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Justice Department, Attorneys General antitrust action require AMC divest theater properties in acquisition of Kerasotes

Sale of properties will prevent AMC monopoly in Chicago, Denver and Indianapolis metro areas

INDIANAPOLIS - Indiana Attorney General Greg Zoeller and the Department of Justice announced today that AMC Entertainment Group Inc. must sell properties in Colorado, Illinois and Indiana in order to move forward with the acquisition of Kerasotes Showplace Theaters, LLC. The divestiture of these properties is intended to preserve competition and consumer options in these states and protect against an anti-competitive impact on the communities.

The Department of Justice's Antitrust Division filed a civil lawsuit today in U.S. District Court in Washington to block the proposed acquisition. At the same time, the department filed a proposed settlement agreed to by both companies that, if approved by the court, would resolve the lawsuit and the department's competitive concerns. Indiana Attorney General Greg Zoeller along with the attorneys general for the states of Illinois and Colorado joined the division's enforcement action.

"The resolution reached by the Department of Justice with support from my colleagues in Colorado and Illinois will protect movie-watching options for consumers while fostering a competitive marketplace and allowing the two theaters to move forward with their acquisition plans," Zoeller said.

The theater chains have agreed to divest two properties in the Indianapolis metro area including one on the north side and one on the south side - the AMC Castleton Square 14 or Kerasotes Showplace 12 Glendale Town (North Indianapolis); and AMC Greenwood 14 (South Indianapolis). Without the divestiture of these properties, AMC's acquisition of Kerasotes could have a possible negative impact on consumer choice, ticket pricing and quality of experience.

AMC, a Kansas City-based company, operates 304 U.S. theaters housing 4,574 screens, most of which are located in megaplexes (units with more than 14 screens and stadium seating). AMC had U.S. revenues of approximately \$2.26 billion in 2009.

Based in Chicago, Kerasotes develops, owns and operates Kerasotes ShowPlace Theatres LLC throughout the United States, with most locations in the Midwest. The privately held company operates 96 movie theaters with 973 screens in the United States and earned revenue of approximately \$327.7 million in 2009.

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