

ISLE OF CAPRI CASINOS INC
Form 10-Q
September 02, 2010

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 July 25, 2010

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 August 31, 2010, the Company had a total of 32,747,672 shares of Common Stock outstanding (which excludes 4,034,483 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)

	July 25, 2010 (unaudited)	April 25, 2010
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 63,516	\$ 68,069
Marketable securities	23,664	22,926
Accounts receivable, net	9,478	8,879
Income taxes receivable	7,318	8,109
Deferred income taxes	16,826	16,826
Prepaid expenses and other assets	33,785	25,095
Total current assets	154,587	149,904
Property and equipment, net	1,129,683	1,098,942
Other assets:		
Goodwill	345,303	313,136
Other intangible assets, net	85,834	79,675
Deferred financing costs, net	9,533	10,354
Restricted cash	12,730	2,774
Prepaid deposits and other	17,795	20,055
Total assets	\$ 1,755,465	\$ 1,674,840
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Current maturities of long-term debt	\$ 8,762	\$ 8,754
Accounts payable	30,212	24,072
Accrued liabilities:		
Interest	17,713	14,779
Payroll and related	43,149	45,863
Property and other taxes	21,870	20,253
Other	47,795	43,434
Total current liabilities	169,501	157,155
Long-term debt, less current maturities	1,258,302	1,192,135
Deferred income taxes	28,763	29,193
Other accrued liabilities	40,006	38,972
Other long-term liabilities	17,120	17,166
Stockholders' equity:		
Preferred stock, \$.01 par value; 2,000,000 shares authorized; none issued		
Common stock, \$.01 par value; 45,000,000 shares authorized; shares issued: 36,783,871 at July 25, 2010 and 36,711,730 at April 25, 2010	368	367
Class B common stock, \$.01 par value; 3,000,000 shares authorized; none issued		
Additional paid-in capital	203,323	201,464
Retained earnings	95,900	98,555
Accumulated other comprehensive (loss) income	(5,711)	(8,060)
	293,880	292,326

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Treasury stock, 4,326,242 shares at July 25, 2010 and at April 25, 2010		(52,107)		(52,107)
Total stockholders' equity		241,773		240,219
Total liabilities and stockholders' equity	\$	1,755,465	\$	1,674,840

See notes to the condensed consolidated financial statements.

ISLE OF CAPRI CASINOS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share amounts)

(Unaudited)

	Three Months Ended	
	July 25, 2010	July 26, 2009
Revenues:		
Casino	\$ 259,162	\$ 262,263
Rooms	10,881	12,261
Pari-mutuel, food, beverage and other	34,091	34,295
Gross revenues	304,134	308,819
Less promotional allowances	(52,213)	(50,905)
Net revenues	251,921	257,914
Operating expenses:		
Casino	39,609	39,265
Gaming taxes	64,406	66,304
Rooms	2,769	3,057
Pari-mutuel, food, beverage and other	11,168	10,842
Marine and facilities	14,609	15,646
Marketing and administrative	63,620	64,088
Corporate and development	12,521	9,945
Depreciation and amortization	22,933	28,828
Total operating expenses		