

## **EXHIBIT 99.1**

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### **AMC Entertainment Inc. Reports Record Results for Third Quarter of Fiscal 2003**

KANSAS CITY, Missouri (January 22, 2003)—AMC Entertainment Inc., one of the world's leading theatrical exhibition companies, today reported record third quarter revenues and Adjusted EBITDA for the quarter ended Dec. 26, 2002.

Revenues for the third quarter grew to \$432 million. On a pro-forma basis, which treats the results from the recent General Cinema and Gulf States acquisitions as if acquired at the beginning of fiscal 2002, revenues increased 8 percent from pro-forma revenues of \$402 million in the year-ago quarter. Not considering pro-forma impacts, third quarter revenues increased 37 percent from \$317 million in the same period last year. For fiscal 2003 to date, AMC posted revenues of \$1.35 billion, an increase of 7 percent over pro-forma revenues of \$1.26 billion in the first 39 weeks of fiscal 2002. Not considering pro-forma impacts, fiscal year-to-date revenues increased 34 percent from \$1 billion in the year-ago period.

Adjusted EBITDA (as defined in the attached Financial Summary) of \$55 million for the third quarter was up 25 percent from pro-forma Adjusted EBITDA of \$44 million for the third quarter last year. Not considering pro-forma impacts, Adjusted EBITDA was up 66 percent from \$33 million in the same quarter last year. Adjusted EBITDA for the year to date stood at \$178 million, up 13 percent from pro-forma adjusted EBITDA of \$157 million in the year-ago period. Not considering pro-forma impacts, fiscal year-to-date Adjusted EBITDA increased 45 percent from \$123 million in the same period last year.

"AMC's top-performing theatre portfolio once again combined with solid film product to produce record results," said Peter Brown, chairman and chief executive officer. "The dramatic increase in quarterly and year-to-date Adjusted EBITDA reflects continued successful execution of our strategic growth plan."

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Net loss for common shares for the third quarter was \$4.9 million, compared to pro-forma net loss for common shares of \$16.4 million in last year's third quarter. Not considering pro-forma impacts, net loss for common shares was \$16.8 million in the year-ago quarter. The third quarter's net loss of 14 cents per diluted share compares to pro-forma net loss of 63 cents per diluted share in the third quarter of last year and net loss not considering pro-forma impacts of 72 cents per diluted share in the same period last year.

For the fiscal year to date, AMC reported a net loss for common shares of \$23.2 million (64 cents per diluted share). That compares to a pro-forma net loss for common shares of \$18.1 million (70 cents per diluted share) and a net loss not considering pro-forma impacts of \$22.5 million (96 cents per common share) in the same period last year.

Highlights of the quarter included:

- Total revenues and Adjusted EBITDA were both third quarter records.
- Continued delivery of positive Free Cash Flow (After Tax Cash Flow less Capital Expenditures, Net).
- Continued balance sheet strength.
- Successful opening of three new high-performance megaplex theatres in Chicago, Dallas/Ft. Worth, and Northern California.

AMC Entertainment Inc. is a leader in the theatrical exhibition industry. Through its circuit of AMC Theatres, the Company operates 240 theatres with 3,532 screens in the United States, Canada, France, Hong Kong, Japan, Portugal, Spain, Sweden and the United Kingdom. Its Common Stock trades on the American Stock Exchange under the symbol AEN. The Company, headquartered in Kansas City, Mo., has a website at [www.amctheatres.com](http://www.amctheatres.com).

Investors will have the opportunity to listen to the quarterly earnings conference call and view the supporting slide presentation at 9 a.m. CST on Wednesday, January 22, 2003, through the website [www.amctheatres.com](http://www.amctheatres.com). Listeners can also access the call by dialing (877) 307-8182, or (706) 634-8221 for international callers. A replay of the call will be available on the website and by phone through Wednesday, February 5, 2003. The telephone replay can be accessed by calling (800) 642-1687, or (706) 645-9291 for international callers, and entering the conference ID number 7460856.

