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FORM 8-K

REGAL ENTERTAINMENT GROUP - RGC

Filed: April 30, 2015 (period: April 30, 2015)

Report of unscheduled material events or corporate changes.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

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

Date of report (Date of earliest event reported): **April 30, 2015**

Regal Entertainment Group

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-31315
(Commission
File Number)

02-0556934
(IRS Employer
Identification No.)

7132 Regal Lane, Knoxville, Tennessee 37918
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **865-922-1123**

N/A
(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- 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))
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Item 2.02 Results of Operations and Financial Condition.

On April 30, 2015, Regal Entertainment Group (“Regal”) announced its financial results for its first fiscal quarter ended March 31, 2015. A copy of the press release is furnished to the United States Securities and Exchange Commission (the “Commission”) with this current report on Form 8-K as Exhibit 99.1.

Regal is also furnishing to the Commission as Exhibit 99.2 to this current report on Form 8-K certain other financial information for its last four completed fiscal quarters, including reconciliations to the most directly comparable GAAP financial measures of the non-GAAP financial measures included therein.

Item 8.01 Other Events.

On April 30, 2015, Regal’s board of directors declared a cash dividend in the amount of \$0.22 per share of Class A and Class B common stock, payable on June 12, 2015 to the Class A and Class B common stockholders of record on June 2, 2015.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press release furnished pursuant to Item 2.02
99.2	Reconciliations of Non-GAAP Financial Measures furnished pursuant to Item 2.02

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REGAL ENTERTAINMENT GROUP

Date: April 30, 2015

By: /s/ David H. Ownby
Name: David H. Ownby
Title: Executive Vice President and
Chief Financial Officer

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press release furnished pursuant to Item 2.02
99.2	Reconciliations of Non-GAAP Financial Measures furnished pursuant to Item 2.02



**Regal Entertainment Group Reports Results for
First Quarter 2015 and Declares Quarterly Dividend**

Knoxville, Tennessee – April 30, 2015 – Regal Entertainment Group (NYSE: RGC), a leading motion picture exhibitor owning and operating the largest theatre circuit in the United States, today announced fiscal first quarter 2015 results.

Total revenues for the first quarter ended March 31, 2015 were \$691.3 million compared to total revenues of \$726.9 million for the first quarter ended March 27, 2014. Net income (loss) attributable to controlling interest in the first quarter of 2015 was \$23.1 million compared to \$(1.2) million, which included a \$32.6 million after-tax loss on extinguishment of debt, in the first quarter of 2014. Diluted earnings (loss) per share was \$0.15 for the first quarter of 2015 compared to \$(0.01) for the first quarter of 2014. Adjusted diluted earnings per share(1) was \$0.15 for the first quarter of 2015 compared to \$0.20 for the first quarter of 2014. Adjusted EBITDA(4) was \$128.1 million for the first quarter of 2015 and \$144.2 million for the first quarter of 2014. Reconciliations of non-GAAP financial measures are provided in the financial schedules accompanying this press release.

Beginning January 2, 2015, Regal's fiscal year changed from a 52-53 week fiscal year ending on the first Thursday after December 25 of each year to a fiscal year ending on December 31 of each year. Accordingly, beginning in the current year, Regal's quarterly results will be for three month periods ending March 31, June 30, September 30 and December 31. As a result of the calendar change, the quarters ended March 31, 2015 and March 27, 2014 were comprised of 89 and 91 days, respectively. Additionally, the comparison of the first quarter results of 2015 to the first quarter results of 2014 was impacted by the timing of our 2014 fiscal calendar. The first fiscal quarter of 2014 included six days from Christmas to New Year's Day, a traditionally high attendance period for the Company and the industry, while the first quarter of 2015 did not include any days during that period.

