produced increased attendance and average ticket prices. For example, theatres are able to charge $1 to $3 more per ticket for a Digital 3D film than for a standard 2D film. Furthermore, Digital 3D screens have generated more than double the attendance of standard 2D versions of the same movie. Digital technology also facilitates live and pre-recorded networked and single-site meetings and corporate events in movie theatres and will allow for the distribution of live and pre-recorded entertainment content and the sale of associated sponsorships.

Importance to Content Providers. We believe that the theatrical success of a motion picture is often the key determinant in establishing its value in the other parts of the product life cycle, such as DVD, cable television, merchandising and other ancillary markets. As a result, we believe motion picture studios will continue to work cooperatively with theatrical exhibitors to ensure the continued value of the theatrical window.

Recent Developments

IMAX agreement. On December 7, 2007, AMC Entertainment announced a joint-venture agreement to install 100 IMAX MPX digital projection systems at our locations in 33 major U.S. markets. The theatres will feature IMAX's digital projection system, which is being developed for the IMAX MPX theatre design. The agreement is expected to accelerate our transition to digital projection technology in our theatres. The rollout of the first 50 IMAX digital projection systems is expected to begin in July 2008 at our locations in 24 selected markets, with an additional 25 scheduled for rollout in 2009 and 25 more in 2010. The IMAX projection systems are slated to be installed in many of our top-performing locations in major U.S. markets, including theatres in Chicago, Dallas, Houston, Los Angeles, New York, Philadelphia, San Francisco and Washington D.C.

Parent Transactions. On June 11, 2007, Merger Sub, a wholly-owned subsidiary of Parent, merged with and into Holdings, with Holdings continuing as the surviving corporation. As a result, (i) Holdings became a wholly owned subsidiary of Parent, a newly formed entity controlled by investment vehicles affiliated with J.P. Morgan Partners, LLC (collectively, "JPMP"), Apollo Investment Fund V, L.P. and certain related investment funds (collectively, "Apollo"), JPMP's and Apollo's co-investors, funds associated with Bain Capital Partners, LLC (collectively, "Bain"), affiliates of The Carlyle Group (collectively, "Carlyle") and affiliates of Spectrum Equity Investors (collectively, "Spectrum"), (JPMP, Apollo, Bain, Carlyle and Spectrum are collectively referred to as the "Sponsors"), (ii) each share of Holdings' common stock that was issued and outstanding immediately prior to the effective time of the merger was automatically converted into a substantially identical share of common stock of Parent, and (iii) each of Holdings' governance agreements was superseded by a substantially identical governance agreement entered into by and among Parent, the Sponsors and Holdings' other stockholders. The Sponsors created Parent to facilitate the borrowing of $400 million in term loans pursuant to a credit agreement entered into by Parent on June 13, 2007 (the "Parent Term Loan Facility"), as covenants in Holdings' and AMC Entertainment's debt instruments would not have permitted such borrowings by Holdings or its subsidiaries or the use of such borrowings to pay a dividend to Holdings' existing stockholders. The net proceeds of the Parent Term Loan Facility, along with $270.6 million of cash on hand at AMC Entertainment, were used to pay a dividend to Parent's stockholders in the amount of $652.8 million. We refer to the creation of Parent and the related term loan borrowing and dividend payment, collectively, as the "Parent Transactions."

The Sponsors' respective ownership interests in Parent prior to the Offering Transactions are as follows: JPMP 20.8%; Apollo 20.8%; Bain 15.1%; Carlyle 15.1%; and Spectrum 9.8%. Of the $652.8 million dividend to Parent's stockholders described above, JPMP and Apollo each received $135.6 million, Bain and Carlyle each received $98.5 million and Spectrum received $63.7 million. We incurred $15.4 million of fees and expenses in connection with such dividend, comprising $4.3 million of consent fees paid to the holders of Holdings' 12% senior discount notes due 2014 (the "Discount Notes due 2014") and $11.1 million of other fees and expenses. In addition, we will incur an aggregate of $23.9 million of interest on the Parent Term Loan Facility (assuming that we repay all borrowings thereunder with the proceeds of this offering on December 31, 2007).

