BALLY TECHNOLOGIES, INC.
Form 10-Q
December 22, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended December 31, 2005

OR

o **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 0-4281

BALLY TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

NEVADA	**88-0104066**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6601 S. Bermuda Rd. **Las Vegas, Nevada**	**89119**
(Address of principal executive offices)	(Zip Code)

Registrant s telephone number: **(702) 584-7700**

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

¨ Yes x No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

¨ Large Accelerated Filer x Accelerated Filer ¨ Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

¨ Yes x No

The number of shares of Common Stock, $0.10 par value, outstanding as of December 15, 2006, according to the records of the registrant's registrar and transfer agent was 53,012,913, which does not include 528,648 shares held in treasury.

EXPLANATORY NOTE

As previously disclosed on Form 12b-25 of Bally Technologies, Inc. (formerly known as Alliance Gaming Corporation, Bally, the Company, or we), filed with the Securities and Exchange Commission (the SEC) on February 10, 2006, the filing of this Quarterly Report on Form 10-Q for the period ended December 31, 2005 was originally delayed due to the significant amount of additional time and resources necessary to complete the preparation and analysis of the financial statements for the fiscal quarters ended September 30 and December 31, 2005. The filing of this Quarterly Report on Form 10-Q was further delayed by the restatements discussed in our Annual Report on Form 10-K/A for the fiscal year ended June 30, 2005, as amended and restated and filed with the SEC on October 31, 2006 (the 2005 10-K). Furthermore, the preparation of the financial information presented in this Quarterly Report on Form 10-Q required additional time and resources because it was prepared while certain material weaknesses existed in our internal control over financial reporting.

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PART I

BALLY TECHNOLOGIES, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2005	June 30, 2005
	(in 000s, except per share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 24,641	$ 33,170
Restricted cash	14,332	13,421
Accounts and notes receivable, net of allowances for doubtful accounts of $9,918 and $10,340	121,811	97,679
Inventories	59,015	63,523
Income taxes receivable	211	
Deferred tax assets, net	30,848	30,884
Other current assets	45,913	33,034
Total current assets	296,771	271,711
Long-term investments (restricted)	10,455	10,060
Long-term receivables, net of allowance for doubtful accounts of $0 and $11	6,585	7,450
Leased gaming equipment, net of accumulated depreciation of $57,529 and $42,495	43,217	51,850
Property, plant and equipment, net of accumulated depreciation of $47,470 and $40,548	67,121	66,811
Goodwill	160,945	161,444
Intangible assets, net of accumulated amortization of $21,964 and $17,356	46,654	49,451
Deferred tax assets, net	25,596	16,548
Other assets, net	22,319	19,609
Total assets	$ 679,663	$ 654,934
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	$ 27,897	$ 36,807
Accrued liabilities	52,834	43,838
Deferred revenue	67,370	40,962
Jackpot liabilities	14,636	13,025
Income taxes payable		1,752
Current maturities of long-term debt, including $5,037 and $6,006 owed to related parties	9,250	10,163
Total current liabilities	171,987	146,547
Long-term debt, net of current maturities, including $13,200 and $13,200 owed to related parties	322,832	324,954
Other liabilities	18,765	6,931
Total liabilities	513,584	478,432
Minority interest	1,094	479
Stockholders equity:		
Special stock, 10,000,000 shares authorized: Series E, $100 liquidation value; 115 shares issued and outstanding	12	12
Common stock, $.10 par value; 100,000,000 shares authorized; 52,663,000 and 52,649,000 shares issued and 52,137,00 and 52,123,000 outstanding	5,269	5,268
Treasury stock at cost, 526,000 and 526,000 shares	(665)	(665)
Deferred compensation (restricted stock units)		(6,689)
Additional paid-in capital	211,579	212,182
Accumulated other comprehensive income	1,376	1,219
Accumulated deficit	(52,586)	(35,304)
Total stockholders equity	164,985	176,023
Total liabilities and stockholders equity	$ 679,663	$ 654,934