Regal's Board of Directors also today declared a cash dividend of \$0.22 per Class A and Class B common share, payable on June 12, 2015, to stockholders of record on June 2, 2015. The Company intends to pay a regular quarterly dividend for the foreseeable future at the discretion of the Board of Directors depending on available cash, anticipated cash needs, overall financial condition, loan agreement restrictions, future prospects for earnings and cash flows as well as other relevant factors.

"A better than expected box office environment and our focus on delivering a great customer experience helped us achieve solid first quarter results, highlighted by a record concession per cap and one of the highest first quarter revenue totals in our history," stated Amy Miles, CEO of Regal Entertainment Group. "With a great first quarter box office already in the books and a much-anticipated film slate set for the upcoming summer and holiday seasons, we remain optimistic regarding the potential for box office success throughout 2015."

Forward-looking Statements:

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements included herein, other than statements of historical fact, may constitute forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from the Company’s expectations are disclosed in the risk factors contained in the Company’s 2014 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 2, 2015. All forward-looking statements are expressly qualified in their entirety by such factors.

Conference Call:

Regal Entertainment Group management will conduct a conference call to discuss first quarter 2015 results on April 30, 2015 at 4:30 p.m. (Eastern Time). Interested parties can listen to the call live on the Internet through the investor relations section of the Company’s website: www.REGmovies.com, or by dialing 877-407-0778 (Domestic) and 201-689-8565 (International). Please dial in to the call at least 5 - 10 minutes prior to the start of the call or go to the website at least 15 minutes prior to the call to download and install any necessary audio software. When prompted, ask for the Regal Entertainment Group conference call. A replay of the call will be available beginning approximately two hours following the call. Those interested in listening to the replay of the conference call should dial 877-660-6853 (Domestic) or 201-612-7415 (International) and enter conference call ID #13595840.

About Regal Entertainment Group:

Regal Entertainment Group (NYSE: RGC) operates the largest and most geographically diverse theatre circuit in the United States, consisting of 7,334 screens in 570 theatres in 42 states along with Guam, Saipan, American Samoa and the District of Columbia as of March 31, 2015. The Company operates theatres in 46 of the top 50 U.S. designated market areas. We believe that the size, reach and quality of the Company’s theatre circuit not only provide its patrons with a convenient and enjoyable movie-going experience, but is also an exceptional platform to realize economies of scale in theatre operations.

Additional information is available on the Company’s website at www.REGmovies.com.

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Regal Entertainment Group
Consolidated Statements of Income (Loss) Information
For the Fiscal Quarters Ended 3/31/15 and 3/27/14
(in millions, except per share data)
(unaudited)

	Quarter Ended	
	March 31, 2015	March 27, 2014
Revenues		
Admissions	\$ 454.1	\$ 489.6
Concessions	198.2	200.7
Other operating revenues	39.0	36.6
Total revenues	691.3	726.9
Operating expenses		
Film rental and advertising costs	234.3	255.0
Cost of concessions	26.0	26.3
Rent expense	103.7	104.6
Other operating expenses	202.2	201.1
General and administrative expenses (including share-based compensation of \$1.7 million and \$1.9 million for the quarters ended March 31, 2015 and March 27, 2014, respectively)	18.6	18.6
Depreciation and amortization	54.2	51.4
Net (gain) loss on disposal and impairment of operating assets and other	1.9	(0.4)
Income from operations	50.4	70.3
Interest expense, net	30.0	34.3
Loss on extinguishment of debt	—	51.9
Earnings recognized from NCM	(8.8)	(13.3)
Other, net	(9.1)	(3.2)
Income before income taxes	38.3	0.6
Provision for income taxes	15.3	1.9
Net income (loss)	23.0	(1.3)
Noncontrolling interest, net of tax	0.1	0.1
Net income (loss) attributable to controlling interest	\$ 23.1	\$ (1.2)
Diluted earnings (loss) per share	\$ 0.15	\$ (0.01)
Adjusted diluted earnings per share(1)	\$ 0.15	\$ 0.20
Weighted average number of diluted shares outstanding(2)	156.6	155.3
Adjusted weighted average number of diluted shares outstanding(3)	156.6	156.2

