

REGAL ENTERTAINMENT GROUP

Form 10-Q

November 10, 2009

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**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 October 1, 2009

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 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 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 <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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 130,291,458 shares outstanding at November 6, 2009

Class B Common Stock 23,708,639 shares outstanding at November 6, 2009

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(in millions, except share data)

	October 1, 2009	January 1, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 192.3	\$ 170.2
Trade and other receivables	32.6	73.2
Inventories	10.6	8.3
Prepaid expenses and other current assets	16.5	6.1
Assets held for sale	0.6	0.9
Deferred income tax asset	11.1	14.8
TOTAL CURRENT ASSETS	263.7	273.5
PROPERTY AND EQUIPMENT:		
Land	118.6	118.6
Buildings and leasehold improvements	1,922.3	1,911.5
Equipment	1,019.1	974.5
Construction in progress	9.1	14.1
Total property and equipment	3,069.1	3,018.7
Accumulated depreciation and amortization	(1,211.6)	(1,082.2)
TOTAL PROPERTY AND EQUIPMENT, NET	1,857.5	1,936.5
GOODWILL	178.8	178.8
INTANGIBLE ASSETS, NET	12.6	15.5
DEFERRED INCOME TAX ASSET	77.9	78.2
OTHER NON-CURRENT ASSETS	122.0	113.3
TOTAL ASSETS	\$ 2,512.5	\$ 2,595.8
LIABILITIES AND DEFICIT		
CURRENT LIABILITIES:		
Current portion of debt obligations	\$ 20.2	\$ 23.4
Accounts payable	116.3	162.0
Accrued expenses	58.5	77.8
Deferred revenue	72.8	95.6
Interest payable	9.5	7.4
TOTAL CURRENT LIABILITIES	277.3	366.2
LONG-TERM DEBT, LESS CURRENT PORTION	1,891.3	1,887.0
LEASE FINANCING ARRANGEMENTS, LESS CURRENT PORTION	73.4	77.2
CAPITAL LEASE OBLIGATIONS, LESS CURRENT PORTION	15.7	17.3
NON-CURRENT DEFERRED REVENUE	342.7	339.9
OTHER NON-CURRENT LIABILITIES	170.6	144.1

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TOTAL LIABILITIES	2,771.0	2,831.7
DEFICIT:		
Class A common stock, \$0.001 par value; 500,000,000 shares authorized, 130,291,408 and 129,801,284 shares issued and outstanding at October 1, 2009 and January 1, 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 October 1, 2009 and January 1, 2009		
Preferred stock, \$0.001 par value; 50,000,000 shares authorized; none issued and outstanding		
Additional paid-in capital (deficit)	(263.4)	(265.8)
Retained earnings	17.9	40.1
Accumulated other comprehensive loss, net	(12.5)	(9.9)
TOTAL STOCKHOLDERS DEFICIT OF REGAL ENTERTAINMENT GROUP	(257.9)	(235.5)
Noncontrolling interest	(0.6)	(0.4)
TOTAL DEFICIT	(258.5)	(235.9)
TOTAL LIABILITIES AND DEFICIT	\$ 2,512.5	\$ 2,595.8

See accompanying notes to unaudited condensed consolidated financial statements.

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(in millions, except share and per share data)

	Quarter Ended October 1, 2009	Quarter Ended September 25, 2008	Three Quarters Ended October 1, 2009	Three Quarters Ended September 25, 2008
REVENUES:				
Admissions	\$ 463.4	\$ 516.8	\$ 1,464.6	\$ 1,404.5
Concessions	182.6	209.6	576.9	564.6
Other operating revenues	27.5	31.2	86.8	91.1
TOTAL REVENUES	673.5	757.6	2,128.3	2,060.2
OPERATING EXPENSES:				