

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

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CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 19, 2021

Commission File Number: 1-35106

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**AMC Networks Inc.**

(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction of  
incorporation or organization)

11 Penn Plaza,  
New York, NY  
(Address of principal executive offices)

27-5403694  
(I.R.S. Employer  
Identification No.)

10001  
(Zip Code)

(212) 324-8500  
(Registrant's telephone number, including area code)  
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.01 per share	AMCX	The NASDAQ Stock Market LLC

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 7.01 Regulation FD Disclosure

In the first quarter of 2021, AMC Networks Inc. (the "Company" or "our") changed its presentation of operating segments, reflecting a reorganized operating structure focused on a multi-platform distribution approach to content monetization. The Company's streaming services and IFC Films, previously included in the International and Other segment, are now included within the Domestic Operations segment (formerly referred to as the National Networks segment). In addition, certain corporate overhead costs are no longer allocated to the operating segments.

The new reporting structure consists of the following two operating segments:

- *Domestic Operations*: Includes activities of our five national programming networks, our streaming services, our AMC Studios operation, IFC Films and AMC Broadcasting & Technology. Our national programming networks are AMC, WE tv, BBC AMERICA, IFC, and SundanceTV. Our streaming services consist of our targeted subscription streaming services (Acorn TV, Shudder, Sundance Now, and ALLBLK), AMC+ and other streaming initiatives. Our AMC Studios operation produces original programming for our programming networks and also licenses such programming worldwide. IFC Films is our film distribution business and AMC Networks Broadcasting & Technology is our technical services business, which primarily services most of the national programming networks.
- *International and Other*: Includes AMC Networks International ("AMCNI"), our international programming businesses consisting of a portfolio of channels around the world and 25/7 Media (formerly Levy), our production services business.

Exhibit 99.1 contains unaudited segment financial information for 2020 and 2019 under the new segment structure. The changes in the segment structure discussed above affect only the manner in which the results for the Company's operating segments were previously reported and have no impact on the Company's previously reported consolidated financial statements or results of operations.

The information contained in this Item 7.01, including Exhibit 99.1 incorporated herein by reference, is furnished and shall not be deemed to be filed for purposes of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Unaudited segment financial information for 2020 and 2019</a>
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

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**SEGMENT REPORTING CHANGES**

This document provides recast segment financial information for 2020 and 2019 to reflect the following:

In the first quarter of 2021, AMC Networks (the "Company" or "our") changed its presentation of operating segments, reflecting a reorganized operating structure focused on a multi-platform distribution approach to content monetization. The Company's streaming services and IFC Films, previously included in the International and Other segment, are now included within the Domestic Operations segment (formerly referred to as the National Networks segment). In addition, certain corporate overhead costs are no longer allocated to the operating segments. These changes have no effect on the Company's consolidated financial statements or results of operations.

The new reporting structure consists of the following two operating segments:

- *Domestic Operations:* Includes activities of our five national programming networks, our streaming services, our AMC Studios operation, IFC Films and AMC Broadcasting & Technology. Our national programming networks are AMC, WE tv, BBC AMERICA, IFC, and SundanceTV. Our streaming services consist of our targeted subscription streaming services (Acorn TV, Shudder, Sundance Now, and ALLBLK), AMC+ and other streaming initiatives. Our AMC Studios operation produces original programming for our programming networks and also licenses such programming worldwide. IFC Films is our film distribution business and AMC Networks Broadcasting & Technology is our technical services business, which primarily services most of the national programming networks.
- *International and Other:* Includes AMC Networks International ("AMCNI"), our international programming businesses consisting of a portfolio of channels around the world and 25/7 Media (formerly Levity), our production services business.

## SUMMARY OF RECAST SEGMENT RESULTS

The following is a summary of segment revenues, operating income (loss), and adjusted operating income (loss) presented under the new segment reporting structure for the periods presented:

	Year Ended	Quarter Ended				Year Ended
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	December 31, 2020
<b>Revenue</b>						
Domestic Operations	\$ 2,563,250	\$ 611,893	\$ 562,932	\$ 546,865	\$ 659,711	\$ 2,381,401
International and Other	527,916	124,828	90,682	111,398	126,322	453,230
Inter-segment Eliminations	(30,845)	(2,346)	(7,323)	(4,248)	(5,758)	(19,675)
	<u>\$ 3,060,321</u>	<u>\$ 734,375</u>	<u>\$ 646,291</u>	<u>\$ 654,015</u>	<u>\$ 780,275</u>	<u>\$ 2,814,956</u>
<b>Operating Income (Loss)</b>						
Domestic Operations	\$ 884,054	\$ 224,601	\$ 217,586	\$ 179,259	\$ 113,425	\$ 734,871
International and Other	(83,948)	4,361	(125,562)	3,061	8,775	(109,365)
Corporate / Inter-segment Eliminations	(174,829)	(55,992)	(43,222)	(42,843)	(40,805)	(182,862)
	<u>\$ 625,277</u>	<u>\$ 172,970</u>	<u>\$ 48,802</u>	<u>\$ 139,477</u>	<u>\$ 81,395</u>	<u>\$ 442,644</u>
<b>Adjusted Operating Income<sup>(1)</sup></b>						
Domestic Operations	\$ 986,331	\$ 241,033	\$ 236,353	\$ 205,614	\$ 144,954	\$ 827,954
International and Other	67,336	17,843	15,583	8,917	6,382	48,725
Corporate / Inter-segment Eliminations <sup>(2)</sup>	(109,677)	(36,422)	(26,658)	(29,040)	(17,948)	(110,068)
	<u>\$ 943,990</u>	<u>\$ 222,454</u>	<u>\$ 225,278</u>	<u>\$ 185,491</u>	<u>\$ 133,388</u>	<u>\$ 766,611</u>

(1) Adjusted Operating Income (AOI) is the primary financial measure the Company uses to evaluate segment performance. Since AOI is not a measure of performance calculated in accordance with GAAP, this measure may not be comparable to similar measures with similar titles used by other companies. See below for a reconciliation of operating income (loss) to AOI.