Consolidated Summary Balance Sheet Information
(dollars in millions)
(unaudited)

	As of	As of
	March 31, 2015	Jan. 1, 2015
Cash and cash equivalents	\$ 172.4	\$ 147.1
Total assets	2,484.4	2,539.5
Total debt	2,355.6	2,360.2
Total stockholders' deficit of Regal Entertainment Group	(908.9)	(894.8)

Operating Data
(unaudited)

	Quarter Ended	
	March 31, 2015	March 27, 2014
Theatres at period end	570	578
Screens at period end	7,334	7,381
Average screens per theatre	12.9	12.8
Attendance (in thousands)	50,605	55,136
Average ticket price	\$ 8.97	\$ 8.88
Average concessions per patron	\$ 3.92	\$ 3.64

Reconciliation of EBITDA to Net Cash Provided by Operating Activities
(dollars in millions)
(unaudited)

	Quarter Ended	
	March 31, 2015	March 27, 2014
EBITDA	\$ 122.6	\$ 86.4
Interest expense, net	(30.0)	(34.3)
Provision for income taxes	(15.3)	(1.9)
Deferred income taxes	(3.2)	0.1
Changes in operating assets and liabilities	11.5	16.7
Loss on extinguishment of debt	—	51.9
Landlord contributions	10.9	1.0
Other items, net	5.4	8.1
Net cash provided by operating activities	<u>\$ 101.9</u>	<u>\$ 128.0</u>

Reconciliation of EBITDA to Adjusted EBITDA
(dollars in millions)
(unaudited)

	Quarter Ended	
	March 31, 2015	March 27, 2014
EBITDA	\$ 122.6	\$ 86.4
Net (gain) loss on disposal and impairment of operating assets and other	1.9	(0.4)
Share-based compensation expense	1.7	1.9
Loss on extinguishment of debt	—	51.9
Earnings recognized from NCM	(8.8)	(13.3)
Cash distributions from NCM	19.9	21.0
Noncontrolling interest, net of tax and other, net	(9.2)	(3.3)
Adjusted EBITDA(4)	<u>\$ 128.1</u>	<u>\$ 144.2</u>

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow
(dollars in millions)
(unaudited)

	Quarter Ended	
	March 31, 2015	March 27, 2014
Net cash provided by operating activities	\$ 101.9	\$ 128.0
Capital expenditures	(29.7)	(29.1)
Proceeds from asset sales	—	1.7
Free cash flow(4)	<u>\$ 72.2</u>	<u>\$ 100.6</u>

Reconciliation of Net Income (Loss) Attributable to Controlling Interest to Adjusted Diluted Earnings Per Share*(dollars in millions, except per share data)**(unaudited)*

	Quarter Ended	
	March 31, 2015	March 27, 2014
Net income (loss) attributable to controlling interest	\$ 23.1	\$ (1.2)
Loss on extinguishment of debt, net of related tax effects	—	32.6
Gain on sale of available for sale securities, net of related tax effects	—	(0.4)
Net (gain) loss on disposal and impairment of operating assets and other, net of related tax effects	1.1	(0.2)
Net income attributable to controlling interest, excluding loss on extinguishment of debt, net of related tax effects, gain on sale of available for sale securities, net of related tax effects, and net (gain) loss on disposal and impairment of operating assets and other, net of related tax effects	\$ 24.2	\$ 30.8
Weighted average number of diluted shares outstanding(2)	156.6	155.3
Weighted average effect of dilutive securities	—	0.9
Adjusted weighted average number of diluted shares outstanding(3)	156.6	156.2
Adjusted diluted earnings per share(1)	\$ 0.15	\$ 0.20
Diluted earnings (loss) per share	\$ 0.15	\$ (0.01)