Change of Control Offers. In connection with the offering, the Sponsors, as defined below, and certain other existing stockholders of Holdings intend to enter into a new voting arrangement, effective upon the closing of the offering, which is described in more detail under "Certain Relationships and Related Party Transactions Governance Agreements." As a result of these new voting arrangements, the offering will constitute a "change of control" under the indentures governing the Discount Notes due 2014 and AMC Entertainment's 11% senior subordinated notes due 2016 (the "Notes due 2016") and $8^5/_8$% senior fixed rate notes due 2012 (the "Fixed Notes due 2012"), and Holdings and AMC

Entertainment will be required to make change of control offers to purchase these notes after completion of the offering at a price of 101% of the aggregate principal amount thereof plus, without duplication, accrued and unpaid interest to the date of repurchase. To the extent that holders of these notes accept the offers, we anticipate that we would raise the amounts needed to fund the offers with cash on hand, available lines of credit or through new financing; however, we cannot assure you that Holdings and AMC Entertainment would have sufficient funds available or be able to obtain new financing on commercially reasonable terms or at all.

The Reclassification

Prior to consummating this offering, we intend to reclassify each share of Parent's existing Class A common stock, Class N common stock and Class L common stock. Pursuant to the reclassification, each holder of shares of Class A common stock, Class N common stock and Class L common stock will receive shares of common stock for one share of Class A common stock, Class L common stock or Class N common stock. The transactions described in this paragraph are referred to in this prospectus as the "Reclassification."

Currently, the Sponsors and management hold 100% of Parent's outstanding common stock. After giving effect to the Reclassification and this offering, the Sponsors will hold shares of our common stock (including shares held by certain JPMP and Apollo co-investors, which, pursuant to the governance agreements described below, must be voted by such co-investors to elect JPMP and Apollo board designees), representing approximately % of our outstanding common stock, and will have the power to control our affairs and policies including with respect to the election of directors (and through the election of directors the appointment of management), the entering into of mergers, sales of substantially all of our assets and other extraordinary transactions. The governance agreements will provide that, initially, the Sponsors will collectively have the right to designate eight directors (out of a total of 10 initial board members) and that each will vote for the others' nominees. The number of Sponsor-designated directors will be reduced as the Sponsors' ownership percentage reduces, such that the Sponsors will not have the ability to nominate a majority of the board of directors once their collective ownership (together with the share ownership held by the JPMP and Apollo co-investors) becomes less than 50.1%. However, because our board of directors will be divided into three staggered classes, the Sponsors may be able to influence or control our affairs and policies even after they cease to own 50.1% of our outstanding common stock during the period in which the Sponsors' nominees finish their terms as members of our board but in any event no longer than would be permitted under applicable law and New York Stock Exchange listing requirements. See "Certain Relationships and Related Party Transactions Governance Agreements." Pursuant to the Fee Agreement as described under the heading "Certain Relationships and Related Party Transactions Fee Agreement," upon consummation of this offering, the Sponsors will receive an automatic fee equal to the net present value of the aggregate annual management fee that would have been payable to the Sponsors during the remainder of the term of the fee agreement and our obligation to pay annual management fees will terminate. We estimate that our aggregate payment to the Sponsors would have been $38.5 million had the offering occurred on September 27, 2007.

Corporate Information

AMC Entertainment Holdings, Inc. is a Delaware corporation. Our principal executive offices are located at 920 Main Street, Kansas City, Missouri 64105. The telephone number of our principal executive offices is (816) 221-4000. We maintain a website at www.amctheatres.com, on which we will post our key corporate governance documents, including our board committee charters and our code of ethics. We do not incorporate the information on our website into this prospectus and you should not consider any information on, or that can be accessed through, our website as part of this prospectus.

