

METRO ONE TELECOMMUNICATIONS INC
Form 10-Q
November 15, 2002

United States
Securities and Exchange Commission

Washington, D.C. 20549

Form 10-Q

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

For the Quarterly Period Ended September 30, 2002

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

Commission File Number 0-27024

METRO ONE TELECOMMUNICATIONS, INC.

(Exact name of registrant as specified in its charter)

OREGON

(State or other jurisdiction of
incorporation or organization)

93-0995165

(I.R.S. Employer
Identification No.)

11200 Murray Scholls Place, Beaverton, Oregon 97007

(Address of principal executive offices) (zip code)

(503) 643-9500

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant has (1) 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 No

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

Yes No

Number of shares of common stock outstanding as of November 6, 2002: 24,676,462 shares, no par value per share.

METRO ONE TELECOMMUNICATIONS, INC.

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Metro One Telecommunications, Inc.**Condensed Statements of Income (Unaudited)**

(In thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Revenues	\$ 66,172	\$ 60,868	\$ 195,789	\$ 170,246
Costs and expenses:				
Direct operating	37,133	35,194	109,901	96,846
General and administrative	17,134	16,954	53,624	48,189
	54,267	52,148	163,525	145,035
Income from operations	11,905	8,720	32,264	25,211
Other income, net	210	267	671	1,001
Interest expense and loan fees		(15)	(10)	(877)
Income before income taxes	12,115	8,972	32,925	25,335
Income tax expense	4,726	1,397	12,633	4,997
Net income	\$ 7,389	\$ 7,575	\$ 20,292	\$ 20,338
Earnings per share:				
Basic	\$.30	\$.31	\$.83	\$.87
Diluted	\$.30	\$.30	\$.81	\$.83

The accompanying notes are an integral part of these condensed financial statements.

Metro One Telecommunications, Inc.**Condensed Balance Sheets (Unaudited)**

(In thousands)	September 30, 2002	December 31, 2001
Assets		
Current assets:		
Cash and cash equivalents	\$ 53,417	\$ 53,692
Restricted cash	3,348	900
Accounts receivable	45,108	32,794
Prepaid costs and other current assets	3,878	4,907
Total current assets	105,751	92,293
Furniture, fixtures and equipment, net	73,654	69,066
Goodwill	4,432	4,432
Other assets	4,759	3,968
Total assets	\$ 188,596	\$ 169,759
Liabilities and Shareholders Equity		
Current liabilities:		
Accounts payable	\$ 2,407	\$ 1,276
Accrued liabilities	1,507	6,180
Accrued payroll and related costs	7,479	11,090
Total current liabilities	11,393	18,546
Other long-term liabilities	7,980	3,844
Total liabilities	19,373	22,390
Commitments and contingencies		