- (1) We have included adjusted diluted earnings per share, which is diluted earnings (loss) per share excluding loss on extinguishment of debt, net of related tax effects, gain on sale of available for sale securities, net of related tax effects, and net (gain) loss on disposal and impairment of operating assets and other, net of related tax effects, because we believe it provides investors with a useful industry comparative and is a financial measure used by management to assess the performance of our Company.
- (2) Represents reported weighted average number of diluted shares outstanding for purposes of computing diluted earnings (loss) per share for the quarters ended March 31, 2015 and March 27, 2014. Since the Company reported a net loss attributable to controlling interest of \$1.2 million for the quarter ended March 27, 2014, no common stock equivalents were included as the effect would have been antidilutive.
- (3) Represents the weighted average number of diluted shares outstanding, after giving effect to common stock equivalents that had a dilutive effect on the computation of adjusted earnings per diluted share for the quarter ended March 27, 2014.
- (4) Adjusted EBITDA (earnings adjusted for interest, taxes, depreciation and amortization expense, net (gain) loss on disposal and impairment of operating assets and other, share-based compensation expense, loss on extinguishment of debt, earnings recognized from NCM, cash distributions from NCM and noncontrolling interest, net of tax and other, net) was approximately \$128.1 million for the quarter ended March 31, 2015. In previous quarters, earnings recognized from NCM have been included in Adjusted EBITDA. However, we believe that including cash distributions of NCM in our Adjusted EBITDA measure more accurately reflects our liquidity. Accordingly, the Adjusted EBITDA computation for all periods presented herein reflects such cash distributions received from NCM. We believe EBITDA, Adjusted EBITDA and Free Cash Flow provide useful measures of cash flows from operations for our investors because EBITDA, Adjusted EBITDA and Free Cash Flow are industry comparative measures of cash flows generated by our operations and because they are financial measures used by management to assess the liquidity of our Company. EBITDA, Adjusted EBITDA and Free Cash Flow are not measurements of liquidity under U.S. generally accepted accounting principles and should not be considered in isolation or construed as a substitute for other operations data or cash flow data prepared in accordance with U.S. generally accepted accounting principles for purposes of analyzing our liquidity. In addition, not all funds depicted by EBITDA, Adjusted EBITDA and Free Cash Flow are available for management's discretionary use. For example, a portion of such funds are subject to contractual restrictions and functional requirements to pay debt service, fund necessary capital expenditures and meet other commitments from time to time as described in more detail in the Company's 2014 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 2, 2015. EBITDA, Adjusted EBITDA and Free Cash Flow, as calculated, may not be comparable to similarly titled measures reported by other companies.