(2) Corporate overhead costs include such costs as executive salaries and benefits, costs of maintaining corporate headquarters, facilities and common support functions (such as human resources, legal, finance, strategic planning and information technology).

Inter-segment eliminations are primarily licensing revenues recognized between the Domestic Operations and International and Other segments.

The following tables present the Company's operating results and a reconciliation to segment AOI under the new segment reporting structure for the periods presented:

**Domestic Operations**

<i>(unaudited, in thousands)</i>	Year Ended	Quarter Ended				Year Ended
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	December 31, 2020
<b>Revenue:</b>						
Advertising	\$ 904,253	\$ 213,226	\$ 187,434	\$ 164,178	\$ 236,639	\$ 801,477
Distribution and other	1,658,997	398,667	375,498	382,687	423,072	1,579,924
	<u>2,563,250</u>	<u>611,893</u>	<u>562,932</u>	<u>546,865</u>	<u>659,711</u>	<u>2,381,401</u>
<b>Operating expenses:</b>						
Technical and operating (excluding depreciation and amortization)	1,199,159	263,348	235,335	260,330	371,153	1,130,166
Selling, general and administrative	409,878	111,512	97,506	87,025	146,801	442,844
Depreciation and amortization	41,299	10,950	11,301	15,799	12,524	50,574
Restructuring and other related charges	28,860	1,482	1,204	4,452	15,808	22,946
Total operating expenses	<u>1,679,196</u>	<u>387,292</u>	<u>345,346</u>	<u>367,606</u>	<u>546,286</u>	<u>1,646,530</u>
Operating income	884,054	224,601	217,586	179,259	113,425	734,871
Share-based compensation expense (benefit)	26,153	2,724	4,844	4,437	(1,400)	10,605
Depreciation and amortization	41,299	10,950	11,301	15,799	12,524	50,574
Restructuring and other related charges	28,860	1,482	1,204	4,452	15,808	22,946
Majority-owned equity investees AOI	5,965	1,276	1,418	1,667	4,597	8,958
Adjusted operating income	<u>\$ 986,331</u>	<u>\$ 241,033</u>	<u>\$ 236,353</u>	<u>\$ 205,614</u>	<u>\$ 144,954</u>	<u>\$ 827,954</u>

**International and Other**

<i>(unaudited, in thousands)</i>	Year Ended	Quarter Ended				Year Ended
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	December 31, 2020
<b>Revenue:</b>						
Advertising	\$ 89,659	\$ 19,364	\$ 14,810	\$ 18,924	\$ 21,241	\$ 74,339
Distribution and other	438,257	105,464	75,872	92,474	105,081	378,891
	527,916	124,828	90,682	111,398	126,322	453,230
<b>Operating expenses:</b>						
Technical and operating (excluding depreciation and amortization)	332,241	80,136	54,190	77,356	88,999	300,681
Selling, general and administrative	132,884	27,458	21,818	26,044	31,492	106,812
Depreciation and amortization	34,983	8,896	7,563	4,937	5,069	26,465
Impairment and other charges (credits)	106,603	—	130,411	—	(8,184)	122,227
Restructuring and other related charges	5,153	3,977	2,262	—	171	6,410
Total operating expenses	611,864	120,467	216,244	108,337	117,547	562,595
Operating income (loss)	(83,948)	4,361	(125,562)	3,061	8,775	(109,365)
Share-based compensation expense	4,545	609	909	919	551	2,988
Depreciation and amortization	34,983	8,896	7,563	4,937	5,069	26,465
Impairment and other charges	106,603	—	130,411	—	(8,184)	122,227
Restructuring and other related charges	5,153	3,977	2,262	—	171	6,410
Adjusted operating income	\$ 67,336	\$ 17,843	\$ 15,583	\$ 8,917	\$ 6,382	\$ 48,725

## Corporate / Inter-segment Eliminations

(unaudited, in thousands)	Year Ended	Quarter Ended				Year Ended
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	December 31, 2020
<b>Revenue:</b>						
Advertising	\$ (79)	\$ —	\$ —	\$ —	\$ —	\$ —
Distribution and other	(30,766)	(2,346)	(7,323)	(4,248)	(5,758)	(19,675)
	(30,845)	(2,346)	(7,323)	(4,248)	(5,758)	(19,675)
<b>Operating expenses:</b>						
Technical and operating (excluding depreciation and amortization)	(24,415)	575	(7,023)	(3,869)	(18,939)	(29,256)
Selling, general and administrative	136,682	45,680	35,840	35,698	41,946	159,164
Depreciation and amortization	24,816	6,884	7,041	6,812	6,830	27,567
Restructuring and other related charges	6,901	507	41	(46)	5,210	5,712
Total operating expenses	143,984	53,646	35,899	38,595	35,047	163,187
Operating loss	(174,829)	(55,992)	(43,222)	(42,843)	(40,805)	(182,862)
Share-based compensation expense	33,435	12,179	9,482	7,037	10,617	39,315
Depreciation and amortization	24,816	6,884	7,041	6,812	6,830	27,567
Restructuring and other related charges	6,901	507	41	(46)	5,210	5,712
Cloud computing amortization	—	—	—	—	200	200
Adjusted operating loss	\$ (109,677)	\$ (36,422)	\$ (26,658)	\$ (29,040)	\$ (17,948)	\$ (110,068)