

REGAL ENTERTAINMENT GROUP

Form 10-Q

August 05, 2008

[Table of Contents](#)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 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 June 26, 2008

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

(Internal Revenue Service
Employer Identification Number)

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 and 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.:

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a 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 129,799,690 shares outstanding at August 1, 2008

Class B Common Stock 23,708,639 shares outstanding at August 1, 2008

Table of Contents

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

<u>Item 1.</u>	<u>FINANCIAL STATEMENTS</u>
	<u>UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS</u>
	<u>UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME</u>
	<u>UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS</u>
	<u>NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</u>
<u>Item 2.</u>	<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>
<u>Item 3.</u>	<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>
<u>Item 4.</u>	<u>CONTROLS AND PROCEDURES</u>

PART II. OTHER INFORMATION

<u>Item 1.</u>	<u>LEGAL PROCEEDINGS</u>
<u>Item 1A.</u>	<u>RISK FACTORS</u>
<u>Item 4.</u>	<u>SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS</u>
<u>Item 6.</u>	<u>EXHIBITS</u>

SIGNATURES

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. FINANCIAL STATEMENTS****REGAL ENTERTAINMENT GROUP****UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**
(in millions, except share data)

	June 26, 2008	December 27, 2007
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 223.8	\$ 435.2
Trade and other receivables, net	29.0	73.5
Inventories	10.1	8.1
Prepaid expenses and other current assets	9.6	7.1
Assets held for sale	0.9	1.6
TOTAL CURRENT ASSETS	273.4	525.5
PROPERTY AND EQUIPMENT:		
Land	121.0	121.8
Buildings and leasehold improvements	1,904.9	1,701.6
Equipment	957.1	886.5
Construction in progress	18.9	24.2
Total property and equipment	3,001.9	2,734.1
Accumulated depreciation and amortization	(1,002.1)	(912.5)
TOTAL PROPERTY AND EQUIPMENT, NET	1,999.8	1,821.6
GOODWILL	180.3	181.7
INTANGIBLE ASSETS, NET	17.6	
DEFERRED INCOME TAX ASSET	99.8	64.0
OTHER NON-CURRENT ASSETS	117.1	42.1
TOTAL ASSETS	\$ 2,688.0	\$ 2,634.9
LIABILITIES AND STOCKHOLDERS DEFICIT		
CURRENT LIABILITIES:		
Current portion of debt obligations	\$ 23.0	\$ 146.5
Accounts payable	167.3	183.0
Accrued expenses	67.4	54.7
Deferred revenue	112.1	113.9
Interest payable	27.3	28.9
Deferred income tax liability	0.5	0.5
TOTAL CURRENT LIABILITIES	397.6	527.5

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LONG-TERM DEBT	1,909.4	1,718.2
LEASE FINANCING ARRANGEMENTS	79.6	81.8
CAPITAL LEASE OBLIGATIONS	17.8	19.0
NON-CURRENT DEFERRED REVENUE	341.3	279.8
OTHER NON-CURRENT LIABILITIES	156.1	127.4
TOTAL LIABILITIES	2,901.8	2,753.7
MINORITY INTEREST	(0.1)	0.5
STOCKHOLDERS' DEFICIT:		
Class A common stock, \$0.001 par value; 500,000,000 shares authorized, 129,796,512 and 129,518,587 shares issued and outstanding at June 26, 2008 and December 27, 2007, 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 June 26, 2008 and December 27, 2007		
Preferred stock, \$0.001 par value; 50,000,000 shares authorized; none issued and outstanding		
Additional paid-in capital (deficit)	(165.5)	(160.4)
Retained earnings (accumulated deficit)	(38.6)	42.6
Accumulated other comprehensive loss, net	(9.7)	(1.6)
TOTAL STOCKHOLDERS' DEFICIT	(213.7)	(119.3)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 2,688.0	\$ 2,634.9

See accompanying notes to unaudited condensed consolidated financial statements.

Table of Contents

REGAL ENTERTAINMENT GROUP

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data)

	Quarter Ended June 26, 2008	Quarter Ended June 28, 2007	Two Quarters Ended June 26, 2008	Two Quarters Ended June 28, 2007
REVENUES:				