Reconciliations

	June 26, 2014	September 25, 2014	January 1, 2015 (2)	March 31, 2015 (3)	Four Quarters Ended March 31, 2015
Reconciliation of EBITDA to Net Cash Provided by (Used in) Operating Activities					
<i>(dollars in millions)</i>					
<i>(unaudited)</i>					
EBITDA	\$ 137.6	\$ 125.9	\$ 162.8	\$ 122.6	\$ 548.9
Interest expense, net	(30.4)	(29.3)	(32.5)	(30.0)	(122.2)
Provision for income taxes	(22.4)	(18.0)	(31.1)	(15.3)	(86.8)
Deferred income taxes	(0.6)	(7.2)	14.3	(3.2)	3.3
Changes in operating assets and liabilities	(7.6)	(96.5)	44.5	11.5	(48.1)
Loss on extinguishment of debt	10.5	—	—	—	10.5
Landlord contributions	0.7	1.2	5.9	10.9	18.7
Other items, net	(2.9)	(4.0)	0.2	5.4	(1.3)
Net cash provided by (used in) operating activities	<u>\$ 84.9</u>	<u>\$ (27.9)</u>	<u>\$ 164.1</u>	<u>\$ 101.9</u>	<u>\$ 323.0</u>
Reconciliation of EBITDA to Adjusted EBITDA					
<i>(dollars in millions)</i>					
<i>(unaudited)</i>					
EBITDA	\$ 137.6	\$ 125.9	\$ 162.8	\$ 122.6	\$ 548.9
Net loss on disposal and impairment of operating assets and other	4.0	2.9	0.8	1.9	9.6
Share-based compensation expense	2.3	2.2	3.0	1.7	9.2
Loss on extinguishment of debt	10.5	—	—	—	10.5
Earnings recognized from NCM	(3.5)	(6.5)	(8.8)	(8.8)	(27.6)
Cash distributions from NCM	2.3	6.9	8.9	19.9	38.0
Cash distribution from DCIP	—	—	6.3	—	6.3
Noncontrolling interest, net of tax and other, net	(7.8)	(8.9)	(9.4)	(9.2)	(35.3)
Adjusted EBITDA (1)	<u>\$ 145.4</u>	<u>\$ 122.5</u>	<u>\$ 163.6</u>	<u>\$ 128.1</u>	<u>\$ 559.6</u>
Reconciliation of Net Cash Provided by (Used in) Operating Activities to Free Cash Flow					
<i>(dollars in millions)</i>					
<i>(unaudited)</i>					
Net cash provided by (used in) operating activities	\$ 84.9	\$ (27.9)	\$ 164.1	\$ 101.9	\$ 323.0
Capital expenditures	(28.4)	(39.3)	(60.0)	(29.7)	(157.4)
Proceeds from asset sales	—	—	—	—	—
Free cash flow (1)	<u>\$ 56.5</u>	<u>\$ (67.2)</u>	<u>\$ 104.1</u>	<u>\$ 72.2</u>	<u>\$ 165.6</u>

(1) Adjusted EBITDA (earnings adjusted for interest, taxes, depreciation and amortization expense, net loss on disposal and impairment of operating assets and other, share-based compensation expense, loss on extinguishment of debt, earnings recognized from NCM, cash distributions from NCM, cash distribution from DCIP investment and noncontrolling interest, net of tax and other, net) was approximately \$559.6 million for the four quarters ended March 31, 2015. In previous quarters, earnings recognized from NCM have been included in Adjusted EBITDA. However, we believe that including cash distributions of NCM in our adjusted EBITDA measure more accurately reflects our liquidity. Accordingly, the Adjusted EBITDA computation for all periods presented herein reflects such cash distributions received from NCM. We believe EBITDA, Adjusted EBITDA and Free Cash Flow provide useful measures of cash flows from operations for our investors because EBITDA, Adjusted EBITDA and Free Cash Flow are industry comparative measures of cash flows generated by our operations and because they are financial measures used by management to assess the liquidity of our Company. EBITDA, Adjusted EBITDA and Free Cash Flow are not measurements of liquidity under U.S. generally accepted accounting principles and should not be considered in isolation or construed as a substitute for other operations data or cash flow data prepared in accordance with U.S. generally accepted accounting principles for purposes of analyzing our liquidity. In addition, not all funds depicted by EBITDA, Adjusted EBITDA and Free Cash Flow are available for management's discretionary use. For example, a portion of such funds are subject to contractual restrictions and functional requirements to pay debt service, fund necessary capital expenditures and meet other commitments from time to time as described in more detail in the Company's 2014 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 2, 2015. EBITDA, Adjusted EBITDA and Free Cash Flow, as calculated, may not be comparable to similarly titled measures reported by other companies.

(2) The fiscal quarter ended January 1, 2015 contains 14 weeks.

(3) Beginning January 2, 2015, Regal's fiscal year changed from a 52-53 week fiscal year ending on the first Thursday after December 25 of each year to a fiscal year ending on December 31 of each year. Accordingly, beginning in 2015, Regal's quarterly results will be for three month periods ending March 31, June 30, September 30 and December 31. As a result of the calendar change, the quarter ended March 31, 2015, is comprised of 89 days.