

REGAL ENTERTAINMENT GROUP
Form S-3/A
November 14, 2003

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As filed with the Securities and Exchange Commission on November 14, 2003

Registration No. 333-108212

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1

to

FORM S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

REGAL ENTERTAINMENT GROUP

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

02-05556934

(I.R.S. Employer Identification No.)

**9110 East Nichols Avenue, Suite 200
Centennial, Colorado 80112
(303) 792-3600**

(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

**Peter B. Brandow, Esq.
Executive Vice President and General Counsel
9110 East Nichols Avenue, Suite 200
Centennial, Colorado 80112
(303) 792-3600**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

**Christopher J. Walsh, Esq.
Hogan & Hartson L.L.P.
1200 Seventeenth Street, Suite 1500
Denver, Colorado 80202
(303) 899-7300**

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement as determined by market conditions.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

The Registrant hereby amends this Registration Statement on the date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The securities covered by this registration statement may not be sold until the registration statement filed with the Securities and Exchange Commission relating to these securities is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, November 14, 2003

PROSPECTUS

\$240,000,000

REGAL ENTERTAINMENT GROUP

3³/₄% CONVERTIBLE SENIOR NOTES DUE MAY 15, 2008 AND SHARES OF CLASS A COMMON STOCK ISSUABLE UPON CONVERSION OF THE NOTES

We issued the notes in a private placement in May 2003. This prospectus will be used by selling security holders to resell their notes and the Class A common stock issuable upon conversion of their notes. We will not receive any proceeds from this offering.

The notes are issued only in denominations of \$1,000 and integral multiples of \$1,000 and mature on May 15, 2008. Subject to certain limitations, the notes are convertible into shares of our Class A common stock at a current conversion rate of 47.226 shares for each \$1,000 principal amount of notes, which is equal to a current conversion price of approximately \$21.175 per share.

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We will pay interest on the notes on May 15 and November 15 of each year, beginning on November 15, 2003. The notes are senior unsecured obligations that rank on parity with all of our existing and future senior unsecured indebtedness.

In the event of a change in control, you may require us to repurchase any notes held by you.

The notes are not listed on any securities exchange or included in any automated quotation system. The notes are eligible for trading on the PORTALSM Market, a subsidiary of The Nasdaq Stock Market, Inc. Our Class A common stock is listed on the New York Stock Exchange under the symbol "RGC." On November 11, 2003, the last reported sale price of our Class A common stock was \$19.91 per share.

SEE "RISK FACTORS" ON PAGE 10 OF THIS PROSPECTUS TO READ ABOUT FACTORS YOU SHOULD CONSIDER BEFORE PURCHASING THE NOTES OR OUR CLASS A COMMON STOCK.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2003.

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WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC under the Securities Act a registration statement on Form S-3. This prospectus does not contain all of the information contained in the registration statement and the exhibits and the schedules to the registration statement. We strongly encourage you to read carefully the registration statement and the exhibits and the schedules to the registration statement.

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Any statement made in this prospectus concerning the contents of any contract, agreement or other document is only a summary of the actual contract, agreement or other document. If we have filed any contract, agreement or other document as an exhibit to the registration statement, you should read the exhibit for a more complete understanding of the document or matter involved.

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy the registration statement and any other document we file at the following SEC public reference rooms:

Judiciary Plaza
450 Fifth Street, N.W.
Rm. 1024
Washington, D.C. 20549

500 West Madison Street
14th Floor
Chicago, Illinois 60661

233 Broadway
13th Floor
New York, New York 10279

You may obtain information on the operation of the public reference room in Washington, D.C. by calling the SEC at 1-800-SEC-0330. We file information electronically with the SEC. Our SEC filings are available from the SEC's Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that file electronically. You may read and copy our SEC filings and other information at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" the documents we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information in documents that we file later with the SEC will automatically update and supersede information in this prospectus. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until the offering of our securities under this registration statement is completed or withdrawn:

our annual report on Form 10-K for the fiscal year ended December 26, 2002;

our quarterly reports on Form 10-Q for the fiscal quarters ended March 27, 2003, June 26, 2003 and September 25, 2003;

our definitive proxy statement filed on Schedule 14A dated April 8, 2003;

our current reports on Form 8-K filed on May 19, 2003, May 22, 2003, June 6, 2003 and June 11, 2003;

the information set forth in item 5 of our current reports on Form 8-K filed on April 22, 2003, July 22, 2003 and October 21, 2003;

the description of our common stock contained in our Form 8-A filed on May 6, 2002 under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act");

audited consolidated financial statements of Edwards Theatres, Inc. and its subsidiaries set forth on pages F-75 and F-96 in our final prospectus filed pursuant to Rule 424(b)(3) on May 8, 2002 (Registration No. 333-84096); and

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the information set forth in our current report on Form 8-K filed on May 19, 2003 including the audited consolidated financial statements of Regal Cinemas Corporation and its subsidiaries set forth in Exhibit 99.2 thereof.

We will provide a copy of the documents we incorporate by reference, at no cost, to any person who receives this prospectus. To request a copy of any or all of these documents, you should write or telephone us at: 7132 Regal Lane, Knoxville, TN 37918, (865) 922-1123, Attention: Investor Relations.

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YOU SHOULD RELY ONLY ON THE INFORMATION PROVIDED IN THIS PROSPECTUS OR INCORPORATED BY REFERENCE INTO THIS PROSPECTUS AND ANY PROSPECTUS SUPPLEMENT. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. WE ARE NOT MAKING AN OFFER OR SOLICITING A PURCHASE OF THESE SECURITIES IN ANY JURISDICTION IN WHICH THE OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING THE OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION. YOU SHOULD NOT ASSUME THAT THE INFORMATION IN THIS PROSPECTUS OR THE PROSPECTUS SUPPLEMENT IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT OF THE DOCUMENT.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This prospectus and the documents incorporated by reference herein include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical facts included in this registration statement, including, without limitation, statements regarding our future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These forward-looking statements are based largely on our current expectations and projections about future events and financial trends affecting the condition of our business. The words "believe," "may," "will," "estimate," "anticipate," "intend," "expect," and similar expressions identify these forward-looking statements. These forward-looking statements involve risks and uncertainties some of which are beyond our control.

For example, we could be adversely affected by:

inability to meet our substantial lease and debt service obligations;

competitive pressures from other motion picture exhibitors;

failure to successfully integrate businesses that we acquire in the future;

reduced access to first run films as a result of competitors entering into a film licensing zone in which we are currently a sole exhibitor;

reduced marketing of films by movie studios;

adverse determinations in lawsuits to which we are a party, such as the lawsuit filed against two of our subsidiaries under the Americans with Disabilities Act, or ADA, as described in more detail in our periodic reports incorporated by reference herein, or legal or regulatory actions under laws that substantially affect our business;

inability to generate advertising revenue;

failure to successfully complete construction of our digital network;

failure to successfully market and profitably sell advertising and other services for which we are developing our digital network system;

increased costs of operation, such as increased film licensing costs, rising costs of concessions or increases in hourly wages;

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increased capital expenditures caused by a change in consumer preferences for our current megaplex format;

a change in the cost of attending movies relative to alternative forms of entertainment; or

reduced attendance at movies generally, a reduction in the number or diversity of popular movies released or an inability to successfully license and exhibit popular films.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from our expectations are disclosed in the "Summary" and "Risk Factors" sections of this registration statement and in our annual report on Form 10-K for the fiscal year ended December 26, 2002. All forward-looking statements are expressly qualified in their entirety by such factors. We do not guarantee future results and undertake no obligation to update the forward-looking statements to reflect events or circumstances occurring after the date of this registration statement, unless we have obligations under the federal securities laws to update and disclose material developments to previously disclosed information.

