

NEXTEL PARTNERS INC
Form S-4
September 19, 2003

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As filed with the Securities and Exchange Commission on September 19, 2003

Registration No. 333-

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NEXTEL PARTNERS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

4813
(Primary Standard Industrial
Classification Code Number)

91-1930918
(I.R.S. Employer
Identification Number)

4500 Carillon Point, Kirkland, Washington 98033, (425) 576-3600

(Address, Including Zip Code, and Telephone Number Including
Area Code, of the Registrant's Principal Executive Offices)

Donald Manning, Esq.
4500 Carillon Point
Kirkland, Washington 98033
(425) 576-3600

(Name, Address, Including Zip Code, and Telephone Number
Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale to the public:

As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to Be Registered	Proposed Maximum Offering Price Per Note	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
8 ¹ / ₈ % Senior Notes due 2011	\$450,000,000(1)	100%	\$450,000,000	\$12,135(2)

(1) Represents the maximum principal amount at maturity of 8¹/₈% Senior Notes due 2011 that may be issued pursuant to the exchange offer described in this registration statement.

(2) Calculated under Rule 457(f)(2) of the Securities Act of 1933 as follows: the product of 0.0000809 and \$150,000,000, one-third of the principal amount at maturity of the outstanding notes that may be tendered to the registrant, which has an accumulated capital deficit, in exchange for the notes registered under this registration statement. A registration fee of \$57,500 was previously paid in connection with the registration statement on Form S-3 (No. 333-68296) originally filed on August 24, 2001 and withdrawn on July 24, 2002. Thus, pursuant to Rule 457(b) under the Securities Act, the remainder of the filing fee of \$57,500 previously paid by the registrant may be applied to the total filing fee of \$12,135 for this registration statement. As a result, no filing fee is due in connection with this filing.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not offer these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated September 19, 2003

PROSPECTUS

**EXCHANGE OFFER FOR
8¹/₈% SENIOR NOTES DUE 2011
FOR ANY AND ALL OUTSTANDING 8¹/₈% SENIOR NOTES DUE 2011
OF NEXTEL PARTNERS, INC.**

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This is an offer to exchange the outstanding, unregistered Nextel Partners 8¹/₈% Senior Notes you now hold for new, substantially identical 8¹/₈% Senior Notes that will be free of the transfer restrictions that apply to the old notes. This offer will expire at 5:00 p.m., New York City time, on _____, 2003, unless we extend it.

The new notes will not trade on any established exchange. The new notes have the same financial terms and covenants as the old notes and are subject to the same business and financial risks.

For a discussion of risks that you should consider in deciding whether to tender outstanding notes in the exchange offer, see "Risk Factors" beginning on page 13.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is September _____, 2003.

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References to Additional Information

This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. Unless the context requires otherwise, all references in this document to "this prospectus" include all documents incorporated by reference in this prospectus. You may obtain documents that are filed by us with the Securities and Exchange Commission without charge by requesting the documents, in writing or by telephone, from the Commission or:

Nextel Partners, Inc.
4500 Carillon Point
Kirkland, WA 98033
Attention: Investor Relations
Telephone: (425) 576-3600

If you would like to request copies of these documents, you must do so no later than _____, 2003, which is 5 business days before the expiration date of the exchange offer, in order to receive them before the expiration of the exchange offer.

In making an investment decision, you must rely on your own examination of our business and the terms of the exchange offer, including the merits and risks involved. You acknowledge that:

you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained or incorporated by reference in this prospectus; and

no person has been authorized to give any information or to make any representation concerning us or the exchange notes (other than as contained or incorporated by reference in this prospectus and information given by our duly authorized officers and employees in connection with investors' examination of us and the terms of the exchange offer) and, if given or made, that other information or representation should not be relied upon as having been authorized by us.

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We are not making any representation to you regarding the legality of an investment by you under appropriate legal investment or similar laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the exchange notes.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. We are offering to sell the exchange notes only where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the exchange notes.

Industry and Market Data

Industry and market data used throughout this prospectus or incorporated herein by reference were obtained through company research, surveys and studies conducted by third parties and industry and general publications. We have not independently verified market and industry data from third-party sources. While we believe internal company surveys are reliable and market definitions are appropriate, neither these surveys nor these definitions have been verified by any independent sources.

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PROSPECTUS SUMMARY

The following summary highlights information that we present more fully elsewhere in this prospectus or incorporated by reference herein. You should read this entire prospectus and each of the incorporated documents carefully.