*Any forward-looking statements contained in this release, which reflect management's best judgment based on factors currently known, involve risks and uncertainties. Actual results could differ materially from those anticipated in the forward-looking statements included herein as a result of a number of factors, including among others the Company's ability to enter into various financing programs, the performance of films licensed by the Company, competition, construction delays, the ability to open or close theatres and screens as currently planned, domestic and international political, social and economic conditions, demographic changes, increases in demand for real estate, changes in real estate, zoning and tax laws, unforeseen changes in operating requirements, the Company's ability to identify suitable acquisition candidates and to successfully integrate acquisitions into its operations and results of significant litigation.*

**(FINANCIAL SUMMARY FOLLOWS)**

**AMC ENTERTAINMENT INC.**  
**FINANCIAL SUMMARY**  
(In thousands, except per share data)

|                                      | Thirteen Weeks Ended     |                    |                    | Thirty-nine Weeks Ended  |                    |                    |
|--------------------------------------|--------------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|
|                                      | Pro Forma <sup>(5)</sup> |                    |                    | Pro Forma <sup>(5)</sup> |                    |                    |
|                                      | Dec. 26,<br>2002         | Dec. 27,<br>2001   | Dec. 27,<br>2001   | Dec. 26,<br>2002         | Dec. 27,<br>2001   | Dec. 27,<br>2001   |
| <b>Statement of Operations Data:</b> |                          |                    |                    |                          |                    |                    |
| Admissions                           | \$292,117                | \$269,741          | \$212,373          | \$ 908,818               | \$ 843,939         | \$ 670,489         |
| Concessions                          | 109,984                  | 107,833            | 83,449             | 356,300                  | 342,776            | 268,461            |
| Other theatre                        | 13,483                   | 11,417             | 8,349              | 36,742                   | 41,687             | 32,433             |
| NCN and other                        | <u>16,836</u>            | <u>12,582</u>      | <u>12,582</u>      | <u>43,284</u>            | <u>32,471</u>      | <u>32,471</u>      |
| Total revenues                       | 432,420                  | 401,573            | 316,753            | 1,345,144                | 1,260,873          | 1,003,854          |
| Film exhibition costs                | 158,458                  | 147,277            | 114,989            | 502,516                  | 462,115            | 367,106            |
| Concession costs                     | 13,217                   | 14,186             | 9,831              | 44,746                   | 46,614             | 33,949             |
| Theatre operating expense            | 105,672                  | 103,807            | 79,634             | 325,374                  | 319,049            | 244,585            |
| Rent                                 | 75,362                   | 71,652             | 58,626             | 223,474                  | 215,277            | 176,359            |
| NCN and other                        | 14,017                   | 11,845             | 11,845             | 38,369                   | 34,302             | 34,302             |
| General and administrative           | 11,058                   | 8,944              | 8,666              | 53,509                   | 26,472             | 25,359             |
| Preopening expense                   | 1,630                    | 2,182              | 2,182              | 2,878                    | 3,988              | 3,988              |
| Theatre and other closure expense    | 4,066                    | 1,736              | 1,736              | 5,296                    | 1,824              | 1,824              |
| Reorganization items                 | -                        | 2,433              | -                  | -                        | 4,569              | -                  |
| Depreciation and amortization        | 31,836                   | 32,347             | 26,300             | 93,253                   | 92,011             | 73,870             |
| Loss (gain) on disposition of assets | <u>390</u>               | <u>16</u>          | <u>16</u>          | <u>(1,032)</u>           | <u>(1,826)</u>     | <u>(1,826)</u>     |
| Total costs and expenses             | 415,706                  | 396,425            | 313,825            | 1,288,383                | 1,204,395          | 959,516            |
| Other expense                        | -                        | -                  | -                  | -                        | 3,754              | 3,754              |
| Interest expense                     | 18,120                   | 15,721             | 13,990             | 56,908                   | 48,893             | 43,700             |
| Investment income                    | <u>(737)</u>             | <u>(262)</u>       | <u>(262)</u>       | <u>(2,522)</u>           | <u>(843)</u>       | <u>(843)</u>       |
| Total other expense                  | <u>17,383</u>            | <u>15,459</u>      | <u>13,728</u>      | <u>54,386</u>            | <u>51,804</u>      | <u>46,611</u>      |
| Earnings (loss) before income taxes  | (669)                    | (10,311)           | (10,800)           | 2,375                    | 4,674              | (2,273)            |
| Income tax provision                 | <u>(2,000)</u>           | <u>(1,700)</u>     | <u>(1,800)</u>     | <u>4,700</u>             | <u>2,200</u>       | <u>(400)</u>       |
| Net earnings (loss)                  | \$ <u>1,331</u>          | \$ <u>(8,611)</u>  | \$ <u>(9,000)</u>  | \$ <u>(2,325)</u>        | \$ <u>2,474</u>    | \$ <u>(1,873)</u>  |
| Preferred dividends                  | <u>6,250</u>             | <u>7,790</u>       | <u>7,790</u>       | <u>20,897</u>            | <u>20,587</u>      | <u>20,587</u>      |
| Net loss for common shares           | \$ <u>(4,919)</u>        | \$ <u>(16,401)</u> | \$ <u>(16,790)</u> | \$ <u>(23,222)</u>       | \$ <u>(18,113)</u> | \$ <u>(22,460)</u> |
| Net loss per share:                  |                          |                    |                    |                          |                    |                    |
| Basic                                | \$ <u>(0.14)</u>         | \$ <u>(0.63)</u>   | \$ <u>(0.72)</u>   | \$ <u>(0.64)</u>         | \$ <u>(0.70)</u>   | \$ <u>(0.96)</u>   |
| Diluted                              | \$ <u>(0.14)</u>         | \$ <u>(0.63)</u>   | \$ <u>(0.72)</u>   | \$ <u>(0.64)</u>         | \$ <u>(0.70)</u>   | \$ <u>(0.96)</u>   |
| Average shares outstanding:          |                          |                    |                    |                          |                    |                    |
| Basic                                | <u>36,302</u>            | <u>25,884</u>      | <u>23,469</u>      | <u>36,294</u>            | <u>25,884</u>      | <u>23,469</u>      |
| Diluted                              | <u>36,302</u>            | <u>25,884</u>      | <u>23,469</u>      | <u>36,294</u>            | <u>25,884</u>      | <u>23,469</u>      |