This registration statement contains information regarding market share, market position and industry data pertaining to our business based on data and reports compiled by industry professional organizations and analysts, and our knowledge of our revenues and markets. Although we believe these sources are reliable, we have not independently verified this market data. This market data includes projections that are based on a number of assumptions. If any one or more of those assumptions turns out to be incorrect, actual results may differ materially from the projections based on these assumptions.

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SUMMARY

The information below includes a summary of more detailed information included in other sections of this registration statement. Unless otherwise indicated, all references in this registration statement to "we," "us," "our," "Regal," "REG" or "Regal Entertainment" mean Regal Entertainment Group and its subsidiaries, including Regal Cinemas Corporation, United Artists Theatre Company, Hoyts Cinemas Corporation, Edwards Theatres, Inc., and Regal CineMedia Corporation. This summary may not contain all of the information that is important to you or that you should consider before investing in our securities. The information in other sections of this registration statement and incorporated herein by reference is important, so please read this entire registration statement carefully.

THE COMPANY

We operate the largest and most geographically diverse theatre circuit in the United States, consisting of 6,061 screens in 555 theatres in 39 states as of September 25, 2003, with over 250 million annual attendees. Our geographically diverse circuit includes theatres in all of the top 10 and 46 of the top 50 U.S. demographic market areas. We primarily operate multi-screen theatres and have an average of 10.9 screens per location, which is well above the 2002 average of 5.8 screens per location for the North American motion picture exhibition industry. We develop, acquire and operate multi-screen theatres primarily in mid-sized metropolitan markets and suburban growth areas of larger metropolitan markets throughout the U.S. We seek to locate each theatre where it will be the sole or leading exhibitor within a particular geographic film-licensing zone. Management believes that as of September 25, 2003, approximately 85% of Regal's screens were located in film licensing zones in which Regal is the sole exhibitor. Regal CineMedia was formed in 2002 to focus exclusively on the expansion of ancillary businesses, such as advertising, and the creation of new complementary business lines that leverage our existing asset and customer bases. We believe the size, reach and quality of our theatre circuit provide an exceptional platform to realize economies of scale in our theatre operations and capitalize on Regal CineMedia's ancillary revenue opportunities.

We acquired Regal Cinemas, United Artists, Edwards Theatres and Regal CineMedia through a series of transactions on April 12, 2002. For a detailed discussion of the transactions resulting in our acquisition of these subsidiaries, please see Note 1 to the financial statements included in Part II, Item 8, of our annual report on Form 10-K for the fiscal year ended December 26, 2002, which is incorporated herein by reference. Each of the theatre circuits operated by Regal Cinemas, United Artists and Edwards Theatres emerged from bankruptcy reorganization under Chapter 11 of Title 11 of the United States Code prior to our acquisition of such entities. For a detailed discussion of these bankruptcy proceedings, please see Note 3 to such financial statements, which is incorporated herein by reference.

Business Strategy

Our business strategy is to continue to enhance our leading position in the motion picture exhibition industry and to create incremental revenue growth and opportunities through Regal CineMedia. Key elements of our strategy include:

Enhancing Operating Efficiencies. We intend to generate operating margins that are among the highest in the industry by continuously attempting to improve our operating efficiency. By combining the operations of Regal Cinemas, United Artists, Edwards Theatres and Hoyts Cinemas, we believe we have taken an important step toward improving our operating efficiency by creating economies of scale and eliminating corporate redundancy.

Pursuing Strategic Acquisitions. We believe that our acquisition experience positions us well to execute future acquisitions. We may selectively pursue theatre acquisitions that enhance our market

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position and asset base and improve our consolidated operating results. In addition, we may pursue acquisitions that strengthen our ancillary business by broadening our service offerings.

Creating a Digital Network to Generate Ancillary Revenues. We are generating additional revenue growth by deploying the equipment necessary to create our Digital Content Network ("DCN"), the largest digital video and communications network among domestic exhibitors. We intend to use the DCN to generate additional revenue from on-screen and in-lobby advertising, the distribution of entertainment, sports, music and other digital content and corporate communications services, conferencing, product introductions and distance learning. We believe the technical capabilities and reach of the DCN will enhance our advertising and promotions business by providing a more efficient purchasing process for advertisers and by streamlining the delivery of advertising, thus allowing for more targeted marketing. Additionally, by providing high quality pre-show programs and improved projection and sound capabilities, the DCN will provide a better entertainment experience for our patrons. The DCN will also enable us to leverage our assets more efficiently during non-peak periods from the rental of auditoriums on a single site and networked basis for seminars, business conferencing, distance learning, and other business meetings and from the distribution of alternative digital programming in the sports, music, entertainment, and educational categories.

Pursuing Selective Growth Opportunities. We intend to selectively pursue theatre and screen expansion opportunities that meet our strategic and financial return criteria. We also intend to enhance our operations by selectively expanding and upgrading existing properties in prime locations. We have combined the capital spending programs of Regal Cinemas, United Artists, Edwards Theatres and Hoyts Cinemas under one management team to maximize our return on investment by enabling us to make strategic capital expenditures that we believe will provide the highest returns among our theatre portfolio.

Competitive Strengths

We believe that the following competitive strengths position us to capitalize on future growth opportunities:

Industry Leader. We are the largest domestic motion picture exhibitor with nearly twice as many screens as our nearest competitor. We operate 6,061 screens in 555 theatres in 39 states across the nation. We believe that the quality and size of our theatre circuit is a significant competitive advantage for negotiating attractive concession contracts and generating economies of scale. We believe that our market leadership positions us to capitalize on favorable attendance trends, attractive consolidation opportunities and ancillary businesses.

Superior Management Drives Strong Operating Margins. We have developed a proven operating philosophy focused on efficient operations and strict cost controls at both the corporate and theatre levels. At the corporate level, we are able to leverage our size and operational expertise to achieve economies of scale in purchasing and marketing functions. We have developed an efficient purchasing and distribution supply chain that generates favorable concession margins. At the theatre level, management devotes significant attention to cost controls through the use of detailed management reports and performance-based compensation programs to encourage theatre managers to practice effective cost control.

Strong Cash Flow Generation. Regal Cinemas, Inc., United Artists, Edwards Theatres and Hoyts Cinemas together have invested approximately \$2.0 billion in capital expenditures since 1997 to expand and upgrade their theatre circuits. As a result, we do not expect to require major capital reinvestments in the near term to maintain our operations in excess of those included in our capital spending programs. By combining our operating margins with our limited need to make maintenance capital expenditures, we believe that we will generate significant cash flow from operations.

Proven Acquisition and Integration Expertise. We have significant experience identifying, completing and integrating acquisitions of theatre circuits. We have demonstrated our ability to enhance revenues and realize operating efficiencies through the successful acquisition and integration of 14 theatre circuits since 1995. We have generally achieved immediate cost savings at acquired theatres and improved their profitability through the application of our consolidated operating functions and key supplier contracts.

Reorganizations Formed a Stronger Circuit with More Flexibility. Our theatre operations completed reorganizations that have enabled us to improve our asset base and profitability. By selectively closing under-performing locations and negotiating rent reductions and lease termination rights, we have enhanced our operational flexibility and created competitive advantages over major theatre operators that have not entered or completed a bankruptcy reorganization process. The reorganization process did, however, result in significant claims being asserted against Edwards Theatres and Regal Cinemas, Inc., which we continue to address. Several of those claims may result in significant payments to the claimants. As of September 25, 2003, we had accrued approximately \$3.6 million for the estimated costs to resolve these bankruptcy claims. To the extent these claims are allowed, they will be funded with, among other things, cash on hand, cash flow from operations or borrowings under Regal Cinemas' revolving credit facility. For a description of other possible sources for the funding of these claims, please see Note 7 to our unaudited condensed consolidated financial statements included in our quarterly report on Form 10-Q filed for the quarter ended September 25, 2003, which description is incorporated herein by reference.

