

NEXTEL PARTNERS INC  
Form 10-Q  
May 13, 2003

**UNITED STATES**  
**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 March 31, 2003

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: 000-29633

**NEXTEL PARTNERS, INC.**

(Exact Name of Registrant as Specified in Its Charter)

Delaware

91-1930918

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

Edgar Filing: NEXTEL PARTNERS INC - Form 10-Q

(State or Other Jurisdiction of Incorporation or Organization)

**4500 Carillon Point Kirkland, Washington**

(Address of principal executive offices)

**98033**

(zip code)

**(425) 576-3600**

(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 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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

<b>Outstanding Title of Class</b>	<b>Number of Shares on May 8, 2003</b>
Class A Common Stock	172,078,673 shares
Class B Common Stock	79,056,228 shares

---

NEXTEL PARTNERS, INC.

INDEX

**PART I FINANCIAL INFORMATION**

<u>Item 1.</u>	<u>Financial Statements</u>  <u>Consolidated Condensed Balance Sheets</u> <u>As of March 31, 2003 and December 31, 2002</u>  <u>Consolidated Condensed Statements of Operations</u> <u>Three months ended March 31, 2003 and 2002</u>  <u>Consolidated Condensed Statements of Cash Flows</u> <u>Three months ended March 31, 2003 and 2002</u>  <u>Notes to Consolidated Condensed Financial Statements</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures about Market Risk</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>

**PART II OTHER INFORMATION**

<u>Item 1.</u>	<u>Legal Proceedings</u>
<u>Item 2.</u>	<u>Changes in Securities and Use of Proceeds</u>
<u>Item 6.</u>	<u>Exhibits and Reports on Form 8-K</u>  <u>Signature</u>



**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements****NEXTEL PARTNERS, INC. AND SUBSIDIARIES****Consolidated Condensed Balance Sheets****(dollars in thousands, except per share amounts)****(unaudited)**

	March 31, 2003	December 31, 2002
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 28,183	\$ 67,522
Short-term investments	84,461	127,507
Accounts receivable, net of allowance \$12,445 and \$10,197, respectively	125,413	130,459
Subscriber equipment inventory	10,687	16,413
Receivable from officer		2,200
Other current assets	14,865	13,393
<b>Total current assets</b>	<b>263,609</b>	<b>357,494</b>
<b>PROPERTY, PLANT AND EQUIPMENT, at cost</b>		
	1,278,435	1,222,183
Less - accumulated depreciation and amortization	(254,567)	(222,107)
<b>Property, plant and equipment, net</b>	<b>1,023,868</b>	<b>1,000,076</b>
<b>OTHER NON-CURRENT ASSETS:</b>		
FCC licenses, net of accumulated amortization of \$8,744	349,395	348,440
Debt issuance costs, net of accumulated amortization of \$14,634 and \$13,527, respectively	29,287	29,915
<b>Total non-current assets</b>	<b>378,682</b>	<b>378,355</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,666,159</b>	<b>\$ 1,735,925</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 55,923	\$ 57,374
Accrued expenses and other current liabilities	62,524	80,502
Due to Nextel WIP	5,328	23,691
<b>Total current liabilities</b>	<b>123,775</b>	<b>161,567</b>
<b>LONG-TERM OBLIGATIONS:</b>		
12.5% Senior notes due 2009	211,874	211,572
14% Senior discount notes due 2009	433,285	425,861
11% Senior notes due 2010	390,000	390,000
Credit facility - term B, C and D	372,375	373,312
Long-term capital lease obligation	23,404	23,855

Edgar Filing: NEXTEL PARTNERS INC - Form 10-Q

Deferred income taxes	21,062	18,188
Other long-term liabilities	19,952	20,220
Total long-term obligations	1,471,952	1,463,008
<b>Total liabilities</b>	<b>1,595,727</b>	<b>1,624,575</b>
<b>COMMITMENTS AND CONTINGENCIES (See Notes)</b>		
<b>MANDATORILY REDEEMABLE PREFERRED STOCK, Series B Mandatorily</b>		
<b>redeemable 2010, par value \$.001 per share, 12% cumulative annual dividend;</b>		
13,110,000 shares issued and outstanding	36,020	34,971
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock, Class A, par value \$.001 per share 172,057,285 and 170,797,589 shares, respectively, issued and outstanding, and paid-in capital	905,764	897,756
Common stock, Class B, par value \$.001 per share convertible, 79,056,228 shares issued and outstanding, and paid-in capital	163,312	163,312
Accumulated deficit	(1,033,682)	(983,444)
Deferred compensation	(982)	(1,245)
Total stockholders' equity	34,412	76,379
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 1,666,159</b>	<b>\$ 1,735,925</b>

See accompanying notes to the consolidated condensed financial statements.

**NEXTEL PARTNERS, INC. AND SUBSIDIARIES**  
**Consolidated Condensed Statements of Operations**  
**(dollars in thousands, except per share amounts)**

**(unaudited)**

<b>For the three months ended</b>	
<b>March 31,</b>	
<b>2003</b>	<b>2002</b>