Nextel Partners

Overview

We provide digital mobile communications services using the Nextel brand name in mid-sized and tertiary markets throughout the United States. We offer digital cellular services; Direct Connect® (the long-range digital walkie-talkie service); wireless data services, including email; text messaging; and Nextel Online Services®, which provide wireless access to the Internet and an organization's internal databases and other applications. We hold licenses for wireless frequencies in markets where approximately 53 million people, or Pops, live and work. We have constructed and operate a digital mobile network compatible with the digital mobile network constructed and operated by Nextel Communications, Inc. ("Nextel") in targeted portions of these markets, including 13 of the top 100 metropolitan statistical areas and 57 of the top 200 metropolitan statistical areas in the United States ranked by population. Our combined Nextel Digital Mobile Network constitutes one of the largest fully integrated digital wireless communications systems in the United States, currently covering 198 of the top 200 metropolitan statistical areas in the United States. As of June 30, 2003, our portion of the Nextel Digital Mobile Network covered approximately 37 million Pops and we had approximately 1,053,600 digital handsets in service in our markets.

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Our relationship with Nextel was created to accelerate the build-out and expand the reach of the Nextel Digital Mobile Network. In January 1999, we entered into a joint venture agreement with Nextel WIP Corp. ("Nextel WIP"), an indirect wholly owned subsidiary of Nextel. Nextel, through Nextel WIP, contributed to us cash and licenses for wireless frequencies and granted us the exclusive right to use the Nextel brand name in exchange for ownership in us and our commitment to build out our compatible digital mobile network in selected markets and corridors, in most cases adjacent to operating Nextel markets. As of June 30, 2003, Nextel WIP owned 31.5% of our common stock and is our largest stockholder. By the end of 2002, we had successfully built all of the markets we were initially required to build under our 1999 agreement with Nextel. Since 1999 we have exercised options to expand our network into additional markets. By June 30, 2003, we had completed the construction of all of these additional markets. Through our affiliation with Nextel our customers have seamless nationwide coverage on the entire Nextel Digital Mobile Network.

Our senior management team has substantial operating experience, with most members averaging over 16 years in the telecommunications industry. Most members of senior management have significant experience working at AT&T Wireless, McCaw Cellular and/or Nextel. Key stockholders, in addition to Nextel WIP, include Credit Suisse First Boston through DLJ Merchant Banking Partners II, L.P. and certain of its affiliates ("DLJ Merchant Banking"), Madison Dearborn Partners, Cascade Investments (an investment company controlled by William H. Gates III), Motorola and Eagle River Investments (an investment company controlled by Craig O. McCaw).

We offer a package of wireless voice and data services under the Nextel brand name targeted primarily to business users. We currently offer the following four services, fully integrated and accessible through a single wireless handset:

digital mobile telephone service, including advanced calling features such as speakerphone, conference calling, voicemail, call forwarding and additional line service;

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Direct Connect, sometimes referred to as the long-range walkie-talkie feature, which allows customers to contact each other instantly on private one-to-one calls on a nationwide basis or on group calls involving up to 100 customers in the same geographical region;

two-way messaging, which allows customers to receive and send short numeric and text messages from their handset; and

Internet services, marketed as Nextel Online Services, which provide customers with Internet-ready handsets access to the World Wide Web and web-based applications such as email, address books, calendars and advanced Java enabled business applications.

Strategy

Provide Differentiated Package of Wireless Services. Along with Nextel, we are the only wireless service provider that offers digital mobile telephone service, Direct Connect, two-way text and numeric messaging and Internet services fully integrated in a single wireless device with no roaming charges nationwide. We believe this "four-in-one" offering is particularly attractive to business users. We further believe that for customers who desire multiple wireless services, the convenience of combining multiple wireless communications options in a single handset for a single package price with a single billing statement is an important feature that helps distinguish us from many of our competitors.

Deliver Unparalleled Customer Service. In addition to our unique four-in-one service offering, our goal is to differentiate ourselves by providing the highest quality customer service in the industry, including low rates of dropped and blocked calls. In 2002, a significant part of our employees' bonus was tied to achieving a targeted level of customer satisfaction as measured in monthly surveys conducted by an outside vendor. We believe that this monetary bonus helped focus our entire company on achieving our customer service business objective, and we are providing a similar incentive to our employees in 2003.