See accompanying notes to unaudited condensed consolidated financial statements

BALLY TECHNOLOGIES, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended December 31, 2005	2004 (as restated, see Note 2)	Six Months Ended December 31, 2005	2004 (as restated, see Note 2)
	(in 000s, except per share amounts)			
Revenues:				
Gaming equipment and systems	$ 113,961	$ 111,666	$ 208,756	$ 218,471
Casino operations	14,492	12,769	26,047	25,605
	128,453	124,435	234,803	244,076
Costs and expenses:				
Cost of gaming equipment and systems	65,266	65,973	114,163	120,837
Cost of casino operations	4,939	4,589	9,222	9,391
Selling, general and administrative	47,007	40,765	88,849	84,404
Research and development costs	10,785	10,358	21,042	22,130
Restructuring charges				1,435
Depreciation and amortization	6,951	5,102	12,824	9,474
	134,948	126,787	246,100	247,671
Operating loss	(6,495)	(2,352)	(11,297)	(3,595)
Other income (expense):				
Interest income	589	1,046	1,492	1,857
Interest expense	(7,272)	(3,790)	(13,204)	(7,752)
Loss on extinguishment of debt		(564)		(564)
Other, net	(250)	495	(521)	815
Loss from continuing operations before income taxes and minority interest	(13,428)	(5,165)	(23,530)	(9,239)
Income tax benefit	4,702	2,901	8,835	4,580
Minority interest	(177)	(1,145)	(2,587)	(1,644)
Loss from continuing operations	(8,903)	(3,409)	(17,282)	(6,303)
Gain (loss) from discontinued operations, net of income taxes		15		(4,376)
Net loss	$ (8,903)	$ (3,394)	$ (17,282)	$ (10,679)
Basic and diluted loss per share:				
Continuing operations	$ (0.17)	$ (0.07)	$ (0.33)	$ (0.12)
Discontinued operations				(0.09)
Total	$ (0.17)	$ (0.07)	$ (0.33)	$ (0.21)
Weighted average shares outstanding:				
Basic and diluted	52,138	51,010	52,138	50,988

See accompanying notes to unaudited condensed consolidated financial statements.

BALLY TECHNOLOGIES, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended December 31, 2005 (in 000s)	2004 (as restated, see Note 2)
Cash flows from operating activities:		
Net loss	$ (17,282)	$ (10,679)
Loss from discontinued operations		4,376
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	30,938	22,784
Share-based compensation	5,914	542
Loss of extinguishment of debt		564
Deferred income tax expense (benefit)	(9,012)	3,466
Provision for doubtful accounts	680	4,804
Operating activities of discontinued operations		(2,997)
Inventory and other assets write-downs	7,983	14,602
Other	6,960	(2,721)
Changes in operating assets and liabilities:		
Purchase of appeal bond		(7,361)
Accounts and notes receivable	(23,809)	24,905
Inventories	4,446	(21,471)
Other current assets	3,656	3,010
Accounts payable	(8,847)	(7,169)
Accrued liabilities, deferred revenue and jackpot liabilities	21,540	(30,917)
Net cash provided by (used in) operating activities	23,167	(4,262)
Cash flows from investing activities:		
Additions to property, plant, and equipment	(6,246)	(5,471)
Additions to leased gaming equipment	(19,933)	(18,043)
Settlement of acquisition related contingency		(12,000)
Acquisition, net of cash acquired		1,911
Restricted cash and investments	(866)	635
Additions to other long-term assets	(1,804)	(1,521)
Net cash used in investing activities	(28,849)	(34,489)
Cash flows from financing activities:		
Capitalized debt issuance costs		(1,038)
Payoff of debt due to sale of net assets of discontinued operations		(101,618)
Reduction of long-term debt	(3,042)	(2,050)
Purchase of treasury shares		(164)
Proceeds from exercise of stock options, including tax benefit	172	945
Net cash used in financing activities	(2,870)	(103,925)
Effect of exchange rate changes on cash	23	487
Cash and cash equivalents:		
Decrease for period	(8,529)	(142,189)
Balance, beginning of period	33,170	154,258
Balance, end of period	$ 24,641	$ 12,069

See accompanying notes to unaudited condensed consolidated financial statements.

BALLY TECHNOLOGIES, INC.

FORM 10-Q

Notes to Unaudited Condensed Consolidated Financial Statements

1. BASIS OF PRESENTATION

Principles of presentation and consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles and pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC) and reflect all adjustments, consisting of normal recurring adjustments, which management believes are necessary to fairly present the financial position, results of operations and cash flows of Bally Technologies, Inc. (formerly known as Alliance Gaming Corporation), a Nevada corporation, and its subsidiaries (Bally or the Company) for the respective periods presented. The results of operations for an interim period are not necessarily indicative of the results that may be expected for any other interim period or the year as a whole. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Company's Annual Report on Form 10-K/A for the fiscal year ended June 30, 2005 as amended and restated and filed with the SEC on October 31, 2006 (the 2005 10-K).

Bally is a diversified, worldwide gaming company that designs, manufactures and distributes gaming machines and computerized monitoring systems for gaming machines and owns and operates one casino.