|   | Thirteen Weeks Ended     |                         |                         | Thirty-nine Weeks Ended     |                          |                          |
|---|--------------------------|-------------------------|-------------------------|-----------------------------|--------------------------|--------------------------|
|   | Pro Forma <sup>(5)</sup> |                         |                         | Pro Forma <sup>(5)</sup>    |                          |                          |
|   | Dec. 26,<br><u>2002</u>  | Dec. 27,<br><u>2001</u> | Dec. 27,<br><u>2001</u> | Dec. 26,<br><u>2002</u>     | Dec. 27,<br><u>2001</u>  | Dec. 27,<br><u>2001</u>  |
| <b>Other Financial Data:</b>                |                          |                         |                         |                             |                          |                          |
| Adjusted EBITDA <sup>(1)</sup>              | \$ 55,140                | 43,977                  | \$ 33,277               | \$ 177,922                  | \$ 157,371               | \$ 122,521               |
| After tax cash flow <sup>(2)</sup>          | 33,671                   | 23,851                  | 17,415                  | 102,982                     | 94,812                   | 72,324                   |
| Capital expenditures, net <sup>(3)</sup>    | 6,786                    | n/a                     | 10,396                  | 36,571                      | n/a                      | 47,200                   |
| <b>Other Data:</b>                          |                          |                         |                         |                             |                          |                          |
| Screen additions                            | 77                       | 82                      | 70                      | 95                          | 142                      | 130                      |
| Screen acquisitions                         | -                        | -                       | -                       | 641                         | -                        | -                        |
| Screen dispositions                         | 13                       | 6                       | 6                       | 71                          | 62                       | 62                       |
| Average Screens                             | 3,511                    | 3,487                   | 2,802                   | 3,517                       | 3,472                    | 2,793                    |
| Attendance (in thousands)                   | 45,763                   | 46,400                  | 36,878                  | 149,957                     | 147,307                  | 118,425                  |
| Number of screens operated<br>(period end)  |                          |                         |                         | 3,564                       | 3,548                    | 2,839                    |
| Number of theatres operated<br>(period end) |                          |                         |                         | 245                         | 251                      | 177                      |
| Screens per theatre circuit wide            |                          |                         |                         | 14.5                        | 14.1                     | 16.0                     |
| <b>Balance Sheet Data:</b>                  |                          |                         |                         | Pro<br>Forma <sup>(5)</sup> |                          |                          |
|   |                          |                         |                         | Dec. 26,<br><u>2002</u>     | March 28,<br><u>2002</u> | March 28,<br><u>2002</u> |
| Cash and equivalents                        |                          |                         |                         | \$ 241,164                  | \$ 166,603               | \$ 219,432               |
| Corporate borrowings                        |                          |                         |                         | \$ 668,570                  | \$ 668,327               | \$ 596,540               |
| Capital and financing lease<br>obligations  |                          |                         |                         | \$ 79,993                   | \$ 57,056                | \$ 57,056                |
| Net debt <sup>(4)</sup>                     |                          |                         |                         | \$ 507,399                  | \$ 558,780               | \$ 434,164               |
| Stockholders' equity                        |                          |                         |                         | \$ 308,477                  | \$ 291,507               | \$ 258,356               |
| Total shares <sup>(6)</sup>                 |                          |                         |                         | 75,840                      | 73,931                   | 71,501                   |

