

METRO ONE TELECOMMUNICATIONS INC  
Form 10-Q  
November 09, 2004

## **United States**

## **Securities and Exchange Commission**

Washington, D.C. 20549

### **Form 10-Q**

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

For the Quarterly Period Ended September 30, 2004

**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)

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**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 9, 2004: 24,984,026 shares, no par value per share.

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**METRO ONE TELECOMMUNICATIONS, INC.**

**INDEX TO FORM 10 - Q**

**Part I**      **Financial Information**

Item 1.      Financial Statements (Unaudited)

Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2004 and 2003

Condensed Consolidated Balance Sheets as of September 30, 2004 and December 31, 2003

Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2004 and 2003

Notes to Condensed Consolidated Financial Statements

**Item 2.**      **Management's Discussion and Analysis of Financial Condition and Results of Operations**

**Item 3.**      **Quantitative and Qualitative Disclosures About Market Risk**

**Item 4.**      **Controls and Procedures**

**Part II**      **Other Information**

**Item 6.**      **Exhibits**

**Signatures**

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## Metro One Telecommunications, Inc.

Condensed Consolidated Statements of Operations (Unaudited)

(In thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Revenues	\$ 30,623	\$ 45,516	\$ 117,691	155,886
Costs and expenses:				
Direct operating	17,585	27,268	67,302	89,762
Selling, general and administrative	21,119	34,631	72,103	90,659
	38,704	61,899	139,405	180,421
Loss from operations	(8,081)	(16,383)	(21,714)	(24,535)
Other income, net	194	134	605	533
Loss before income taxes	(7,887)	(16,249)	(21,109)	(24,002)
Income tax expense (benefit)		(5,596)	124	(8,279)
Net loss	\$ (7,887)	\$ (10,653)	\$ (21,233)	\$ (15,723)
Net loss per common share:				
Basic	\$ (.32)	\$ (.43)	\$ (.85)	\$ (.64)
Diluted	\$ (.32)	\$ (.43)	\$ (.85)	\$ (.64)
Weighted average shares outstanding:				
Basic	24,898	24,698	24,839	24,696
Diluted	24,898	24,698	24,839	24,696

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

## Metro One Telecommunications, Inc.

Condensed Consolidated Balance Sheets (Unaudited)

(In thousands)	September 30, 2004	December 31, 2003
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 55,930	\$ 44,381
Restricted cash	4,900	4,900
Accounts receivable	18,245	32,078
Prepaid costs and other current assets	8,489	15,944
Total current assets	87,564	97,303
Furniture, fixtures and equipment, net	49,064	62,187
Intangible assets	5,407	4,819
Other assets	471	575
Total assets	\$ 142,506	\$ 164,884