Target Business Customers. We focus on business customers, particularly those customers who employ a mobile workforce. We have initially concentrated our sales efforts on a number of distinct groups of mobile workers, including personnel in the transportation, delivery, real property and facilities management, construction and building trades, landscaping, government, public safety and other service sectors. We expect to gradually expand our target customer groups to include additional industry groups. We believe this focus on business customers has resulted in higher monthly average revenue per unit, or ARPU, and lower average monthly service cancellations than industry averages. For second quarter 2003, our ARPU was \$66 (or \$75, including roaming revenues received from Nextel) compared to an industry average of \$48 for

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2002. In addition, the average monthly rate at which our customers canceled service with us, or "churn," was approximately 1.6% during the same quarter compared to an industry average of over 2%. Our second quarter 2003 ARPU and churn rate equate to lifetime revenue per subscriber, or LRS, of approximately \$4,125, which we believe is the highest in the industry. See "Selected Consolidated Financial Data Reconciliations of Non-GAAP Financial Measures" for more information regarding our use of ARPU and LRS as non-GAAP financial measures.

Maintain a Robust, Reliable Network. Our objective is to maintain a robust and reliable network in our markets that covers all key population areas in that market and operates seamlessly with Nextel's network. We have constructed our portion of the Nextel Digital Mobile Network using the same Motorola-developed iDEN technology used by Nextel. As required, we built and now operate our portion of the Nextel Digital Mobile Network in accordance with Nextel's standards, which enables both companies to achieve a consistent level of service throughout the United States. Our customers have access to digital quality and advanced features whether they are using our or Nextel's portion of

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the Nextel Digital Mobile Network. This contrasts with the hybrid analog/digital networks of cellular competitors, which do not support all features in the analog-only portions of their networks.

Maintain Effective Pricing Strategy with Focus on Mid-Sized and Tertiary Markets. We operate in mid-sized and tertiary markets, which we believe have demographics similar to markets served by Nextel. We believe our targeted customer base in these markets has historically been underserved and thus finds our differentiated service offering very attractive. We believe our focus on high quality, underserved customers, coupled with our differentiated service offering, helps allow us to rapidly increase penetration within our targeted customer base while maintaining an effective pricing strategy.

Corporate Information

We were incorporated in the State of Delaware in July 1998. Our principal executive offices are located at 4500 Carillon Point, Kirkland, Washington 98033. Our telephone number is 425-576-3600.

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Summary Description of the Exchange Offer

The Exchange Offer	We are offering to exchange \$1,000 principal amount at maturity of Nextel Partners 8 ¹ / ₈ % Senior Notes due 2011 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount at maturity of Nextel Partners outstanding 8 ¹ / ₈ % Senior Notes due 2011 which were issued on June 23, 2003 in a private offering. In order to be exchanged, an old note must be properly tendered and accepted. We will exchange all notes validly tendered and not validly withdrawn. There is \$450 million aggregate principal amount at maturity of old notes outstanding.
Expiration and Exchange Dates	This offer will expire at 5:00 p.m., New York City time, on _____, 2003 unless we extend it, and we will consummate the exchange on the next business day.
Registration Rights	You have the right to exchange the old notes that you now hold for new notes with substantially identical terms. This exchange offer is intended to satisfy these rights. After the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your notes.
Conditions	This offer is subject to various conditions. We reserve the right to terminate or amend the offer at any time before the expiration date if specified events occur.
Withdrawal Rights	You may withdraw your tender of old notes at any time before the offer expires.
Certain Federal Income Tax Considerations of	Davis Wright Tremaine LLP has acted as our special tax counsel in rendering an opinion as to

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the Exchange

certain United States federal income tax consequences of the exchange. It is their opinion that the exchange will not be a taxable event for United States federal income tax purposes, and thus you will not recognize any taxable gain or loss or any interest income as a result of such exchange.

Resale Without Further Registration

We believe that the new notes may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act so long as the following statements are true:

you are not a broker;

you acquire the new notes issued in the exchange offer in the ordinary course of your business;

you are not one of our "affiliates," as defined in Rule 405 of the Securities Act; and

you are not participating, do not intend to participate and have no arrangement or understanding with any person to participate in the distribution of the new notes issued to you in the exchange offer.

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By tendering your notes as described below, you will be making representations to this effect.

Transfer Restrictions on New Notes

You may incur liability under the Securities Act if:

(1) any of the representations listed above are not true; and

(2) you transfer any new note issued to you in the exchange offer without:

delivering a prospectus meeting the requirements of the Securities Act; or

qualifying for an exemption under the Securities Act's requirements to register your new notes.

We do not assume or indemnify you against any such liability. Each broker-dealer that is issued new notes for its own account in exchange for old notes that were acquired as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the new notes. A broker-dealer may use this prospectus for an offer to resell, a resale or other transfer of the new notes issued to it in the exchange offer.

Procedures for Tendering Old Notes

Each holder of old notes who wishes to accept the exchange offer must:

complete, sign and date the accompanying letter of transmittal, or a facsimile thereof; or

arrange for The Depository Trust Company to transmit certain required information to the exchange agent in connection with a book-entry transfer.

