

Landry's Restaurants, Inc. Reports First Quarter 2008 Results

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Revenues from continuing operations for the three months ended March 31, 2008, totaled \$294.8 million, as compared to \$283.6 million a year earlier.

Landry's Restaurants, Inc. (NYSE:LNY) (the "Company"), today announced its results for the first quarter ended March 31, 2008.

Revenues from continuing operations for the three months ended March 31, 2008, totaled \$294.8 million, as compared to \$283.6 million a year earlier, including \$69.8 million and \$70.7 million, respectively from the Golden Nugget properties and an additional day due to leap year. Income from continuing operations for the quarter was \$2.2 million, compared to \$22.8 million reported last year. Earnings per share-diluted from continuing operations for the quarter were \$0.14, compared to \$1.04 reported last year. The Company's continuing operations include results from 8 additional restaurants during the three months ended March 31, 2008. Also included in the current year amount is a non-cash expense of \$3.0 million after-tax, or \$0.20 per share-diluted for the change in value of interest rate swaps not designated as hedges while the prior comparable period includes gains on asset sales of \$13.0 million after-tax or \$0.59 per share-diluted. During the first quarter of 2008, consolidated pre-tax interest expense was \$20.8 million compared to \$13.6 million in the comparable period last year primarily due to additional borrowings associated with the June 2007 Golden Nugget refinancing as well as the 2.0% increase in the interest rate on the \$400.0 million Senior Notes effective August 2007. The Senior Note holders also have an option to require the Company to redeem the Notes beginning February 28, 2009 at 101% of face value. As a result, the Notes are reflected as current liabilities in the Company's financial statements. Same store sales for the Company's restaurants were flat for the quarter.

As a result of our 2006 sale of the Joe's Crab Shack concept and closure of certain additional locations, the results of operations for these restaurants are reflected as discontinued operations in the Company's financial statements. The loss from discontinued operations, net of taxes, for the quarter ended March 31, 2008 was \$0.7 million or \$0.04 per share - diluted compared to a loss of \$0.7 million or \$0.03 per share - diluted in the prior year. Therefore, the consolidated net income for the quarter was \$1.5 million or \$0.10 per share - diluted, compared to net income of \$22.1 million or \$1.01 per share - diluted in the comparable period in 2007.

Rick H. Liem, Executive Vice President and CFO stated, "The credit markets remain unsettled, in particular for casual dining and other consumer discretionary sectors. Nevertheless, we continue to believe we will obtain long-term financing, although likely at a higher interest rate and with more restrictive terms than our existing agreements. In addition, we have signed a contract for the construction of the new hotel tower at the Golden Nugget which is expected to be completed by the end of 2009 or early 2010 and cost approximately \$160.0 million."

The Company's continuing operations include restaurants primarily under the trade names Landry's Seafood House, Chart House, Rainforest Cafe, Saltgrass Steak House and the Signature Group as well as other businesses including hotels, marinas, amusements, retail and the Golden Nugget Hotels and Casinos in Las Vegas and Laughlin, Nevada.

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