The Company is the general partner of Rainbow Casino Vicksburg Partnership (RCVP), which operates the Rainbow Casino in Vicksburg, Mississippi. Pursuant to transactions consummated in March 1995, the Rainbow Corporation, which was the former general partner of RCVP, became a limited partner entitled to receive 10% of the net available cash flows of RCVP after debt service and other items, as defined in the limited partnership agreement, which amount increases to 20% of such amount for the proportional revenues that exceed $35.0 million each year through December 31, 2010. The Company holds the remaining economic interest in the partnership. The Company announced in October 2006 that it is evaluating alternatives with respect to the possible sale of the Rainbow Casino. As of the date of this filing, a formal plan for the sale of had not been approved by the Company s Board of Directors.

The Company consolidates RCVP and records an adjustment to reflect the portion of the earnings of RCVP attributable to the minority shareholders.

The Company also consolidates certain Atlantic City progressive trusts in accordance with Financial Accounting Standards Board (FASB) Interpretation (FIN) 46R, *Consolidation of Variable Interest Entities,* which addresses consolidation by a business enterprise of variable interest entities (VIE s) that either: (1) do not have sufficient equity investment at risk to permit the entity to finance its activities without additional subordinated financial support or (2) hold a significant variable interest in, or have significant involvement with, an existing VIE. For the three and six month periods ended December 31, 2005, the Company consolidated $1.7 million and $4.3 million, respectively, in revenues and $2.3 million and $3.2 million, respectively in related expenses, as well as $6.1 million in total assets and liabilities as of December 31, 2005, primarily consisting of restricted cash accounts and restricted investments (included in other assets in the condensed consolidated balance sheets) and related jackpot liabilities. The Atlantic City progressive trusts were not consolidated for the three and six months ended December 31, 2004.

All significant intercompany accounts and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made to the prior period financial statements to conform to the current period presentation, the most significant of which was depreciation on leased gaming equipment which has been reclassified from depreciation expense to cost of gaming equipment and systems, totaling $6.9 million and $13.3 million, respectively, for the three and six month periods ended December 31, 2004.

Inventories

Inventories are stated at the lower of cost, determined on a first in, first out basis, or market. Cost elements included in work-in-process and finished goods include raw materials, freight, direct labor and manufacturing overhead.

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The Company recorded inventory write-downs totaling approximately $8.0 million and $14.6 million respectively, during the six months ended December 31, 2005 and 2004. These charges are classified in cost of gaming equipment and systems in the consolidated statements of operations.

Property, plant and equipment and leased gaming equipment

The Company historically depreciated leased gaming equipment down to its salvage value over estimated useful lives ranging from two to four years.

Based on historical data indicating a shortening of the average length of time certain leased gaming equipment was deployed, the Company re-evaluated the useful lives during the quarter ended December 31, 2005, and reduced the depreciable life and salvage values to zeros for certain of its products to two years and recorded the change in estimate prospectively. This change in estimate resulted in a $6.8 million charge to depreciation expense in the three and six month periods ended December 31, 2005.

Recently Issued Accounting Pronouncements

In September 2006, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 does not require any new fair value measurements, rather it applies under existing accounting pronouncements that require or permit fair value measurements. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007, and accordingly, the Company expects to adopt SFAS No. 157 beginning in fiscal year 2009. The Company is currently in the process of evaluating the impact SFAS No. 157 will have on its consolidated results of operations, financial position and cash flows.

In September 2006, the SEC issued Staff Accounting Bulletin (SAB) No. 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*, providing guidance on how prior year misstatements should be taken into consideration when quantifying misstatements in current year financial statements for purposes of determining whether the current year's financial statements are materially misstated. SAB No. 108 is effective for fiscal years ending on or after November 15, 2006, and accordingly, the Company expects to adopt SAB No. 108 beginning in fiscal year 2007. The Company does not expect SAB No. 108 will have an impact on its consolidated results of operations, financial position or cash flows.

In July 2006, the FASB issued FIN 48, *Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109, Accounting for Income Taxes*, which creates a single model to address uncertainty in income tax positions and prescribes the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006, and accordingly, the Company expects to adopt FIN 48 beginning in its fiscal year 2008. The Company is currently in the process of evaluating the impact FIN 48 will have on its consolidated results of operations, financial position and cash flows.