<sup>(1)</sup>Represents net earnings (loss) plus interest expense, income taxes, depreciation and amortization and adjusted for stock-based and special compensation expense (related primarily to forgiveness of loans to executive officers) of \$504 and \$20,766 included in general and administrative expense during the thirteen and thirty-nine weeks ended December 26, 2002, respectively, and \$115 and \$327 included in general and administrative expense during the thirteen and thirty-nine weeks ended December 27, 2001, respectively, preopening expense, theatre and other closure expense, reorganization items, gain on disposition of assets and investment income, and excludes other expense of \$3,754 during the thirty-nine weeks ended December 27, 2001 incurred in connection with the issuance of Preferred Stock. We have included Adjusted EBITDA because we believe that Adjusted EBITDA provides investors with additional information for estimating our value. We believe that Adjusted EBITDA is a performance measure commonly used in our industry and should not be construed as an alternative to our net earnings (loss) (as determined in accordance with GAAP). Adjusted EBITDA as determined by us may not be comparable to EBITDA as reported by other companies. In addition, Adjusted EBITDA is not intended to represent cash flow (as determined in accordance with GAAP), does not represent the measure of cash available for discretionary uses and is not intended to be a measure of liquidity.

<sup>(2)</sup>Represents net earnings (loss) plus depreciation and amortization and adjusted for the non-cash portion of stock-based and special compensation expense of \$504 and \$12,054 included in general and administrative expense during the thirteen and thirty-nine weeks ended December 26, 2002, respectively, related primarily to forgiveness of loans to executive officers and \$115 and \$327 included during the thirteen and thirty-nine weeks ended December 27, 2001, respectively, related to stock-based compensation. We believe that After tax cash flow is a liquidity measure commonly used in our industry and should not be construed as an alternative to cash flow (as determined in accordance with GAAP). After tax cash flow as determined by us may not be comparable to After tax cash flow as reported by other companies.

<sup>(3)</sup>Represents capital expenditures and net construction project costs less proceeds from sale and leaseback transactions.

<sup>(4)</sup>Represents corporate borrowings and capital and financing lease obligations less cash and equivalents.

<sup>(5)</sup>The unaudited pro forma financial information presented above sets forth our historical statements of operations and balance sheet for the periods and at the date indicated and gives effect to the acquisitions of GC Companies, Inc. and Gulf States Theatres as adjusted for the related preliminary purchase price allocations. We believe that the final allocation of purchase price will not differ materially from the preliminary allocation. Such information is presented for comparative purposes only and does not purport to represent what our results of operations would actually have been had these transactions occurred on the date indicated or to project our results of operations for any future period or date. The unaudited pro forma financial information should be read in conjunction with our consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 29, 2001, our Quarterly Report on Form 10-Q for the quarterly period ended September 27, 2001 including, in each case, the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our reports on Form 8-K filed on March 13, 2002, March 18, 2002 and April 10, 2002.

<sup>(6)</sup>Represents outstanding shares of Common Stock and Class B Stock, incremental shares issuable under stock options, using the treasury stock method, stock awards and upon the conversion of Series A Convertible Preferred Stock to Common Stock.