Quality Theatre Portfolio. Regal Cinemas, Inc., United Artists, Edwards Theatres and Hoyts Cinemas have invested approximately \$2.0 billion in capital expenditures since 1997. As a result, we believe that we operate one of the most modern theatre circuits among major motion picture exhibitors. As of September 25, 2003, approximately 61% of our screens were located in theatres featuring stadium seating. As of September 25, 2003, approximately 77% of our screens were located in theatres with 10 or more screens. Our theatres have an average of 10.9 screens per location, which is well above the 2002 average of 5.8 screens per location for the North American motion picture exhibition industry.

Leading Access to First-Run Films. As of September 25, 2003, approximately 85% of our screens were located in film licensing zones in which we are the sole exhibitor. Being the sole exhibitor in a film licensing zone provides us with access to all films distributed by major distributors and eliminates our need to compete with other exhibitors for films in that zone. As the sole exhibitor in a particular zone, we can exhibit all commercially successful films on our screens, subject to a successful negotiation with the distributor, and have the ability to compete for attendance generated from commercially popular films.

Recent Developments

On October 21, 2003, we declared a cash dividend of \$0.15 per share on each share of our Class A and Class B common stock, to be paid on December 12, 2003, to stockholders of record on November 24, 2003. On November 5, 2003, the Company announced that its Board of Directors expects to increase the Company's quarterly Class A and Class B common stock dividend by 20.0% to \$0.18 per share beginning March 2004.

Other Information

We were incorporated in Delaware on March 6, 2002. Our principal executive offices are located at 9110 East Nichols Avenue, Suite 200, Centennial, Colorado 80112. Our telephone number is (303) 792-3600. Unless otherwise indicated in this prospectus, all references to "United Artists" mean United Artists Theatre Company and its subsidiaries, all references to "Regal Cinemas" mean Regal

Cinemas Corporation and its subsidiaries, which include Regal Cinemas, Inc. and its subsidiaries, United Artists Theatre Group, Edwards Theatres, Inc. and its subsidiaries ("Edwards Theatres"), Hoyts Cinemas Corporation and its subsidiaries ("Hoyts Cinemas") and Regal CineMedia Corporation ("Regal CineMedia"). Unless otherwise indicated in this prospectus, all references to "Anschutz" mean The Anschutz Corporation and its subsidiaries and all references to "Oaktree's Principal Activities Group" mean OCM Principal Opportunities Fund II, L.P. and its subsidiaries. Trademarks and trade names appearing in this prospectus are the property of their holders.

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Notes offered	\$240,000,000 aggregate principal amount of 3 ³ / ₄ % Convertible Senior Notes due 2008.
Price	100% of the principal amount plus accrued interest, if any.
Maturity date	May 15, 2008.
Interest	3 ³ / ₄ % per annum on the principal amount, payable semiannually in arrears on May 15 and November 15 of each year, beginning November 15, 2003.
Ranking	<p>The notes are our senior unsecured obligations. They rank on parity with all of our existing and future senior unsecured indebtedness and prior to all of our subordinated indebtedness. The notes are effectively subordinated to all of our future secured indebtedness to the extent of the assets securing that indebtedness and to any indebtedness and other liabilities of our subsidiaries. None of our subsidiaries guarantee any of our obligations with respect to the notes.</p> <p>As of September 25, 2003, excluding intercompany liabilities, our subsidiaries had approximately \$1,002.0 million of outstanding indebtedness and approximately \$335.9 million of other liabilities, including trade payables, as to which the notes would have been effectively subordinated. Neither we nor our subsidiaries are restricted under the indenture from incurring senior or other additional indebtedness, including indebtedness or other liabilities of our subsidiaries.</p>
Conversion rights	<p>On or after May 15, 2007, you have the option to convert your notes, in whole or in part, into shares of our Class A common stock at any time prior to maturity, subject to certain limitations described herein, unless previously purchased by us at your option upon a change in control, at the conversion price. Prior to May 15, 2007, you have the right, at your option, to convert your notes, in whole or in part, into shares of our Class A common stock, subject to certain limitations described herein, unless previously purchased by us at your option upon a change in control, at the conversion price, if:</p> <p style="text-align: center;">the closing sale price of our Class A common stock on the previous trading day was 110% or more of the then current conversion price;</p>

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we distribute to all or substantially all holders of our common stock certain rights entitling them to purchase common stock at less than the closing sale price of our Class A common stock on the day preceding the declaration for such distribution;

other than the extraordinary dividend, we distribute to all or substantially all holders of our common stock cash or other assets, debt securities or certain rights to purchase our securities, which distribution has a per share value as determined by our board of directors exceeding 10% of the closing sale price of our Class A common stock on the day preceding the declaration for such distribution;

we become a party to a consolidation, merger or sale of all or substantially all of our assets or a change in control occurs, in each case, pursuant to which our common stock would be converted into cash, stock or other property unless, in the case of a consolidation or merger, all of the consideration, excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights, in such merger or consolidation consists of shares of common stock, American Depositary Shares or other certificates representing common equity interests traded on a United States national securities exchange or quoted on The Nasdaq Stock Market, or will be so traded or quoted when issued or exchanged in connection with such merger or consolidation, and as a result of

such merger or consolidation the notes become convertible solely into such common stock or other certificates representing common equity interests; or

after any five consecutive trading-day period in which the average of the trading prices for the notes for that five trading-day period was less than 100% of the average of the conversion values for the notes during that period.

At the current conversion price of \$21.175, for each \$1,000 of aggregate principal amount of notes converted, we will deliver approximately 47.226 shares of our Class A common stock. Upon conversion, we may elect to deliver cash in lieu of shares of Class A common stock or a combination of cash and shares of Class A common stock. The conversion price and the number of shares delivered on conversion are subject to adjustment upon certain events.

Optional Redemption We may not redeem the notes prior to their maturity.

Sinking fund None.

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Purchase upon change in control at your option Upon a change in control, you may require us to purchase your notes at 100% of the principal amount of the notes, plus accrued and unpaid interest to, but excluding, the purchase date. We may not have sufficient funds to pay the purchase price for all duly tendered notes upon a change in control.

Form and denomination The notes were issued only in fully registered form without interest coupons and in minimum denominations of \$1,000. The notes are represented by one global note, deposited with the trustee as a custodian for The Depository Trust Company, or DTC, and registered in the name of Cede & Co., DTC's nominee. Beneficial interests in the global note will be shown on, and any transfers will be effective only through, records maintained by DTC and its participants.

Governing Law The laws of the State of New York govern the indenture and the notes.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratios of earnings to fixed charges of the Company for the periods indicated.

	Fiscal Year Ended					Three Quarters Ended September 25, 2003
	December 31, 1998	December 30, 1999	December 28, 2000	January 3, 2002	December 26, 2002	
Ratio of Earnings to Fixed Changes(1)				1.2x	2.5x	2.7x

(1) Regal was created through a series of transactions during 2001 and 2002. As such, we have used the historical financial data of United Artists, our predecessor company for accounting purposes, when calculating the ratio of earnings to fixed charges for the fiscal years ended prior to 2001. Effective March 1, 2001, United Artists emerged from protection under Chapter 11 of the United States Bankruptcy Code pursuant to a reorganization plan that provided for the discharge of significant financial obligations. For the fiscal years ended December 31, 1998, December 30, 1999 and December 28, 2000, earnings before fixed charges were inadequate to cover total fixed charges by \$89.9 million, \$127.0 million and \$123.3 million, respectively.