In June 2005, the FASB issued FASB Staff Position (FSP) No. FAS 143-1, *Accounting for Electronic Equipment Waste Obligations,* to address accounting for obligations associated with the European Union s Directive 2002/96/EC on Waste Electrical and Electronic Equipment. The Directive, enacted in 2003, requires EU-member countries to adopt legislation to regulate the collection, treatment, recovery, and environmentally sound disposal of electrical and electronic waste equipment. The Directive distinguishes between products put on the market after August 13, 2005 as new waste and before that date as historical waste. FSP No. FAS 143-1 only addresses accounting for historical waste and is required to be applied the later of the first reporting period ending after June 8, 2005 or the date of adoption of the law by the applicable European Union member country. Adoption of FSP No. FAS 143-1 did not have a material impact on the Company s consolidated results of operations, financial position or cash flows.

In December 2004, the FASB issued SFAS No. 153, *Exchanges of Nonmonetary Assets*, amending APB Opinion No. 29, *Accounting for Nonmonetary Transactions*. APB Opinion No. 29 treated nonmonetary exchanges of similar productive assets as an exception from fair value measurement. SFAS No. 153 replaces this exception with a general exception from fair value measurement for exchanges of nonmonetary assets that do not have commercial substance. Nonmonetary exchanges have commercial substance if the future cash flows of an entity are expected to change significantly as a result of the exchange. SFAS No. 153 was effective for nonmonetary asset exchanges occurring in fiscal years beginning after June 15, 2005. Adoption of SFAS No. 153 did not have a material impact on the Company s consolidated results of operations, financial position or cash flows.

In November 2004, the FASB issued SFAS No. 151, *Inventory Costs*, revising Accounting Research Bulletin No. 43, Chapter 4, *Inventory Pricing*, which clarifies the accounting for abnormal amounts of idle facility expense, freight, handling costs and wasted material. SFAS No. 151 was effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Adoption of SFAS No. 151 did not have a material impact on the Company s consolidated results of operations, financial position or cash flows.

2. RESTATEMENT

Subsequent to the issuance of the unaudited condensed consolidated financial statements for the three and six month periods ended December 31, 2004, the Company identified accounting errors that required adjustments to such previously issued financial statements.

These errors related primarily to revenue recognition, accounting for inventory costs and other miscellaneous items as discussed below.

Revenue Recognition

The Company identified instances where the timing or amount of revenue recognized was not in accordance with The American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) No. 97-2 *Software Revenue Recognition*. The Company determined that certain requirements of SOP No. 97-2 were not met in a number of instances and therefore, revenue with respect to certain transactions was recognized prematurely. In accounting for these transactions, the Company has determined that it (1) should have deferred the revenue and related cost of sales, (2) should have reflected certain goods shipped as consigned inventory until later periods and (3) should not have recognized certain accounts receivable until later periods.

The specific circumstances which resulted in adjustments are as follows:

Persuasive evidence of an arrangement exists

The Company identified a number of transactions for which certain conditions under the terms of the original agreement were not met or for which an agreement could not be found, calling into question whether the original agreement or lack thereof, provided adequate evidence of an arrangement that was sufficiently definitive to support revenue recognition. The Company concluded there was not persuasive evidence of an arrangement at that time and, consequently, revenue should have been deferred until the cash was received.

Additionally, the Company identified one transaction for which revenue was recognized in the fiscal quarter ended December 31, 2004 at the time the games were shipped to the customer based on a signed sales-type lease agreement. Subsequently, the customer negotiated a fixed price payment with a cash discount and other concessions. These circumstances called into question whether the original agreement provided adequate evidence of an arrangement that was sufficiently definitive to support recognition of revenue in December 2004. The Company has concluded that there was not persuasive evidence of an arrangement at that time, and therefore, the revenue should have been deferred until the cash was received in July 2005.

Delivery has occurred

The Company identified instances in which revenue was recognized for sales at the time the product was shipped to customers when the shipping terms stated or implied that the risk of loss and/or title did not transfer until the goods were delivered to the customer s location. Furthermore, certain transactions were identified that had been accounted for on a bill and hold basis that did not satisfy all of the applicable bill and hold criteria under SAB No. 104, *Revenue Recognition in Financial Statements*, resulting in revenue recognition prior to the physical delivery of goods to the customer. In both of these circumstances, recognition of revenue should have been deferred until the time the products reached the customer s location, and therefore, the revenue that had been previously recorded in connection with these transactions was adjusted to be recorded in subsequent accounting periods when the delivery criteria was met.

The Company also identified instances in the System division where certain standard sales agreements contained contractual terms creating a non-perpetual software license rather than a perpetual license. The Company determined that in such circumstances, revenue for non-perpetual software licenses should not have been recognized in full as of the acceptance date, but rather should have been deferred and recognized ratably over the twelve-month period from the date of acceptance. Consequently, the revenue that had previously been recorded in connection with these transactions was adjusted to be recorded in the appropriate periods.