The Offering

Common stock offered by us	shares
Common stock to be outstanding immediately after this offering	shares
Option to purchase additional shares of common stock.	We have granted to the underwriters a 30-day option to purchase up to additional shares from us at the initial public offering price less underwriting discounts and commissions. The underwriters will not execute sales to discretionary accounts without the prior written specific approval of the customers.
Common stock voting rights	Each share of our common stock will entitle its holder to one vote per share.
Dividend policy	We intend to pay cash dividends commencing from the closing date of this offering. We expect that our first dividend will be with respect to the fourth quarter of fiscal 2008. The declaration and payment of future dividends to holders of our common stock will be at the sole discretion of our board of directors and will depend upon many factors, including our financial condition, earnings, legal requirements, restrictions in our senior secured credit facility and the indentures governing our debt securities and other factors our board of directors deem relevant. See "Risk Factors We may not generate sufficient cash flows or have sufficient restricted payment capacity under our senior secured credit facility or the indentures governing our debt securities to pay our intended dividends on the common stock," "Dividend Policy," "Management's Discussion and Analysis of Financial Condition and Results of Operations of AMC Entertainment Holdings, Inc. Commitments and Contingencies," "Description of Certain Indebtedness" and "Description of Capital Stock."
Use of proceeds	We intend to use approximately $412.4 million of the net proceeds from this offering to repay all amounts outstanding under the Parent Term Loan Facility, approximately $38.5 million to make a lump sum payment to the Sponsors pursuant to the Fee Agreement with our Sponsors and the balance for general corporate purposes.
Proposed New York Stock Exchange trading symbol	"AC"

Unless otherwise stated herein, the information in this prospectus (other than our historical financial statements and historical financial data) assumes that:

- the Reclassification has been completed;
- the underwriters have not exercised their option to purchase up to additional shares of common stock from us;
- the initial offering price is $ per share, the midpoint of the range set forth on the cover page of this prospectus; and
- our amended and restated certificate of incorporation and amended and restated bylaws are in effect, pursuant to which the provisions described under "Description of Capital Stock" will become operative.

In the Reclassification, each holder of shares of Parent's Class A common stock, Class L common stock and Class N common stock will receive shares of common stock for one share of Class A common stock, Class L common stock or Class N common stock. The number of shares of common stock to be outstanding after completion of this offering is based on shares of our common stock to be sold in this offering and, except where we state otherwise, the common stock information we present in this prospectus excludes, as of September 27, 2007:

- shares of common stock issuable upon the exercise of outstanding employee options, at September 27, 2007, at a weighted average exercise price of $ per share; and
- shares of common stock we will reserve for future issuance under our equity incentive plan.

Summary Unaudited Pro Forma Financial and Operating Data

The following summary unaudited pro forma financial and operating data sets forth our unaudited pro forma combined balance sheet as of September 27, 2007 and unaudited pro forma combined statement of operations for the 26 weeks ended September 27, 2007, the 52 weeks ended March 29, 2007 and the 52 weeks ended September 27, 2007. The pro forma financial data has been derived from our unaudited pro forma condensed consolidated financial information and the notes thereto included elsewhere in this prospectus and has been prepared based on our historical consolidated financial statements included elsewhere in this prospectus. The unaudited pro forma combined balance sheet gives pro forma effect to the Offering Transactions as if they had occurred on September 27, 2007. The unaudited pro forma combined statement of operations data gives pro forma effect to the Loews Dispositions, NCM Transactions, the Parent Transactions and the Offering Transactions, as if each had occurred at March 31, 2006. We have included pro forma financial information for 52 weeks ended September 27, 2007 because we believe that this information provides meaningful financial data about our company's current performance. In addition, our senior secured credit facility requires us to measure compliance with certain quarterly financial covenants on a trailing twelve month basis. See " Covenant Compliance." The summary unaudited pro forma financial and operating data is based on certain assumptions and adjustments and does not purport to present what our actual results of operations would have been had the NCM Transactions, the Loews Dispositions, the Parent Transactions or the Offering Transactions and events reflected by them in fact occurred on the dates specified, nor is it necessarily indicative of the results of operations that may be achieved in the future. The summary unaudited pro forma financial data should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Information," the historical consolidated financial statements, including the notes thereto, Management's Discussion and Analysis of Financial Condition and Results of Operations of AMC Entertainment Holdings, Inc." and our other financial data presented elsewhere in this prospectus.