RISK FACTORS

An investment in the notes involves a high degree of risk. You should consider carefully the following risk factors in addition to the remainder of this registration statement, including the information incorporated by reference, before making an investment decision. Some statements in this registration statement (including some of the following risk factors) are forward-looking statements. Please refer to the section entitled "Forward-Looking Statements."

Risks Related to Our Business

Our substantial lease and debt obligations could impair our financial condition.

We have substantial lease and debt obligations. For fiscal 2002, on a pro forma basis, our total rent expense and interest expense were approximately \$255.1 million and \$82.6 million, respectively. As of September 25, 2003, we had total long-term obligations of approximately \$1,242.0 million. As of September 25, 2003, we had total contractual cash obligations of approximately \$4,746.1 million. We may incur additional indebtedness in the future and the indenture governing the notes does not restrict our future incurrences of indebtedness. For a detailed discussion of our contractual cash obligations and other commercial commitments over the next several years, please refer to our annual report on Form 10-K for the year ended December 26, 2002 and our quarterly reports on Form 10-Q for the quarters ended March 27, 2003, June 26, 2003 and September 25, which are incorporated herein by reference. In connection with the offering of the notes and the additional term loan under the Regal Cinemas amended and restated credit facility we incurred additional long-term obligations of \$555.0 million, which is included in our long-term obligations described above, and associated additional annual interest expense of \$20.6 million.

If we are unable to meet our lease and debt service obligations, we could be forced to restructure or refinance our obligations and seek additional equity financing or sell assets. We may be unable to restructure or refinance our obligations and obtain additional equity financing or sell assets on satisfactory terms or at all. As a result, inability to meet our lease and debt service obligations could cause us to default on those obligations. Many of our lease agreements and the agreements governing the terms of our debt obligations contain restrictive covenants that limit our ability to take specific actions or require us not to allow specific events to occur and prescribe minimum financial maintenance requirements that we must meet. If we violate those restrictive covenants or fail to meet the minimum financial requirements contained in a lease or debt instrument, we would be in default under that instrument, which could, in turn, result in defaults under other leases and debt instruments. Any such defaults could materially impair our financial condition.

We operate in a competitive environment.

The motion picture exhibition industry is fragmented and highly competitive, particularly with respect to film licensing, attracting patrons and developing new theatre sites. Theatres operated by national and regional circuits and by small independent exhibitors compete with our theatres. In recent years, motion picture exhibitors have emphasized the development of large megaplexes, some of which have as many as 30 screens in a single theatre. The industry-wide strategy of aggressively building megaplexes generated significant competition and rendered many older multiplex theatres obsolete more rapidly than expected. Many of these theatres are under long-term lease commitments that make them financially burdensome to close and some companies have elected to continue operating them notwithstanding their lack of profitability. In other instances, because theatres are typically limited use design facilities, or for other reasons, landlords have been willing to make rent concessions to keep them open. As a result, there is an oversupply of screens in the North American motion picture exhibition industry. This has affected, and may continue to affect, the performance of some of our theatres.

There are no significant barriers to entry in the motion picture exhibition industry. Although we expect a decline in the number of screens industry-wide, our competitors, including new motion picture exhibitors, may from time to time build new theatres or screens in areas in which we operate, which may require us to compete for popular films or result in excess capacity in those areas and hurt attendance at our theatres. Moviegoers are generally not brand conscious and usually choose a theatre based on its location, the films showing there and its amenities. A change in consumer preferences or technology may cause increased competition, require us to make large capital expenditures and adversely affect our operations.

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The distribution of motion pictures is in large part regulated by federal and state antitrust laws and has been the subject of numerous antitrust cases. Consent decrees resulting from those cases effectively require major motion picture distributors to offer and license films to exhibitors, including us, on a film-by-film and theatre-by-theatre basis. Consequently, we cannot assure ourselves of a supply of motion pictures by entering into long-term arrangements with major distributors, but must compete for our licenses on a film-by-film and theatre-by-theatre basis.

Regal CineMedia's in-theatre advertising operations must compete with a number of other advertising mediums including, most notably, television advertising. There can be no guarantee that in-theatre advertising will continue to gain acceptance among major advertisers or that Regal CineMedia's in-theatre advertising format will be favorably received by the theatre-going public. If Regal CineMedia is unable to generate expected sales of advertising, it may not achieve or maintain the level of profitability we hope to achieve, and our results of operations may be adversely affected.

We depend on motion picture production and performance.

Our ability to operate successfully depends upon the availability, diversity and appeal of motion pictures, our ability to license motion pictures and the performance of such motion pictures in our markets. We mostly license first-run motion pictures, the success of which have increasingly depended on the marketing efforts of the major studios. Poor performance of, or any disruption in the production of (including by reason of a strike), these motion pictures, or a reduction in the marketing efforts of the major studios, could hurt our business and results of operations. In addition, a change in the type and breadth of movies offered by studios may adversely affect the demographic base of moviegoers.

We may not benefit from our acquisition strategy.

We may have difficulty identifying suitable acquisition candidates. Even if we do identify such candidates, we anticipate significant competition from other motion picture exhibitors and financial buyers when trying to acquire these candidates, and there can be no assurances that we will be able to acquire such candidates at reasonable prices or on favorable terms. Moreover, some of these possible buyers may be stronger financially than we are. As a result of this competition for limited assets, we may not succeed in acquiring suitable candidates or may have to pay more than we would prefer to make an acquisition. If we cannot identify or successfully acquire suitable acquisition candidates, we may not be able to successfully expand our operations and the market price of our securities, including our common stock and the notes offered hereby, could be adversely affected.

In any acquisition, we expect to benefit from cost savings through, for example, the reduction of overhead and theatre level costs, and from revenue enhancements resulting from the acquisition. There can be no assurance, however, that we will be able to generate sufficient cash flow from these acquisitions to service any indebtedness incurred to finance such acquisitions or realize any other anticipated benefits. Nor can there be any assurance that our profitability will be improved by any one or more acquisitions. If we cannot generate sufficient cash flow to service debt incurred to finance an

acquisition, our results of operations and profitability would be adversely affected. Any acquisition may involve operating risks, such as:

the difficulty of assimilating the acquired operations and personnel and integrating them into our current business;

the potential disruption of our ongoing business;

the diversion of management's attention and other resources;

the possible inability of management to maintain uniform standards, controls, procedures and policies;

the risks of entering markets in which we have little or no experience;

the potential impairment of relationships with employees;

the possibility that any liabilities we may incur or assume may prove to be more burdensome than anticipated; and

the possibility that any acquired theatres or theatre circuit operators do not perform as expected.

We depend on our relationships with film distributors.

The film distribution business is highly concentrated, with nine major film distributors reportedly accounting for 94% of admissions revenues and 49 of the 50 top grossing films during 2002. Our business depends on maintaining good relations with these distributors. In addition, we are dependent on our ability to negotiate commercially favorable licensing terms for first-run films. A deterioration in our relationship with any of the nine major film distributors could affect our ability to negotiate film licenses on favorable terms or our ability to obtain commercially successful films and, therefore, could hurt our business and results of operations.

We must comply with the Americans with Disabilities Act.

Our theatres must comply with the ADA. Compliance with the ADA requires that public accommodations "reasonably accommodate" individuals with disabilities and that new construction or alterations made to "commercial facilities" conform to accessibility guidelines unless "structurally impracticable" for new construction or technically infeasible for alterations. Noncompliance with the ADA, including with respect to "lines of sight" requirements currently in dispute as described in greater detail in Note 7 to our financial statements included in our Form 10-Q filed for the quarterly period ended September 25, 2003 (which is incorporated herein by reference), could result in the imposition of injunctive relief, fines, an award of damages to private litigants or additional capital expenditures to remedy such noncompliance. Any such imposition of injunctive relief, fines, damage awards or capital expenditures could materially adversely affect our business and results of operations.

