

ISLE OF CAPRI CASINOS INC
Form 10-Q
December 05, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended October 27, 2013

OR

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

For the transition period from _____ to _____

Commission File Number 0-20538

ISLE OF CAPRI CASINOS, INC.

Delaware

(State or other jurisdiction of
incorporation or organization)

41-1659606

(I.R.S. Employer
Identification Number)

600 Emerson Road, Suite 300, Saint Louis, Missouri

(Address of principal executive offices)

63141

(Zip Code)

Registrant's telephone number, including area code: **(314) 813-9200**

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, or a non-accelerated filer, or a smaller reporting company. See definition 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

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

As of December 3, 2013, the Company had a total of 39,829,177 shares of Common Stock outstanding (which excludes 2,236,971 shares held by us in treasury).

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ISLE OF CAPRI CASINOS, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	October 27, 2013 (unaudited)	April 28, 2013
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 69,958	\$ 68,469
Marketable securities	25,120	25,520
Accounts receivable, net	9,870	11,077
Income taxes receivable	4,343	4,789
Deferred income taxes	2,096	1,573
Prepaid expenses and other assets	25,726	20,872
Total current assets	137,113	132,300
Property and equipment, net	1,017,472	1,034,026
Other assets:		
Goodwill	280,803	280,803
Other intangible assets, net	67,690	60,748
Deferred financing costs, net	25,680	27,230
Restricted cash and investments	9,782	11,417
Prepaid deposits and other	5,087	7,075
Total assets	\$ 1,543,627	\$ 1,553,599
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Current maturities of long-term debt	\$ 433	\$ 415
Accounts payable	19,078	34,533
Accrued liabilities:		
Payroll and related	35,696	35,093
Property and other taxes	25,627	21,340
Interest	17,073	18,502
Progressive jackpots and slot club awards	16,267	16,579
Other	30,996	29,337
Total current liabilities	145,170	155,799
Long-term debt, less current maturities	1,162,264	1,156,469
Deferred income taxes	45,967	43,104
Other accrued liabilities	19,324	33,303
Other long-term liabilities	22,433	22,514
Stockholders' equity:		
Preferred stock, \$.01 par value; 2,000,000 shares authorized; none issued		
Common stock, \$.01 par value; 60,000,000 shares authorized; shares issued: 42,066,148 at October 27, 2013 and April 28, 2013	421	421
Class B common stock, \$.01 par value; 3,000,000 shares authorized; none issued		
Additional paid-in capital	246,522	246,214
Retained earnings (deficit)	(71,052)	(74,227)
Accumulated other comprehensive (loss) income		(247)

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	175,891	172,161
Treasury stock, 2,276,760 shares at October 27, 2013 and 2,470,128 at April 28, 2013	(27,422)	(29,751)
Total stockholders' equity	148,469	142,410
Total liabilities and stockholders' equity	\$ 1,543,627	\$ 1,553,599

See notes to the consolidated financial statements.

ISLE OF CAPRI CASINOS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	October 27, 2013	October 28, 2012	October 27, 2013	October 28, 2012
Revenues:				
Casino	\$ 257,928	\$ 234,648	\$ 520,070	\$ 484,917
Rooms	8,713	8,328	17,628	16,958
Food, beverage, pari-mutuel and other	33,728	30,437	68,944	63,243
Gross revenues	300,369	273,413	606,642	565,118
Less promotional allowances	(58,789)	(50,206)	(117,333)	(106,088)
Net revenues	241,580	223,207	489,309	459,030
Operating expenses:				
Casino	41,267	36,802	83,010	75,298
Gaming taxes	65,722	58,619	131,698	120,247
Rooms	1,880	1,781	3,789	3,554
Food, beverage, pari-mutuel and other	10,590	9,217	21,659	19,321
Marine and facilities				