You must mail or otherwise deliver such documentation and your old note(s) to The Bank of New York, the exchange agent, at the address set forth under "The Exchange Offer Exchange Agent."

Failure to Exchange Will Affect You Adversely

If you are eligible to participate in the exchange offer and you do not tender your old notes, you will not have any further registration or exchange rights and your old notes will continue to be subject to restrictions on transfer. Accordingly, the liquidity of the old notes could be adversely affected.

Special Procedures for Beneficial Owners	If you beneficially own old notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your old notes in the exchange offer, you should contact the registered holder promptly and instruct it to tender on your behalf. If you wish to tender on your own behalf, you must, before completing and executing the letter of transmittal for the exchange offer and delivering your old notes, either arrange to have your old notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.
Guaranteed Delivery Procedures	You may comply with the procedures described in this prospectus under the heading "The Exchange Offer - Guaranteed Delivery Procedures" if you wish to tender your old notes and: <ul style="list-style-type: none"> <li style="margin-left: 40px;">time will not permit your required documents to reach the exchange agent by the expiration date of the exchange offer; <li style="margin-left: 40px;">you cannot complete the procedure for book-entry transfer on time; or <li style="margin-left: 40px;">your old notes are not immediately available.
Exchange Agent	The exchange agent with respect to the exchange offer is The Bank of New York. The address, telephone number and facsimile number of the exchange agent are set forth in "The Exchange Offer - Exchange Agent" and in the letter of transmittal.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the exchange notes offered by this prospectus.

Summary Description of the New Notes

The new notes have the same financial terms and covenants as the old notes, which are as follows:

Issuer	Nextel Partners, Inc.
Maturity	July 1, 2011
Interest Rate and Payment Dates	Interest on the notes will accrue at the rate of 8 ¹ / ₈ % per annum, payable semi-annually in cash in arrears on January 1 and July 1 of each year, beginning on January 1, 2004.
Ranking	The new notes are senior unsecured indebtedness and rank: <ul style="list-style-type: none"> <i>pari passu</i> to all of our existing and future senior unsecured indebtedness, including our outstanding 14% senior discount notes, 11% senior notes, 12¹/₂% senior discount

notes and 1^{1/2}% convertible senior notes (issued in May 2003);

senior to all of our existing and future subordinated indebtedness; and

effectively junior to all of our and our subsidiaries' secured obligations, to the extent of the assets securing such obligations.

Optional Redemption

We may redeem any of the notes at any time on or after July 1, 2007, in whole or in part, in cash at the redemption prices described in this prospectus, plus accrued and unpaid interest to the date of redemption. In addition, on or before July 1, 2006, we may redeem up to 35% of the aggregate principal amount of notes originally issued at a redemption price of 108.125% with the proceeds of public equity offerings within 60 days of the closing of any such public equity offering. We may make that redemption only if, after the redemption, at least 65% of the aggregate principal amount of notes originally issued remains outstanding.

Change of Control

If a change of control occurs, we will be required to make an offer to purchase the notes. The purchase price will equal 101% of the aggregate principal amount of the notes on the date of purchase, plus accrued and unpaid interest to the date of repurchase.

Certain Covenants

The indenture contains covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:

incur additional indebtedness;

create liens;

pay dividends or make other equity distributions;

purchase or redeem capital stock;

make investments;

sell assets;

engage in any business other than telecommunications;

engage in transactions with affiliates; and

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effect a consolidation or merger.

These limitations are subject to a number of important qualifications and exceptions. For more details, see "Description of the Notes Covenants."

For additional information regarding the notes, see "Description of the Notes" and "Certain United States Federal Tax Considerations."

Risk Factors

See "Risk Factors" following this summary for a discussion of risks relating to the new notes, all of which apply to the old notes as well.

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Summary Consolidated Financial Data

The consolidated financial data set forth below should be read in conjunction with the section entitled "Selected Consolidated Financial Data" included in this prospectus and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes incorporated by reference in this prospectus.

