

REGAL ENTERTAINMENT GROUP

Form 10-Q

August 06, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended July 1, 2010

Commission file number: 001-31315

Regal Entertainment Group

(Exact name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

7132 Regal Lane

Knoxville, TN

(Address of Principal Executive Offices)

02-0556934

(I.R.S. Employer
Identification No.)

37918

(Zip Code)

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Registrant's Telephone Number, Including Area Code: **865-922-1123**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer

Accelerated filer

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

Smaller reporting company

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

Class A Common Stock 130,571,146 shares outstanding at August 2, 2010

Class B Common Stock 23,708,639 shares outstanding at August 2, 2010

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(in millions, except share data)

	July 1, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 225.1	\$ 328.1
Trade and other receivables	75.5	69.0
Inventories	14.6	12.3
Prepaid expenses and other current assets	27.1	8.6
Assets held for sale	0.3	0.6
Deferred income tax asset	9.7	10.3
TOTAL CURRENT ASSETS	352.3	428.9
PROPERTY AND EQUIPMENT:		
Land	132.2	118.6
Buildings and leasehold improvements	1,965.3	1,921.4
Equipment	986.5	1,016.3
Construction in progress	4.7	8.8
Total property and equipment	3,088.7	3,065.1
Accumulated depreciation and amortization	(1,326.1)	(1,246.4)
TOTAL PROPERTY AND EQUIPMENT, NET	1,762.6	1,818.7
GOODWILL	178.8	178.8
INTANGIBLE ASSETS, NET	24.2	11.7
DEFERRED INCOME TAX ASSET	93.5	78.1
OTHER NON-CURRENT ASSETS	163.6	121.5
TOTAL ASSETS	\$ 2,575.0	\$ 2,637.7
LIABILITIES AND DEFICIT		
CURRENT LIABILITIES:		
Current portion of debt obligations	\$ 217.1	\$ 17.1
Accounts payable	176.7	198.5
Accrued expenses	65.2	65.2
Deferred revenue	90.9	93.9
Interest payable	22.1	21.8
TOTAL CURRENT LIABILITIES	572.0	396.5
LONG-TERM DEBT, LESS CURRENT PORTION	1,676.8	1,892.6
LEASE FINANCING ARRANGEMENTS, LESS CURRENT PORTION	68.7	72.0
CAPITAL LEASE OBLIGATIONS, LESS CURRENT PORTION	14.0	15.4
NON-CURRENT DEFERRED REVENUE	344.0	341.2
OTHER NON-CURRENT LIABILITIES	183.0	166.9

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TOTAL LIABILITIES	2,858.5	2,884.6
DEFICIT:		
Class A common stock, \$0.001 par value; 500,000,000 shares authorized, 130,571,146 and 130,292,790 shares issued and outstanding at July 1, 2010 and December 31, 2009, respectively	0.1	0.1
Class B common stock, \$0.001 par value; 200,000,000 shares authorized, 23,708,639 shares issued and outstanding at July 1, 2010 and December 31, 2009		
Preferred stock, \$0.001 par value; 50,000,000 shares authorized; none issued and outstanding		
Additional paid-in capital (deficit)	(280.1)	(282.9)
Retained earnings	13.2	47.0
Accumulated other comprehensive loss, net	(15.5)	(10.3)
TOTAL STOCKHOLDERS DEFICIT OF REGAL ENTERTAINMENT GROUP	(282.3)	(246.1)
Noncontrolling interest	(1.2)	(0.8)
TOTAL DEFICIT	(283.5)	(246.9)
TOTAL LIABILITIES AND DEFICIT	\$ 2,575.0	\$ 2,637.7

See accompanying notes to unaudited condensed consolidated financial statements.

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REGAL ENTERTAINMENT GROUP

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except share and per share data)

	Quarter Ended July 1, 2010	Quarter Ended July 2, 2009	Two Quarters Ended July 1, 2010	Two Quarters Ended July 2, 2009
REVENUES:				
Admissions	\$ 506.0	\$ 541.7	\$ 1,012.0	\$ 1,001.2
Concessions	192.6	214.9	377.6	394.3
Other operating revenues	32.1			