The oversupply of screens in the motion picture exhibition industry and other factors caused several major movie theatre circuits to reorganize under the United States Bankruptcy Code, which may make it difficult for us to borrow or access the capital markets in the future.

Since 1999, several major motion picture exhibition companies, including United Artists, Edwards Theatres and Regal Cinemas, Inc., have filed for bankruptcy. One significant cause of those bankruptcies was the emphasis by theatre circuits on the development of large megaplexes in recent years. The strategy of aggressively building megaplexes was adopted throughout the industry and generated significant competition and resulted in an oversupply of screens in the North American motion picture exhibition industry. The oversupply of screens, increased construction, rent and occupancy costs and other factors, including a downturn in attendance in 2000, caused significant

liquidity pressures throughout the motion picture exhibition industry. We and other theatre circuits experienced impairment write-offs, losses on theatre dispositions and downward adjustment of credit ratings and defaults under loan agreements. These factors may make it difficult for us to borrow money or access the capital markets on terms favorable to us, if at all. Our failure to raise capital when needed would harm our business, financial condition and results of operations and as a result, the market price of our securities, including our common stock and the notes offered hereby, may be adversely affected.

The bankruptcy reorganizations of our theatre circuit operators could harm our business, financial condition and results of operations.

Each of Regal Cinemas, Inc., United Artists and Edwards Theatres emerged from bankruptcy reorganization under Chapter 11 of the United States Bankruptcy Code. Regal Cinemas, Inc. has claims from its bankruptcy reorganization that remain unsettled and are subject to ongoing negotiation and possible litigation. The final amounts paid in connection with the claims could materially exceed the approximate \$3.6 million amount accrued by Regal for such claims as of September 25, 2003, which could reduce our profitability or cause us to incur losses that would affect the trading price of our common stock. In addition, the past inability of our theatre circuit operators to meet their obligations that resulted in their filing for bankruptcy protection, or the perception that we may not be able to meet our obligations in the future, could adversely affect our ability to obtain adequate financing, or our relationships with our customers and suppliers, as well as our ability to retain or attract high-quality employees.

Our operating companies lack a combined operating history and have in the past operated at a loss.

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Regal Cinemas, United Artists, Edwards Theatres and Hoyts Cinemas operated as separate motion picture exhibitors until we acquired them. In addition, Regal Cinemas, Inc., United Artists and Edwards Theatres operated at a loss prior to their emergence from bankruptcy reorganization. As a result, we have limited historical financial and operating data upon which you can evaluate our business. There can be no assurance that we can successfully conduct their combined operations on an economically feasible basis and we may therefore incur losses in the future.

We have a substantial investment in developing ancillary revenue opportunities that we may be unable to achieve.

We invested approximately \$28.5 million in capital expenditures related to ancillary revenue opportunities during 2002 and we expect to make approximately \$50 million of additional capital expenditures relating to these opportunities during 2003. These investments are aimed at generating revenues through a digital network that is not complete and through exploiting other ancillary business uses of our theatres. For example, we will invest in changing the network software and distribution network and develop a new sales force to implement the use of assets of Next Generation Network, Inc. that were acquired by Regal CineMedia in 2002. We may be unable to attract significant interest in the products and services of Regal CineMedia. If we are unable to generate sufficient revenue from the sale of advertising in our theatres or from alternative products and services, we may not achieve or maintain the level of profitability we hope to achieve, and our results of operations may be adversely affected.

An increase in the use of alternative film delivery methods may drive down movie theatre attendance and limit ticket prices.

We also compete with other movie delivery vehicles, including cable television, downloads via the Internet, video disks and cassettes, satellite and pay-per-view services. Further, new technologies for movie delivery (such as video on demand) could have a material adverse effect on our business and

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results of operations. We also compete for the public's leisure time and disposable income with other forms of entertainment, including sporting events, concerts, live theatre and restaurants.

Development of digital technology will increase our capital expenses.

The industry is in the early stages of conversion from film-based media to electronic based media. There are a variety of constituencies associated with this anticipated change, which may significantly impact industry participants, including content providers, distributors, equipment providers and exhibitors. Should the conversion process rapidly accelerate and the major studios not finance the conversion as expected, we may have to raise additional capital to finance the conversion costs associated with this potential change. The additional capital necessary may not, however, be available to us on attractive terms, if at all. Furthermore, it is impossible to accurately predict how the roles and allocation of costs between various industry participants will change if the industry changes from physical media to electronic media.

We depend on our senior management.

Our success depends upon the retention of our senior management, including Michael Campbell and Kurt Hall, our Co-Chairmen and Co-Chief Executive Officers. We cannot assure you that we would be able to find qualified replacements for the individuals who make up our senior management if their services were no longer available. The loss of services of one or more members of our senior management team could have a material adverse effect on our business, financial condition and results of operations. We do not currently maintain key-man life insurance for any of our employees. The loss of any member of senior management could adversely affect our ability to effectively pursue our business strategy.

A prolonged economic downturn could materially affect our business by reducing consumer spending on movie attendance.

We depend on consumers voluntarily spending discretionary funds on leisure activities. Motion picture theatre attendance may be affected by prolonged negative trends in the general economy that adversely affect consumer spending, including such trends resulting from terrorist attacks on, or wars or threatened wars involving, the United States. Any reduction in consumer confidence or disposable income in general may affect the demand for motion pictures or severely impact the motion picture production industry, which, in turn, could adversely affect our operations.

Our results of operations fluctuate on a seasonal basis and may be unpredictable, which could increase the volatility of our stock price.

Our revenues are usually seasonal because of the way the major film distributors release films. Generally, the most marketable movies are released during the summer and the holiday season. Poor performance of these films, or a disruption in the release of films during these periods, could hurt our results for the entire fiscal year. An unexpected "hit" film during other periods can alter the traditional trend. The timing of movie releases can have a significant effect on our results of operations, and our results of operations for one quarter are not necessarily indicative of our results of operations for any other quarter. These variations in results could cause increased volatility in our stock price.

The interests of our controlling stockholders may conflict with your interests.

Anschutz and Oaktree's Principal Activities Group own all of our outstanding Class B common stock. Our Class A common stock has one vote per share while our Class B common stock has ten votes per share on all matters to be voted on by stockholders. As a result, as of September 25, 2003, Anschutz and Oaktree's Principal Activities Group controlled approximately 94.4% of the combined

voting power of all of our outstanding common stock. For as long as Anschutz and Oaktree's Principal Activities Group continue to own shares of common stock representing more than 50% of the combined voting power of our common stock, they will be able to elect all of the members of our board of directors and determine the outcome of all matters submitted to a vote of our stockholders, including matters involving mergers or other business combinations, the acquisition or disposition of assets, the incurrence of indebtedness, the issuance of any additional shares of common stock or other equity securities and the payment of dividends on common stock. Anschutz and Oaktree's Principal Activities Group will also have the power to prevent or cause a change in control, and could take other actions that might be desirable to Anschutz and Oaktree's Principal Activities Group but not to other stockholders. In addition, Anschutz and Oaktree's Principal Activities Group and their affiliates have controlling interests in companies in related and unrelated industries, including interests in the sports, motion picture production and entertainment industries. In the future, they may combine our company with one or more of their other holdings.

Our amended and restated certificate of incorporation and our amended and restated bylaws, as amended, contain anti-takeover protections, which may discourage or prevent a takeover of our company, even if an acquisition would be beneficial to our stockholders.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as amended, as well as provisions of the Delaware General Corporation Law, could delay or make it more difficult to remove incumbent directors or for a third party to acquire us, even if a takeover would benefit our stockholders.

Our issuance of shares of preferred stock could delay or prevent a change of control of our company.

