

HILTON HOTELS CORP
Form 10-Q
November 08, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark one)

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

For the quarterly period ended September 30, 2006

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 1-3427

HILTON HOTELS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
9336 Civic Center Drive, Beverly Hills,
California
(Address of principal executive offices)

36-2058176
(I.R.S. Employer
Identification No.)
90210
(Zip code)

(310) 278-4321

(Registrant's telephone number, including area code)

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 twelve 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 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

Accelerated filer

Non-accelerated filer

Edgar Filing: HILTON HOTELS CORP - Form 10-Q

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

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of October 31, 2006: Common Stock, \$2.50 par value 386,612,542 shares.

PART I FINANCIAL INFORMATION

Edgar Filing: HILTON HOTELS CORP - Form 10-Q

Company or group of companies for which report is filed:

HILTON HOTELS CORPORATION AND SUBSIDIARIES

ITEM 1. FINANCIAL STATEMENTS

Consolidated Statements of Income
(in millions, except per share amounts)

Edgar Filing: HILTON HOTELS CORP - Form 10-Q

	Three Months Ended September 30, 2005 (unaudited)		Nine Months Ended September 30, 2005 (unaudited)	
	2006		2006	
Revenue				
Owne d hotels	\$ 489	649	1,559	1,838
Lease d hotels	28	679	87	1,616
Management and franchise fees	119	175	338	502
Timeshare and other income	155	178	457	606
	791	1,681	2,441	4,562
Other revenue from managed and franchised properties	311	526	913	1,368
	1,102	2,207	3,354	5,930
Expenses				
Owne d hotels	350	464	1,117	1,321
Lease d hotels	24	578	77	1,380
Depreciation and amortization	70	118	228	321
Impairment loss and related costs			7	
Other operating expenses	128	177	366	545
Corporate expense	25	43	75	130
	597	1,380	1,870	3,697
Other expenses from managed and franchised properties	311	527	907	1,360
	908	1,907	2,777	5,057
Operating income from unconsolidated affiliates	9	15	35	43
Operating Income	203	315	612	916
Interest and dividend income	6	7	14	22
Interest expense	(66)	(136)	(196)	(371)
Net interest from unconsolidated affiliates and non-controlled interests	(6)	(12		