	Pro Forma		
	26 Weeks Ended September 27, 2007	52 Weeks Ended March 29, 2007	52 Weeks Ended September 27, 2007
	(thousands of dollars, except operating and per share data)		
Unaudited Pro Forma Statement of Operations Data:			
Total revenues	$ 1,323,896	$ 2,423,474	$ 2,499,669
Cost of operations	844,939	1,558,182	1,596,574
Rent	228,289	442,425	450,141
General and administrative expense:			
Merger, acquisition and transaction costs	5,734	12,447	12,355
Other	26,134	56,731	52,396
Pre-opening expense	2,341	6,569	5,781
Theatre and other closure expense (income)	(16,446)	9,011	(15,145)
Depreciation and amortization	125,438	256,472	253,380
Impairment of long-lived assets		10,686	10,686
Disposition of assets and other (gains)	(1,698)	(11,183)	(7,031)
Total costs and expenses	1,214,731	2,341,340	2,359,137
Other (income)	(9,025)	(10,267)	(11,858)
Interest expense	90,065	178,206	180,420
Equity in (earnings) losses of non-consolidated entities	(27,425)	5,106	(24,774)
Investment income	(18,562)	(4,156)	(23,533)
Earnings (loss) from continuing operations before income taxes	74,112	(86,755)	20,277
Income tax provision	33,400	6,500	37,000
Earnings (loss) from continuing operations	$ 40,712	$ (93,255)	$ (16,723)
Earnings (loss) per share from continuing operations basic	$	$	$
Earnings (loss) per share from continuing operations diluted	$	$	$
Average shares outstanding:			
Basic			
Diluted			
Other Data:			
Adjusted EBITDA(1)		$ 419,203	$ 465,470

Balance Sheet Data (at period end):			
Cash and equivalents			$ 121,646
Corporate borrowings			1,858,512
Other long-term liabilities			591,072
Capital and financing lease obligations			81,410
Stockholders' equity			949,267
Total assets			3,853,609
Operating Data (at period end):			
Average screens continuing operations(2)	5,068	5,314	5,078
Number of screens operated	5,128	5,314	5,128
Number of theatres operated	358	379	358
Screens per theatre	14.3	14.0	14.3
Attendance (in thousands) continuing operations(2)	126,724	240,229	240,842

(1) Adjusted EBITDA in this prospectus corresponds to "Annualized EBITDA" in our senior secured credit facility. "See Covenant Compliance" for reconciliation of Adjusted EBITDA to loss from continuing operations. Adjusted EBITDA is not a presentation made in accordance with U.S. GAAP and our use of the term Adjusted EBITDA varies from others in our industry. This measure should not be considered as an alternative to net earnings (loss), operating income or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance or cash flows as measures of liquidity. Adjusted EBITDA is presented giving pro forma effect to the NCM Transactions, the Loews Dispositions, the Parent Transactions and the Offering Transactions and does not purport to present our actual historical covenant compliance calculations. Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. For example, Adjusted EBITDA:

- includes estimated cost savings and operating synergies related to the Loews Acquisition (as defined under "Management's Discussion and Analysis of Financial Condition and Results of Operations of AMC Entertainment Holdings, Inc. Overview Recent History");
- does not include one-time transition expenditures that we anticipate we will need to incur to realize cost savings;
- does not reflect our capital expenditures, future requirements for capital expenditures or contractual commitments;
- does not reflect changes in, or cash requirements for, our working capital needs;
- does not reflect the significant interest expenses, or the cash requirements necessary to service interest or principal payments, on our debt;
- excludes tax payments that represent a reduction in cash available to us;
- does not reflect any cash requirements for the assets being depreciated and amortized that may have to be replaced in the future;

does not reflect management fees that may be paid to the Sponsors; and does not reflect the impact of earnings or charges resulting from matters that we and the lenders under our secured senior credit facility may consider not to be indicative of our ongoing operations. In particular, our definition of Adjusted EBITDA allows us to add back certain non-cash and non-recurring charges that are deducted in calculating net income. However, these are expenses that may recur, vary greatly and are difficult to predict. They can represent the effect of long-term strategies as opposed to short-term results. In addition, certain of these expenses can represent the reduction of cash that could be used for other corporate purposes.

(2) Includes consolidated theatres only.

