

REGAL ENTERTAINMENT GROUP

Form 10-Q

May 08, 2012

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 10-Q**

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

For the quarterly period ended March 29, 2012

Commission file number: 001-31315

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**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

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 131,643,524 shares outstanding at May 1, 2012

Class B Common Stock 23,708,639 shares outstanding at May 1, 2012

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(in millions, except share data)

	March 29, 2012	December 29, 2011
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 316.2	\$ 253.0
Trade and other receivables	34.2	75.2
Income tax receivable	2.0	24.6
Inventories	15.9	14.8
Prepaid expenses and other current assets	18.3	14.1
Assets held for sale	0.6	0.6
Deferred income tax asset	18.4	21.2
<b>TOTAL CURRENT ASSETS</b>	<b>405.6</b>	<b>403.5</b>
<b>PROPERTY AND EQUIPMENT:</b>		
Land	124.8	124.8
Buildings and leasehold improvements	1,953.7	1,953.8
Equipment	950.5	965.7
Construction in progress	9.1	7.1
Total property and equipment	3,038.1	3,051.4
Accumulated depreciation and amortization	(1,526.1)	(1,503.2)
<b>TOTAL PROPERTY AND EQUIPMENT, NET</b>	<b>1,512.0</b>	<b>1,548.2</b>
<b>GOODWILL</b>	<b>178.8</b>	<b>178.8</b>
<b>INTANGIBLE ASSETS, NET</b>	<b>20.6</b>	<b>20.8</b>
<b>DEFERRED INCOME TAX ASSET</b>	<b>8.5</b>	<b>17.3</b>
<b>OTHER NON-CURRENT ASSETS</b>	<b>181.5</b>	<b>172.7</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,307.0</b>	<b>\$ 2,341.3</b>
<b>LIABILITIES AND DEFICIT</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of debt obligations	\$ 21.1	\$ 20.6
Accounts payable	158.8	174.5
Accrued expenses	56.9	69.0
Deferred revenue	96.1	89.6
Interest payable	26.2	47.0
<b>TOTAL CURRENT LIABILITIES</b>	<b>359.1</b>	<b>400.7</b>
<b>LONG-TERM DEBT, LESS CURRENT PORTION</b>	<b>1,921.4</b>	<b>1,925.0</b>
<b>LEASE FINANCING ARRANGEMENTS, LESS CURRENT PORTION</b>	<b>57.8</b>	<b>59.6</b>
<b>CAPITAL LEASE OBLIGATIONS, LESS CURRENT PORTION</b>	<b>9.8</b>	<b>11.1</b>
<b>NON-CURRENT DEFERRED REVENUE</b>	<b>346.9</b>	<b>348.0</b>
<b>OTHER NON-CURRENT LIABILITIES</b>	<b>164.6</b>	<b>169.4</b>
<b>TOTAL LIABILITIES</b>	<b>2,859.6</b>	<b>2,913.8</b>
<b>DEFICIT:</b>		

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Class A common stock, \$0.001 par value; 500,000,000 shares authorized, 131,567,629 and 130,864,513 shares issued and outstanding at March 29, 2012 and December 29, 2011, 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 March 29, 2012 and December 29, 2011		
Preferred stock, \$0.001 par value; 50,000,000 shares authorized; none issued and outstanding		
Additional paid-in capital (deficit)	(584.5)	(577.6)
Retained earnings	37.6	15.7
Accumulated other comprehensive loss, net	(4.1)	(9.1)
<b>TOTAL STOCKHOLDERS DEFICIT OF REGAL ENTERTAINMENT GROUP</b>	<b>(550.9)</b>	<b>(570.9)</b>
Noncontrolling interest	(1.7)	(1.6)
<b>TOTAL DEFICIT</b>	<b>(552.6)</b>	<b>(572.5)</b>
<b>TOTAL LIABILITIES AND DEFICIT</b>	<b>\$ 2,307.0</b>	<b>\$ 2,341.3</b>

See accompanying notes to unaudited condensed consolidated financial statements.

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**REGAL ENTERTAINMENT GROUP**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(in millions, except share and per share data)

	<b>Quarter Ended March 29, 2012</b>	<b>Quarter Ended March 31, 2011</b>
<b>REVENUES:</b>		
Admissions	\$ 474.1	\$ 394.4
Concessions	180.0	151.3
Other operating revenues	30.8	25.2