The vendor s fee is fixed or determinable and collectibility is probable

The use of extended payment terms in a software licensing arrangement may indicate that the fee is not fixed or determinable and collectibility is not probable. The Company identified instances where revenue was recorded upon delivery of both systems and gaming products to customers under contracts that contained payment terms in excess of 24 months. At the time the sales were recorded, the Company did not have sufficient historical evidence of collections made under extended contracts with terms beyond 24 months, as required under SOP No. 97-2. Therefore, the Company should not have concluded that collectibility was probable and it should have deferred revenue on all contracts with extended payment terms in excess of 24 months, and recorded revenue upon receipt of payment from the customer. Consequently, the revenue that had previously been recorded in connection with these transactions was adjusted to be recorded in the subsequent periods when payment was received.

In addition, the Company identified instances in which revenue was recognized at the time product was shipped to customers who were either thinly capitalized or were new customers to the Company for which creditworthiness had not been sufficiently established. Pursuant to SOP No. 97-2, collectibility must be determined to be probable at the time of delivery in order for revenue to be recognized, and therefore, in such circumstances recognition of revenue should have been deferred until payment from the customer was received. Therefore, revenue that had previously been recorded for these transactions was adjusted to be recorded in subsequent periods when payment was received.

Inventory

In certain circumstances, standard versus actual raw material costs were recorded in cost of sales rather than as adjustments to inventory and fixed assets. As a result, adjustments have been made to adjust the standard costs to actual costs, resulting in corrections to the carrying value of certain finished goods and fixed assets and related cost of sales and depreciation expense.

Other Miscellaneous Adjustments

The Company determined that it should have presented the cash flows from discontinued operations within the respective categories of operating, investing and financing activities in its statements of cash flows, rather than as a single line item. The statement of cash flows was also adjusted to reflect a change in the classification of the jackpot reserve cash accounts to restricted cash.

The Company also determined that certain balance sheet account reconciliations were not performed timely and therefore necessary adjustments were not identified or recorded timely. The Company has completed the account reconciliations and made the corresponding corrections to the unaudited condensed consolidated financial statements.

The Company determined that is should have recorded the value of restricted stock units based on the closing price of its common stock on the date of grant and not the average closing price for the 20 business days prior to the date of grant. An adjustment was recorded to reflect the fair market value during the fiscal year ended June 30, 2005, based on the closing price of the Company s common stock on the respective dates of grant of the restricted stock units and an adjustment was recorded during the three and six month periods ended December 31, 2004 for the related stock compensation expense.

Additionally, the Company determined that interest earned on trade accounts receivable should have been recorded as interest income rather than revenue and recorded an adjustment to change the classification of these amounts to interest income.

As a result, the unaudited condensed consolidated financial statements for the three and six month periods ended December 31, 2004 have been restated from amounts previously reported. The following is a reconciliation of the loss from continuing operations as previously reported to the restated amounts by the categories discussed above, net of tax:

	For the Three Months Ended December 31, 2004 (in 000s)	**For the Six Months Ended December 31, 2004**
Loss from continuing operations, as previously reported	$ (7,540)	$ (13,945)
Revenue recognition adjustments, net	3,277	6,326
Inventory adjustments, net	335	641
Other miscellaneous adjustments, net	519	675
Loss from continuing operations, as restated	$ (3,409)	$ (6,303)

The following tables summarize the significant effects of the restatement:

	Three Months Ended December 31, 2004 As previously reported (in 000s)	**As restated**	**Six Months Ended December 31, 2004 As previously reported**	**As restated**
Statement of Operations				
Revenue:				
Gaming equipment and systems	$ 100,933	$ 111,666	$ 205,010	$ 218,471
Casino operations	12,769	12,769	25,605	25,605
Total revenue	113,702	124,435	230,615	244,076
Cost of gaming equipment and systems	53,337	65,973	104,173	120,837
Selling, general and administrative expense	41,051	40,765	84,706	84,404
Depreciation and amortization (1)	12,020	5,102	22,861	9,474
Operating loss	(7,653)	(2,352)	(14,081)	(3,595)
Interest income	318	1,046	798	1,857
Interest expense	3,750	3,790	7,712	7,752
Loss from continuing operations before income taxes and minority interest	(11,274)	(5,165)	(21,031)	(9,239)
Income tax benefit	4,879	2,901	8,730	4,580
Loss from continuing operations	(7,540			