Covenant Compliance

Our senior secured credit facility requires us to maintain a net senior secured leverage ratio of no more than 3.25 to 1.0, calculated on a pro forma basis for the trailing four quarters (as determined under our senior secured credit facility) as long as the commitments under our revolving credit facility remain outstanding. Failure to comply with this covenant would result in an event of default under our senior secured credit facility unless waived by our revolving credit lenders, and in any event would likely limit our ability to borrow funds pursuant to our revolving credit facility. An event of default under our senior credit facility can result in the acceleration of our indebtedness under the facility, which in turn would result in an event of default and possible acceleration of indebtedness under our debt securities. In addition, our senior secured credit facility restricts our ability to take certain actions such as incurring additional debt or making certain acquisitions if we are unable to comply with our net senior secured leverage ratio covenant or, in the case of additional debt, maintain an Adjusted EBITDA to consolidated interest expense ratio of at least 2.0 to 1.0 and a senior leverage ratio of no more than 3.25 to 1.0 after giving pro forma effect (as determined under our senior secured credit facility) to the debt incurrence or acquisition, as the case may be. Failure to comply with these covenants would result in limiting our long-term growth prospects by hindering our ability to incur future indebtedness or grow through acquisitions. As our failure to comply with the covenants described above can, at best, limit our ability to incur debt or grow our company and, at worst, cause us to go into default under the agreements governing our indebtedness, management believes that our senior secured credit facility and these covenants are material to us. As of September 27, 2007, we were in compliance with the covenants described above.

Pro forma Adjusted EBITDA is defined in our senior secured credit facility as loss from continuing operations, as adjusted for the items summarized in the table below. Consolidated interest expense is defined in our senior secured credit facility as interest expense excluding, among other things, the amortization of fees and expenses incurred in connection with the Loews Acquisition, as well as the amortization of fees and expenses associated with certain investment and financing transactions and certain payments made in respect of operating leases, as described in the definition of consolidated interest expense, less interest income for the applicable period.

Adjusted EBITDA is not a measurement of our financial performance or liquidity under U.S. GAAP and should not be considered as an alternative to loss from continuing operations, operating income or any other performance measures derived in accordance with U.S. GAAP. Consolidated interest expense as defined in our senior secured credit facility should not be considered an alternative to U.S. GAAP interest expense. Adjusted EBITDA includes estimated annual cost savings initiatives that we expect to achieve in connection with the Loews Acquisition as a result of actions that we have taken following completion of the Loews Acquisition. Adjusted EBITDA also includes estimated annual cost savings initiatives that we expect to achieve in the ordinary course of business as a result of actions we have taken or anticipate taking in the near future. However, Adjusted EBITDA does not take into account the $29.9 million in one-time transition expenditures that we have incurred to realize these cost savings. The adjustments set forth below reflecting estimated cost savings and operating synergies do not qualify as pro forma adjustments under Regulation S-X promulgated under the Securities Act and constitute forward-looking statements within the Private Securities Litigation Reform Act of 1995, as amended. Actual results may differ materially from those reflected due to a number of factors, including without limitation, (i) an inability to consolidate facilities, (ii) an inability to reduce headcount and (iii) an inability to terminate certain contracts.

	Pro Forma	
	52 Weeks Ended March 29, 2007	52 Weeks Ended September 27, 2007
	(thousands of dollars, except ratios)	
Calculation of Adjusted EBITDA:		
Loss from continuing operations	$ (93,255)	$ (16,723)
Income tax provision (benefit)	6,500	37,000
Investment income	(4,156)	(23,533)
Equity in (earnings) losses of non-consolidated entities	5,106	(24,774)
Interest expense	178,206	180,420
Other expense (income)	1,019	(227)
Disposition of assets and other gains	(11,183)	(7,031)
Depreciation and amortization	256,472	253,380
Impairment charge	10,686	10,686
Theatre and other closure expense	9,011	(15,145)
Pre-opening expense	6,569	5,781
Stock-based compensation expense	11,424	10,388
Merger and acquisition costs	12,447	12,355
Subtotal	$ 388,846	$ 422,577
Additional credit facility adjustments:		
Gain on sale of investments, income from equity investments and insurance recoveries	24,589	49,535
Non-cash items, deferred rent and other	(7,931)	(11,588)