Our board of directors has the authority to cause us to issue, without any further vote or action by the stockholders, up to 50,000,000 shares of preferred stock, par value \$0.001 per share, in one or more series, to designate the number of shares constituting any series, and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price or prices and liquidation preferences of such series. The issuance of shares of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by the stockholders, even where stockholders are offered a premium for their shares.

Risks Related to the Notes

The notes are unsecured and effectively subordinated to all liabilities of our subsidiaries and there are no financial covenants in the indenture.

The notes are unsecured obligations of Regal and rank on parity with all of our future senior indebtedness. The notes are effectively subordinated to all liabilities, including trade payables, of our subsidiaries. As of September 25, 2003, Regal, excluding its subsidiaries, had no indebtedness or other obligations ranking senior to the notes. As of September 25, 2003, our subsidiaries had approximately \$1,002.0 million of outstanding indebtedness and approximately \$335.9 million of other liabilities, including trade payables, but excluding intercompany liabilities, as to which the notes would have been effectively subordinated. In connection with our extraordinary dividend, we obtained an additional term loan under the Regal Cinemas amended and restated credit facility of approximately \$315 million. In the event of the insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up of our business, our assets will be available to pay the amounts due on the notes only after all subsidiary liabilities and senior indebtedness have been paid in full, and, therefore, there may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding. Furthermore, neither we nor our subsidiaries are restricted from incurring additional debt, including senior indebtedness, under the indenture. If we or our subsidiaries incur additional debt or liabilities, our ability to pay our

obligations on the notes could be adversely affected. We expect that we and our subsidiaries will from time to time incur additional indebtedness. In addition, the terms of the indenture do not restrict us from paying dividends or issuing or repurchasing our securities.

We are a holding company dependent on our subsidiaries for our ability to service our debt.

We are a holding company with no operations of our own. Consequently, our ability to service the debt incurred from our offering of the notes and our subsidiaries' debt and pay dividends on our common stock is dependent upon the earnings from the businesses conducted by our subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. Any distribution of earnings to us from our subsidiaries, or advances or other distributions of funds by these subsidiaries to us, all of which are subject to statutory or contractual restrictions, are contingent upon the subsidiaries' earnings and are subject to various business considerations. Our right to receive any assets of any of our subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be structurally subordinated to the claims of that subsidiary's creditors. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.

The market price of our Class A common stock is volatile, and may adversely affect the price of the notes.

We expect the market price of the notes to be significantly affected by the market price of our Class A common stock. This may result in greater volatility in the trading value of the notes than would be expected for nonconvertible debt securities we issue. Prior to electing to convert notes, the note holder should compare the price at which our common stock is trading in the market to the conversion price of the notes. Our Class A common stock trades on the New York Stock Exchange under the symbol "RGC." On November 11, 2003, the last reported sale price of our Class A common stock on the New York Stock Exchange was \$19.91 per share. The initial conversion price of the notes was \$26.988 per share. After adjustment for the extraordinary dividend, as of November 11, 2003 the conversion price of the notes is \$21.175 per share. The market prices of our Class A common stock are subject to significant fluctuations in response to a number of factors, including:

our financial results;

fluctuations in our operating results;

announcements of product enhancements by us or our competitors;

published reports by securities analysts;

announcements relating to strategic relationships, acquisitions or industry consolidation;

changes in the market valuations of other companies; and

general economic, market and political conditions not related to our business.

The volatility in our stock price caused by the factors listed above may cause our stock price to decline, which could adversely affect the price of the notes.

Changes in our credit rating or the capital markets could adversely affect the price of the notes.

The selling price or any premium offered for the notes will be based on a number of factors, including:

our ratings with major credit rating agencies;

the prevailing interest rates being paid by other companies similar to us for similar securities; and

the overall condition of the financial markets.

The condition of the capital markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the price of the notes.

In addition, credit rating agencies continually revise their ratings for the companies that they follow, including us. The credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of our industry. We cannot be sure that credit rating agencies will maintain their ratings on the notes. A negative change in our ratings could have an adverse effect on the price of the notes.

We have increased our leverage as a result of the sale of the notes and our additional term loan under the Regal Cinemas credit facility.

In connection with the sale of the notes, we incurred \$240 million of indebtedness. As a result of this indebtedness and the additional indebtedness incurred in connection with the additional term loan under the Regal Cinemas amended and restated credit facility in the amount of approximately \$315 million, our principal and interest payment obligations have increased substantially. The degree to which we will be leveraged could materially and adversely affect our ability to obtain financing for working capital, acquisitions or other purposes and could make us more vulnerable to industry downturns and competitive pressures. Our ability to meet our debt service obligations will be dependent upon our future performance, which will be subject to financial, business and other factors affecting our operations, many of which are beyond our control.

An active trading market for the notes may not develop.

While the notes are currently trading in the PORTAL Market, a screen-based automated market for trading securities for qualified institutional buyers, there is no public market for the notes. Credit Suisse First Boston, the initial purchaser of the notes, intends to make a market in the notes, but it may cease its market-making activities at any time.

We do not intend to apply for a listing of any of the notes on any securities exchange. We do not know if an active market will develop for the notes, or if developed, will continue. If an active market is not developed or maintained, the market price and the liquidity of the notes may be adversely affected.

In addition, the liquidity and the market price of the notes may be adversely affected by changes in the overall market for convertible securities and by changes in our financial performance or prospects, or in the prospects of the companies in our industry. The market price of the notes may also be significantly affected by the market price of our common stock, which could be subject to wide fluctuations in response to a variety of factors, including those described in this "Risk Factors" section. As a result, you cannot be sure that an active trading market will develop for the notes.

Hedging transactions and other transactions may affect the value of the notes.

We have entered into convertible note hedge and warrant transactions with respect to our common stock, the exposure for which was held at the time the notes were issued by Credit Suisse First Boston International. The convertible note hedge and warrant transactions are expected to reduce the potential dilution from conversion of the notes. In connection with these hedging arrangements, Credit Suisse First Boston International has taken positions in our Class A common stock in secondary market transactions and/or entered into various derivative transactions after the pricing of the notes. Such

hedging arrangements could increase the price of our Class A common stock. Credit Suisse First Boston International is likely to modify its hedge positions from time to time prior to conversion, redemption or maturity of the notes by purchasing and selling shares of our Class A common stock, other securities of Regal or other instruments we may wish to use in connection with such hedging. We cannot assure you that

such activity will not affect the market price of our Class A common stock.

The conditional conversion feature and the conversion adjustment provisions of the notes could result in you receiving less than the value of the Class A common stock into which a note is convertible.

From the original date of issuance of the notes until May 15, 2007, the notes are convertible into shares of our Class A common stock only if specified conditions are met during this period. If the specific conditions for conversion are not met, you will not be able to convert your notes, and you may not be able to receive the value of the Class A common stock into which the notes would otherwise be convertible. In addition, if we reduce our regular quarterly dividends below specified thresholds, the conversion price of the notes could increase, reducing the number of shares of our Class A common stock you would receive upon conversion of your notes.

Payment of our extraordinary dividend could impair our ability to fund capital requirements or service our debt obligations and may have adverse tax consequences to the holders of the notes.

We used approximately \$214.6 million of the net proceeds from our \$240 million notes offering, as well as the net proceeds from an additional term loan facility under the Regal Cinemas' amended and restated credit facility of approximately \$310.8 million and approximately \$190.6 million of cash on hand to pay the extraordinary dividend. The extraordinary dividend resulted in a significant reduction in our available funds that could materially affect our ability to fund potential acquisitions, capital expenditures, working capital and other corporate purposes including capital expenditures in Regal CineMedia. The reduction in available funds could also materially affect our ability to meet our debt service obligations including those associated with the notes. Our payment of the extraordinary dividend resulted in an increase in the conversion rate of the notes pursuant to the terms of the indenture. Please see "Description of the Notes Conversion of Notes." Such increase may be deemed to be a payment of a taxable dividend to a holder of the notes to the extent of Regal's current and accumulated earnings and profits. Please see "Certain United States Federal Income Tax Considerations Taxation of U.S. Holders" and " Taxation of Non-U.S. Holders."

