

REGAL ENTERTAINMENT GROUP

AUDIT COMMITTEE CHARTER

Purposes

The primary purposes of the Audit Committee of the Board of Directors of Regal Entertainment Group are to (1) assist Board oversight of (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the qualifications and independence of the registered public accounting firm engaged by the Company (the "independent auditor"), and (d) the performance of the Company's internal audit function and independent auditor, and (2) prepare the report required by the Securities and Exchange Commission to be included in the Company's annual meeting proxy statement.

Organization

The Audit Committee shall be composed of three or more members of the Board who are "independent," as determined by the Board, under the requirements of all applicable laws and regulations relative to the independence of directors and audit committee members, including the requirements of the Securities and Exchange Commission and the New York Stock Exchange. Each member of the Audit Committee must be financially literate, as such qualification is interpreted by the Board in its business judgment, or must become financially literate as so interpreted within a reasonable period of time after his or her appointment to the Audit Committee. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment.

The members of the Audit Committee shall be appointed annually by the Board, and the members of the Audit Committee may appoint one of their number as the Chairman. Any responsibilities of the Audit Committee may be delegated by the Audit Committee to the Chairman or any other member; provided that any delegate shall report any actions taken by him or her to the whole Audit Committee at its next regularly scheduled meeting. If an Audit Committee member simultaneously serves or, upon appointment, would serve on the audit committee of more than three public companies, continued service or appointment is contingent on a Board determination that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee.

Compensation of Members

Compensation for service on the Audit Committee shall be limited to fees and compensation permitted under the Securities Exchange Act of 1934, the rules and regulations of the Securities and Exchange Commission promulgated thereunder and the rules and regulations of the New York Stock Exchange.

Meetings

The Audit Committee shall meet no less frequently than quarterly, and shall meet more frequently as circumstances dictate. The Chairman, if appointed, shall be responsible for leadership of the Audit Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting for the Audit Committee to the Board. If no Chairman is appointed, the Audit Committee shall delegate one of its members to report to the Board. The Audit Committee may request any officer or employee of the Company or the Company's internal and outside legal counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit

Committee. The Audit Committee shall have direct access to management, internal staff, the independent auditor, the corporate compliance staff and the Company's internal and outside legal counsel, both at meetings and otherwise.

Responsibilities and Duties

In furtherance of its responsibilities, the Audit Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and to ensure to the Board and the stockholders that the corporate accounting and reporting practices of the Company are in accordance with all applicable legal and regulatory requirements.

In carrying out these responsibilities and duties, the Audit Committee shall:

1. Review the Audit Committee Charter at least annually and, to the extent the Audit Committee determines such changes to be necessary or advisable (after receipt of advice from outside legal counsel engaged under paragraph 5 of this charter, if desired), recommend changes for the consideration and approval by the Board to be made to the Charter.
2. Prepare and review with the Board an annual performance evaluation of the Audit Committee, which evaluation shall compare the performance of the Audit Committee with the requirements of the Charter.
3. Be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, which independent auditor shall report directly to the Audit Committee, and shall receive appropriate funding, as determined by the Audit Committee, for the payment of compensation to the independent auditor for its performance of such services and for the payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.
4. Approve in advance the provision by the independent auditor of all audit and non-audit services to be performed by the independent auditor for the Company, including the terms of and fees associated with any such engagement.
5. The Audit Committee shall obtain advice and assistance from outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties, and shall receive appropriate funding, as determined by the Audit Committee, from the Company for payment of compensation to such outside legal, accounting or other advisors engaged by the Audit Committee from time to time.
6. Take appropriate action to oversee the independence of the independent auditor, including:
 - (a) reviewing the experience and qualifications of the senior members of the independent auditor team; evaluating the qualifications, performance and independence of the independent auditor, including the review and evaluation of the lead partner of the independent auditor, and whether the independent auditor's quality controls are adequate and the provision of non-audit services is in compliance with applicable law and compatible with maintaining the independent auditor's independence, taking into account the opinions of management and the personnel responsible for the Company's internal audit function; and presenting its conclusions to the full Board and, if so determined by the Audit Committee, recommending that the Board take additional action to satisfy itself of the qualifications, performance and independence of the independent auditor;