	Year Ended December 31,					Six Months Ended June 30,	
	1998	1999	2000	2001	2002	2002	2003
	(unaudited)						
	(dollars in thousands)						
Consolidated Statements of Operations Data:							
Operating revenues:							
Service revenues(1)	\$ 3,745	\$ 28,136	\$ 130,125	\$ 363,573	\$ 646,169	\$ 281,082	\$ 427,049
Equipment revenues(1)	1,564	4,584	5,745	13,791	24,519	13,155	15,029
Total revenues	5,309	32,720	135,870	377,364	670,688	294,237	442,078
Operating expenses:							
Cost of service revenues (excludes depreciation of \$4,586, \$11,309, \$35,148, \$71,346, \$100,138, \$45,644 and \$64,135, respectively)	6,108	18,807	84,962	192,728	267,266	127,779	149,073
Cost of equipment revenues(1)	2,935	10,742	26,685	59,202	87,130	43,170	44,935
Selling, general and administrative	13,531	34,862	117,975	210,310	313,668	146,916	187,369
Stock-based compensation (primarily selling, general and administrative related)	447	27,256	70,144	30,956	12,670	5,756	481
Depreciation and amortization(2)	4,586	12,689	38,044	76,491	101,185	45,647	65,994
Total operating expenses	27,607	104,356	337,810	569,687	781,919	369,268	447,852
Operating income (loss)	(22,298)	(71,636)	(201,940)	(192,323)	(111,231)	(75,031)	(5,774)
Other income (expense):							
Interest expense, net		(65,362)	(102,619)	(126,096)	(164,583)	(80,157)	(79,397)
Interest income		24,585	63,132	32,473	7,091	4,517	1,282
Gain (loss) on early extinguishment of debt(3)			(23,485)		4,427		(68,127)
Loss from disposal of assets			(228)				
Total other income (expense)		(40,777)	(63,200)	(93,623)	(153,065)	(75,640)	(146,242)
Loss before deferred income tax provision and cumulative effect of change in accounting principle	(22,298)	(112,413)	(265,140)	(285,946)	(264,296)	(150,671)	(152,016)
Income tax provision					(18,188)	(14,058)	(6,090)
Loss before cumulative effect of change in accounting principle	(22,298)	(112,413)	(265,140)	(285,946)	(282,484)	(164,729)	(158,106)
Cumulative effect of change in accounting principle				(1,787)			
Net loss	(22,298)	(112,413)	(265,140)	(287,733)	(282,484)	(164,729)	(158,106)
Mandatorily redeemable preferred stock dividends			(5,667)	(3,504)	(3,950)	(1,899)	(2,141)

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	Year Ended December 31,				Six Months Ended June 30,	
Loss attributable to common stockholders	\$ (22,298)	\$ (112,413)	\$ (270,807)	\$ (291,237)	\$ (286,434)	\$ (166,628) \$ (160,247)

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As of December 31,

	1998	1999	2000	2001	2002	As of June 30, 2003
						(unaudited)

(dollars in thousands)

Consolidated Balance Sheet Data:

Cash and cash equivalents and short-term investments(4)	\$ 16	\$ 568,729	\$ 928,346	\$ 557,285	\$ 195,029	\$ 207,823
Property, plant and equipment, net	107,948	252,223	532,702	845,934	1,000,076	1,023,553
FCC operating licenses, net	133,180	151,056	245,295	283,728	348,440	368,958
Total assets	247,666	1,015,327	1,793,084	1,821,721	1,735,925	1,803,779
Current liabilities	8,995	58,503	120,423	127,972	161,567	135,086
Long-term debt		785,484	1,067,684	1,327,829	1,424,600	1,642,548
Series B redeemable preferred stock			27,517	31,021	34,971	37,112
Total stockholders' equity (deficit)	238,671	170,616	570,215	319,504	76,379	(74,898)
Total liabilities and stockholders' equity	\$ 247,666	\$ 1,015,327	\$ 1,793,084	\$ 1,821,721	\$ 1,735,925	\$ 1,803,779

Year Ended December 31,

Six Months Ended June 30,

	1998	1999	2000	2001	2002	2002	2003
							(unaudited)

(dollars in thousands)

Consolidated Statements of Cash Flows

Data:							
Cash flows from operating activities	\$ (14,791)	\$ (66)	\$ (116,028)	\$ (153,894)	\$ (116,469)	\$ (93,789)	\$ (20,659)
Cash flows from investing activities	\$ (104,334)	\$ (365,851)	\$ (514,003)	\$ (260,249)	\$ (201,648)	\$ (150,038)	\$ (106,319)
Cash flows from financing activities	\$ 119,141	\$ 520,174	\$ 969,310	\$ 224,950	\$ 81,280	\$ 51,727	\$ 131,884

Year Ended December 31,

Six Months Ended June 30,

	1998	1999	2000	2001	2002	2002	2003
							(unaudited)

(dollars in thousands)

Other Data:

Covered Pops (end of period) (millions)		6	24	33	36	36	37
Subscribers (end of period)	10,200	46,100	227,400	515,900	877,800	691,600	1,053,600
Adjusted EBITDA(5)	\$ (17,265)	\$					