We may be limited in our ability to purchase the notes in the event of a change in control.

Our ability to purchase notes upon the occurrence of a change in control is subject to limitations. We may not have sufficient financial resources or the ability to arrange financing to pay the purchase price for all the notes delivered by holders seeking to exercise their purchase right. Any failure by us to purchase the notes upon a change in control would result in an event of default under the indenture. See "Description of the Notes Purchase of Notes at Your Option Upon a Change in Control."

Risks Related to our Common Stock

Our issuance of preferred stock could dilute the voting power of the common stockholders.

The issuance of shares of preferred stock with voting rights may adversely affect the voting power of the holders of our other classes of voting stock either by diluting the voting power of our other classes of voting stock if they vote together as a single class, or by giving the holders of any such preferred stock the right to block an action on which they have a separate class vote even if the action were approved by the holders of our other classes of voting stock.

Our issuance of preferred stock could adversely affect the market value of our common stock.

The issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. For example, investors in the common stock may not wish to purchase common stock at a price above the conversion price of a series of convertible preferred stock because the holders of the preferred stock would effectively be entitled to purchase common stock at the lower conversion price causing economic dilution to the holders of common stock.

The substantial number of shares that will be eligible for sale in the near future could cause the market price for our Class A common stock to decline.

We cannot predict the effect, if any, that market sales of shares of our Class A common stock or the availability of shares of our Class A common stock for sale will have on the market price of our Class A common stock prevailing from time to time. Sales of substantial amounts of shares of our Class A common stock in the public market, or the perception that those sales will occur, could cause the market price of our

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Class A common stock to decline.

As of November 11, 2003, we had outstanding 18,951,298 shares of Class A common stock and 89,216,142 shares of Class B common stock that may convert into Class A common stock on a one-for-one basis, all of which shares of common stock constitute "restricted securities" under the Securities Act. Provided the holders comply with the applicable volume limits and other conditions prescribed in Rule 144 under the Securities Act, 96,729,781 of these restricted securities are currently freely tradable. The rest of such restricted securities will become freely tradable, subject to the volume limits and other conditions prescribed under Rule 144, on or prior to July 9, 2004.

Anschutz, Oaktree's Principal Activities Group and certain other significant stockholders are able to sell their shares pursuant to the registration rights that we have granted as described in "Description of Capital Stock Registration Rights." We cannot predict whether substantial amounts of our Class A common stock will be sold in the open market in anticipation of, or following, any divestiture by Anschutz, Oaktree's Principal Activities Group or our directors or executive officers of their shares of our common stock.

Additionally, as of September 25, 2003, approximately 10,727,475 shares of our Class A common stock will be issuable upon exercise of stock options that vest and are exercisable at various dates through September 8, 2013, with exercise prices ranging from \$3.4851 to \$20.12. Of such options, as of September 25, 2003, 479,425 were exercisable. All of such shares subject to options are registered and will be freely tradable when the option is exercised unless such shares are acquired by an affiliate of Regal, in which case the affiliate may only sell the shares subject to the volume limitations imposed by Rule 144 of the Securities Act.

In connection with our acquisition of Hoyts Cinemas, on March 28, 2003, we issued 4,761,904 shares of our Class A common stock as part of the purchase price. The shares of Class A common stock issued constitute "restricted securities" under the Securities Act and, in addition, are subject to contractual restrictions prohibiting their sale or transfer, subject to limited exceptions, for a period of twelve months after the closing date of our acquisition of Hoyts Cinemas for all of the shares issued to Hoyts Cinemas, and an additional six months after that for one half of those shares. Following the expiration of the contractual prohibition, and assuming compliance by the holder with the holding periods, volume limits and other conditions prescribed in Rule 144 under the Securities Act, these unregistered shares of Class A common stock will become freely tradable at various times on or after the first anniversary of the issuance of such shares.

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The sale of a substantial number of shares may make it difficult for us to sell equity securities in the future.

Sales of substantial amounts of shares of our Class A common stock in the public market, or the perception that those sales will occur, might make it difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. If we are unable to sell equity securities at times and prices that we deem appropriate, our ability to fund growth could be adversely affected.

USE OF PROCEEDS

The selling security holders will receive all of the net proceeds of the resale of the notes and our Class A common stock issuable upon conversion of the notes. We will not receive any of the proceeds from the resale of any of the securities.

DESCRIPTION OF THE NOTES

We issued the notes under an indenture dated as of May 28, 2003 between us and U.S. Bank National Association, as trustee. The laws of the State of New York govern both the indenture and the notes. In this section of this prospectus entitled "Description of the Notes," when we refer to "Regal," "we," "our," or "us," we are referring to Regal Entertainment Group and not any of its subsidiaries.

General

The notes are senior unsecured obligations of Regal and rank on parity with all of our other existing and future senior unsecured indebtedness and prior to all of our subordinated indebtedness. The notes are convertible into our Class A common stock as described under "Conversion of Notes."

The notes were issued only in denominations of \$1,000 or in multiples of \$1,000. The notes mature on May 15, 2008, unless earlier converted by you or purchased by us at your option upon a change in control.

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Neither we nor our subsidiaries are restricted from paying dividends, incurring debt, or issuing or repurchasing our securities under the indenture. In addition, there are no financial covenants in the indenture. You are not protected under the indenture in the event of a highly leveraged transaction or a change in control of Regal, except to the extent described under " Purchase of Notes at Your Option Upon a Change in Control."

We are a holding company with no operations of our own. Consequently, our ability to service the debt incurred from the notes offering and our subsidiaries' debt and pay dividends on our common stock is dependent upon the earnings from the businesses conducted by our subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. Any distribution of earnings to us from our subsidiaries, or advances or other distributions of funds by these subsidiaries to us, all of which are subject to statutory or contractual restrictions, are contingent upon the subsidiaries' earnings and are subject to various business considerations.

Our right to receive any assets of any of our subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, is structurally subordinated to the claims of that subsidiary's creditors. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.

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The notes bear interest at the annual rate of $3\frac{3}{4}\%$, which rate may be increased as described in " Registration Rights" below. Interest is payable in arrears on May 15 and November 15 of each year, beginning November 15, 2003 subject to limited exceptions if the notes are converted or purchased prior to the interest payment date. The record dates for the payment of interest are April 30 and October 31. We may, at our option, pay interest on the notes by check mailed to the holders. However, a holder with an aggregate principal amount in excess of \$2,000,000 will be paid by wire transfer in immediately available funds upon its election if the holder has provided us with wire transfer instructions at least 10 business days prior to the payment date. Interest is computed on the basis of a 360-day year comprised of twelve 30-day months. We are not required to make any payment on the notes due on any day which is not a business day until the next succeeding business day. The payment made on the next succeeding business day will be treated as though it were paid on the original due date and no interest will accrue on the payment for the additional period of time.

We will maintain an office in The City of New York where the notes may be presented for registration, transfer, exchange or conversion. This office will initially be an office or agency of the trustee. Except under limited circumstances described below, the notes will be issued only in fully-registered book-entry form, without coupons, and will be represented by one or more global notes. There will be no service charge for any registration of transfer or exchange of notes. We may, however, require holders to pay a sum sufficient to cover any tax or other governmental charge payable in connection with certain transfers or exchanges.

