

WORLD WRESTLING ENTERTAINMENTINC
Form 10-Q/A
April 23, 2004

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q/A

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

For the quarterly period ended October 24, 2003

or

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

For the transition period from _____ to _____

Commission file number 0-27639

WORLD WRESTLING ENTERTAINMENT, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

04-2693383
(I.R.S. Employer Identification No.)

1241 East Main Street
Stamford, CT 06902
(203) 352-8600

(Address, including zip code, and telephone number, including area code,
of Registrant's principal executive offices)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YesNo

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YesNo

At November 7, 2003, the number of shares outstanding of the Registrant's Class A common stock, par value \$.01 per share, was 13,608,997 and the number of shares outstanding of the Registrant's Class B common stock, par value \$.01 per share, was 54,780,207.

This amendment is being filed to reflect the restatement of the Company's condensed consolidated financial statements as discussed in Note 2 thereto, and other information related to such restated financial statements.

World Wrestling Entertainment, Inc.
Table of Contents

	<u>Page #</u>
Part I FINANCIAL INFORMATION	
Item 1. Financial Statements (Unaudited)	
<u>Consolidated Statements of Operations for the three and six months ended October 24, 2003 (as restated) and October 25, 2002 (as restated)</u>	2
<u>Consolidated Balance Sheets as of October 24, 2003 (as restated) and April 30, 2003</u>	3
<u>Consolidated Statements of Cash Flows for the six months ended October 24, 2003 (as restated) and October 25, 2002 (as restated)</u>	4
<u>Consolidated Statement of Stockholders' Equity and Comprehensive (Loss) Income for the six months ended October 24, 2003 (as restated)</u>	5
<u>Notes to Consolidated Financial Statements (as restated)</u>	6
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	16
Item 3. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	26
Item 4. <u>Controls and Procedures</u>	26
Part II OTHER INFORMATION	
Item 1. <u>Legal Proceedings</u>	26
Item 4. <u>Submission of Matters to a Vote of Security Holders</u>	27
Item 6. <u>Exhibits and Reports on Form 8-K</u>	27
<u>Signature</u>	28

World Wrestling Entertainment, Inc.
Consolidated Statements of Operations

(in thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	October 24, 2003	October 25, 2002	October 24, 2003	October 25, 2002
	(as restated, see Note 2)	(as restated, see Note 2)	(as restated, see Note 2)	(as restated, see Note 2)
Net revenues	\$ 94,431	\$ 90,323	\$ 169,106	\$ 175,772
Cost of revenues	52,227	62,172	101,488	118,790
Selling, general and administrative expenses	13,201	24,635	32,762	46,422
Stock compensation costs	158		316	
Depreciation and amortization	2,977	2,203	5,806	4,300
Operating income	25,868	1,313	28,734	6,260
Interest income	1,238	(658)	2,888	441
Interest expense	207	188	392	379
Other income (loss), net	236	(71)	291	(50)
Income before income taxes	27,135	396	31,521	6,272
Provision for income taxes	10,316	201	11,959	2,287
Income from continuing operations	16,819	195	19,562	3,985
Income (loss) from discontinued operations, net of tax	266	(1,863)	108	(3,190)
Net income (loss)	\$ 17,085	\$ (1,668)	\$ 19,670	\$ 795
Earnings (loss) per common share - basic and diluted:				
Continuing operations	\$ 0.25	\$ 0.00	\$ 0.28	\$ 0.06
Discontinued operations	0.00	(0.03)	0.00	(0.05)
Net income (loss)	\$ 0.25	\$ (0.03)	\$ 0.28	\$ 0.01
Weighted average common shares outstanding:				
Basic	68,392	70,407	68,710	70,750
Diluted	68,586	70,407	68,860	70,750

See Notes to Consolidated Financial Statements

World Wrestling Entertainment, Inc.
Consolidated Balance Sheets
(dollars in thousands)
(Unaudited)

	As of October 24, 2003	As of April 30, 2003
	(as restated, see Note 2)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 82,449	\$ 128,473
Short-term investments	190,992	142,641
Accounts receivable (less allowance for doubtful accounts of \$3,015 as of October 24, 2003 and \$5,284 as of April 30, 2003)	42,731	49,729
Inventory, net	1,024	839
Prepaid expenses and other current assets	20,029	18,443
Assets of discontinued operations	20,761	21,129
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Total current assets	357,986	361,254
PROPERTY AND EQUIPMENT, NET	56,827	59,325
INTANGIBLE ASSETS, NET	5,487	4,625
OTHER ASSETS	9,104	7,447
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TOTAL ASSETS	\$ 429,404	\$ 432,651
LIABILITIES AND STOCKHOLDERS EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 806	\$ 777
Accounts payable	15,087	14,188
Accrued expenses and other liabilities	43,540	34,991
Deferred income	19,414	24,662
Liabilities of discontinued operations	9,531	11,554
	<hr/>	<hr/>
Total current liabilities	88,378	86,172
LONG-TERM DEBT	8,716	9,126
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS EQUITY:		
Class A common stock	136	182
Class B common stock	548	548
Treasury stock		(30,569)
Additional paid-in capital	247,926	297,315
Accumulated other comprehensive (loss) income	(122)	243
Retained earnings	83,822	69,634
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Total stockholders equity	332,310	337,353
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TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 429,404	\$ 432,651
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See Notes to Consolidated Financial Statements

World Wrestling Entertainment, Inc.
Consolidated Statements of Cash Flows
(dollars in thousands)
(Unaudited)

	Six Months Ended	
	October 24, 2003	October 25, 2002
	(as restated, see Note 2)	(as restated, see Note 2)
OPERATING ACTIVITIES:		
Net income	\$ 19,670	\$ 795
Adjustments to reconcile net income to net cash provided by operating activities:		
(Income) loss from discontinued operations, net of tax	(108)	3,190
Depreciation and amortization	5,806	4,300
Amortization of warrants	(670)	(635)
Stock compensation costs	316	
Provision for doubtful accounts	(1,976)	603
Provision for inventory obsolescence	(52)	513
Changes in assets and liabilities:		
Accounts receivable	8,976	14,958
Inventory	(133)	(158)
Prepaid expenses and other assets	(1,592)	(3,114)
Accounts payable	899	(4,394)
Accrued expenses and other liabilities	8,918	(5,454)
Deferred income	(6,217)	685
Net cash provided by continuing operations	33,837	