- (b) periodically reviewing management consulting services and other non-audit services not prohibited by applicable law, and the respective related fees, provided by and to the independent auditor, which shall have been pre-approved by the Audit Committee, and any transactional or other relationships between the Company and the independent auditor; and considering whether, under criteria the Audit Committee determines to be appropriate, the independent auditor's provision of non-audit services to the Company is compatible with maintaining the independence of the independent auditor;
 - (c) annually obtaining and reviewing a formal written report from the independent auditor delineating (i) the independent auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, relating to any audit conducted by the independent auditor, and any steps taken to deal with such issues, and (iii) all relationships between the independent auditor and the Company to assess the independent auditor's independence;
 - (d) actively engaging in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor;
 - (e) taking appropriate action or recommending to the Board such appropriate action, as necessary, on any disclosed relationships to satisfy itself of the independent auditor's independence;
 - (f) complying with all relevant laws and regulations relative to the independence of independent auditor, including (i) rotation of independent auditor or outside audit personnel and the lead audit partner as required by law and (ii) the performance of services by an outside audit firm when a former employee of that firm currently serves as chief executive officer, chief financial officer, chief accounting officer, controller or in an equivalent position of the Company; and
 - (g) establishing clear hiring policies relating to the retention by the Company of employees or former employees of the independent auditor.
7. Meet separately, periodically, with management, with personnel responsible for the Company's internal audit function and with the independent auditors.
8. Review and discuss, as appropriate, with management and the independent auditor (and where appropriate the personnel responsible for the internal audit function):
- (a) the Company's annual audited financial statements and quarterly financial statements, including the Company's disclosures made in its Forms 10-K and 10-Q filed with the Securities and Exchange Commission under "Management's Discussion and Analysis of Financial Condition and Results of Operations;"
 - (b) analyses prepared by management and/or the independent auditor setting forth the significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;

- (c) the effect of regulatory and accounting initiatives on the financial statements of the Company;
 - (d) any significant changes required in the independent auditor's audit plan;
 - (e) any material correcting adjustments that have been identified by the independent auditor in accordance with GAAP and applicable laws, rules and regulations;
 - (f) any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses;
 - (g) their assessments of the adequacy of the Company's internal control structure and procedures of the Company for financial reporting and the resolution of any identified material weaknesses in such internal control structure and procedures; and
 - (h) other matters related to the conduct of the audit which are to be communicated to the Audit Committee under generally accepted auditing standards, including under Statement on Auditing Standards No. 61, Communications with Audit Committees.
9. Review with the independent auditor any audit problems or difficulties the auditor encountered in the course of the audit work and management's response thereto, including (i) any restrictions on the scope of the independent auditor's activities or on access to requested information and (ii) any significant disagreements with management. The Audit Committee shall have sole authority to resolve any disagreements between management and the independent auditor regarding financial reporting.
 10. Review with the independent auditor their plans for, and the scope of, their annual audit for the current year and other examinations of the Company's financial information and the audit procedures to be utilized.
 11. Discuss with the independent auditor the responsibilities, budget and staffing of the Company's internal audit function.
 12. Consider the independent auditor's reports and judgments brought to the attention of the Audit Committee about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting, significant accounting policies, audit conclusions regarding the reasonableness of significant accounting estimates and any audit adjustments. Also, the Audit Committee shall review and consider information received from the independent auditor regarding all critical accounting policies and practices to be used by the Company, all alternative treatments of financial information within GAAP that have been discussed with management of the Company, ramifications of the use of such alternative disclosures and treatments, the treatment preferred by the independent auditor, and other material written communications between the independent auditor and management, including any management letter or schedule of unadjusted differences.
 13. Discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies, though this may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and the Audit Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

14. Inquire of management, other internal staff, and/or the independent auditor about significant risks or exposures, the Company's processes for identifying and assessing such risks and exposures and the steps management has taken to minimize such risks and exposures to the Company. Also, review and assess the Company's guidelines and policies that govern the processes for identifying and assessing significant risks or exposures and for formulating and implementing steps to minimize such risks and exposures to the Company.
15. Establish an internal audit function of the Company to provide management and the Audit Committee with ongoing assessments of the Company's risk management processes and system of internal control. The Audit Committee shall review the personnel responsible for the internal audit function of the Company, including the independence and authority of its reporting obligations, the proposed audit plans for the coming year, and the coordination of such plans with the independent auditor. The Audit Committee shall receive as necessary notification of material adverse findings from internal audits and a progress report on the proposed internal audit plan, as appropriate, with explanations for changes from the original plan.
16. Review compliance with the Company's legal compliance policy annually. The Audit Committee shall review with the Company's counsel legal and regulatory matters brought to the attention of the Audit Committee that may have a material impact on the financial statements or compliance policies. The Audit Committee shall respond appropriately to any matters reported to the Audit Committee by counsel, including adopting, as necessary, appropriate remedial measures or sanctions, or recommending such action to the Board.
17. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, as well as for the confidential, anonymous submissions by the Company's employees of concerns regarding questionable accounting or auditing matters.
18. Report regularly to the full Board and review any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the independent auditor, or the performance of the internal audit function.
19. Conduct or authorize investigations into any matters within the Audit Committee's scope of responsibilities.
20. Perform such other functions as may be required by applicable laws, rules and regulations and the Company's Certificate of Incorporation or Bylaws, or by the Board.

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It is acknowledged that all of the above listed tasks and focus areas may not be relevant to all of the matters and tasks that the Audit Committee may consider and act upon from time to time, and the members of the Audit Committee in their judgment may determine the relevance thereof and the attention such items shall receive in any particular context.

Adopted by the Board on March 26, 2004.