Conversion of Notes

On or after May 15, 2007, you have the right, at your option, to convert your notes (but only in integral multiples of \$1,000 principal amount) into shares of our Class A common stock at any time prior to the close of business on the business day immediately preceding the maturity date of the notes at the conversion price of \$21.175 per share, subject to the adjustments described below. Prior to May 15, 2007, you have the right, at your option, to convert your notes (but only in integral multiples of \$1,000 principal amount) into shares of our Class A common stock, unless previously purchased by us at your option upon a change in control, at the conversion price of \$21.175 per share, subject to the adjustments described below, if:

the closing sale price of our Class A common stock on the previous trading day was 110% or more of the then current conversion price;

we distribute to all or substantially all holders of our common stock certain rights entitling them to purchase Class A common stock at less than the closing sale price of our Class A common stock on the day preceding the declaration for such distribution;

other than the extraordinary dividend, we distribute to all or substantially all holders of our common stock cash or other assets, debt securities or certain rights to purchase our securities, which distribution has a per share value as determined by our board of directors exceeding 10% of the closing sale price of our Class A common stock on the day preceding the

declaration for such distribution;

we become a party to a consolidation, merger or sale of all or substantially all of our assets or a change in control occurs, in each case, pursuant to which our common stock would be converted into cash, stock or other property unless, in the case of a consolidation or merger, all of the consideration, excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights, in such merger or consolidation consists of shares of common stock, American Depositary Shares or other certificates representing common equity interests traded on a United States national securities exchange or quoted on The Nasdaq Stock Market, or will be so traded or quoted when issued or exchanged in connection with such merger or

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consolidation, and as a result of such merger or consolidation the notes become convertible solely into such common stock or other certificates representing common equity interests; or

after any five consecutive trading-day period in which the average of the trading prices for the notes for that five trading-day period was less than 100% of the average of the conversion values for the notes during that period. Upon the occurrence of the foregoing, a holder may surrender notes for conversion at any time beginning on the date on which the notes become convertible through and including the close of business on the 10th trading day after the notes become convertible.

In the case of the second and third bullet points above, we must notify holders of notes at least 20 days prior to the ex-dividend date for such distribution. Once we have given such notice, holders may surrender their notes for conversion at any time until the earlier of the close of business on the business day prior to the ex-dividend date or our announcement that such distribution will not take place. In the case of the fourth bullet point above, a holder may surrender notes for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 29 business days after the actual date of the transaction. In the case of a distribution identified in the second or third bullet point above, the ability of a holder of notes to convert would not be triggered if the holder may participate in the distribution without converting.

We define trading price in the indenture to mean, on any date of determination, the average of the secondary market bid quotations per note obtained by the conversion agent for \$5,000,000 principal amount at maturity of the notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers we select; *provided*, that if at least three such bids cannot reasonably be obtained, but two such bids can reasonably be obtained, then the average of these two bids shall be used; *provided, further*, that if at least two such bids cannot reasonably be obtained, but one such bid can reasonably be obtained, this one bid shall be used. If the conversion agent cannot reasonably obtain at least one bid for \$5,000,000 principal amount at maturity of the notes from a nationally recognized securities dealer or in our reasonable judgment, the bid quotations are not indicative of the secondary market value of the notes, then the trading price of the notes will equal (a) the applicable conversion rate of the notes multiplied by (b) the closing price on the New York Stock Exchange of our Class A common stock on such determination date.

We define conversion value in the indenture to be equal to the product of the closing sale price of our shares of Class A common stock on a given day multiplied by the then current conversion rate, which is the number of shares of Class A common stock into which each note is convertible.

The conversion price as of November 11, 2003 of \$21.175 is equivalent to a conversion rate of approximately 47.226 shares per \$1,000 principal amount of notes.

Except as described below, we will not make any payment or other adjustment for dividends on any Class A common stock issued upon conversion of the notes. If you submit your notes for conversion between a record date and the opening of business on the next interest payment date (except for notes subject to purchase following a change in control on a purchase date occurring during the period from the close of business on a record date and ending on the opening of business on the first business day after the next interest payment date, or if this interest payment date is not a business day, the second business day after the interest payment date), you must pay funds equal to the interest payable on the principal amount being converted. As a result of the foregoing provisions, if the exception described in the preceding sentence does not apply and you surrender your notes for conversion on a date that is not an interest payment date, you will not receive any interest for the period from the interest payment date preceding the date of conversion or for any later period. However, if you submit your notes for conversion between the record date for the final interest payment and the opening of business on the final interest payment date, you will not be required to

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pay funds equal to the interest payable on the converted principal amount, and consequently, you will be able to retain the interest you receive for the final interest period.

If the notes are subject to purchase following a change in control, your conversion rights on the notes so subject to purchase will expire at the close of business on the last business day before the purchase date or such earlier date as the notes are presented for purchase, unless we default in the payment of the purchase price, in which case, your conversion right will terminate at the close of business on the date the default is cured and the notes are purchased. If you have submitted your notes for purchase upon a change in control, you may only convert your notes if you withdraw your election in accordance with the indenture.

To convert your notes (other than a note held in book-entry form through DTC) into shares of our Class A common stock you must:

complete and manually sign the conversion notice on the back of the note or complete and manually sign a facsimile of the conversion notice and deliver the notice to the conversion agent;

surrender the note to the conversion agent;

if required, furnish appropriate endorsements and transfer documents; and

if required, pay all transfer or similar taxes.

Holders of notes held in book-entry form through DTC must follow DTC's customary practices. The date you comply with these requirements is the conversion date under the indenture. Settlement of our obligation to deliver shares and cash (if any) with respect to a conversion will occur on the dates described below. Delivery of shares will be accomplished by delivery to the conversion agent of certificates for the relevant number of shares, other than in the case of holders of notes in book-entry form with DTC, which shares shall be delivered in accordance with DTC customary practices.

Upon conversion, we will satisfy all of our obligations (the "conversion obligation") by delivering to you, at our option, either (1) shares of our Class A common stock, (2) cash or (3) a combination of cash and shares of our Class A common stock, as follows:

- (1) *Share Settlement.* If we elect to satisfy the entire conversion obligation in shares of our Class A common stock, then we will deliver to you a number of shares of our Class A common stock equal to the aggregate principal amount of the notes you are converting divided by the then applicable conversion price.
- (2) *Cash Settlement.* If we elect to satisfy the entire conversion obligation in cash, then we will deliver to you cash in an amount equal to the product of (a) a number equal to the aggregate principal amount of notes to be converted by you divided by the then applicable conversion price, and (b) the arithmetic mean of the volume weighted average prices of our Class A common stock on each trading day during the applicable cash settlement averaging period described below.
- (3) *Combined Settlement.* If we elect to satisfy a portion of the conversion obligation in cash (the "partial cash amount") and a portion in shares of our Class A common stock, then we will deliver to you such partial cash amount plus a number of shares equal to (a) the cash settlement amount as set forth in clause (2) above minus such partial cash amount, divided by (b) the arithmetic mean of the volume weighted average prices of our Class A common stock on each trading day during the applicable cash settlement averaging period described below.

If we receive your notice of conversion on or prior to the day that is 30 days prior to the maturity date of the notes, then the following procedures shall apply:

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If we choose to satisfy the conversion obligation by share settlement, then settlement in shares will be made on or prior to the tenth trading day following receipt of your notice of conversion.

If we choose to satisfy the conversion obligation by cash settlement or combined settlement, then we will notify you, through the trustee, of the dollar amount to be satisfied in cash (which must be expressed either as 100% of the conversion obligation or as a fixed dollar amount) at any time on or before the date that is two business days following receipt of your notice of conversion (the "settlement notice period"). Share settlement will apply automatically if we do not notify you that we have chosen another settlement method.

If we timely elect cash settlement or combined settlement, then you may retract your conversion notice at any time during the two business day period beginning on the day after the settlement notice period (the "conversion retraction period")