

LEAP WIRELESS INTERNATIONAL INC

Form 10-Q/A

December 26, 2007

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 10-Q/A
(Amendment No. 1)**

(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, 2007
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 0-29752

Leap Wireless International, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

33-0811062
(I.R.S. Employer
Identification No.)

10307 Pacific Center Court, San Diego, CA
(Address of principal executive offices)

92121
(Zip Code)

(858) 882-6000
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last reported)

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 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.

Edgar Filing: LEAP WIRELESS INTERNATIONAL INC - Form 10-Q/A

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

The number of shares of registrant's common stock outstanding on December 14, 2007 was 68,207,914.

Table of Contents

EXPLANATORY NOTE

Leap Wireless International, Inc. (the Company) has restated its historical consolidated financial statements as of and for the years ended December 31, 2006 and 2005 (including interim periods therein), for the period from August 1, 2004 to December 31, 2004 (Successor Company) and for the period from January 1, 2004 to July 31, 2004 (Predecessor Company) and its unaudited condensed consolidated financial statements as of and for the quarterly periods ended March 31 and June 30, 2007. This Amendment No. 1 on Form 10-Q/A to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 includes restated unaudited condensed consolidated financial statements as of and for the quarter ended March 31, 2007, restated audited consolidated financial statements as of the year ended December 31, 2006 and restated unaudited condensed consolidated financial statements for the quarter ended March 31, 2006 previously included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 (the Original Form 10-Q).

These previously issued financial statements of the Company have been restated to correct errors relating to (i) the timing of recognition of certain service revenues prior to or subsequent to the period in which they were earned, (ii) the recognition of service revenues for certain customers that voluntarily disconnected service, and (iii) the classification of certain components of service revenues, equipment revenues and operating expenses. See Note 2 to the Company's unaudited condensed consolidated financial statements included in Part I Item 1. Financial Statements of this report for additional information.

The Company has amended and restated in its entirety each item of the Original Form 10-Q filed with the Securities and Exchange Commission (SEC) on May 10, 2007 (the Original Filing Date) that required a change to reflect this restatement and to include certain additional information. These items include Items 1, 2 and 4 of Part I and Item 1A of Part II. The Company has supplemented Item 6 of Part II to include current certifications of our Chief Executive Officer and Chief Financial Officer pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002, included as Exhibits 31 and 32 to this Amendment. No other information included in the Original Form 10-Q is amended hereby.

Pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, as amended, this Amendment contains only the items and exhibits to the Original Form 10-Q that are being amended and restated, and those unaffected items or exhibits are not included herein. Except as stated above, this Amendment speaks only as of the Original Filing Date, and this filing has not been updated to reflect any events occurring after the Original Filing Date or to modify or update disclosure affected by other subsequent events. In particular, forward-looking statements included in this Amendment represent management's views as of the Original Filing Date. Such forward-looking statements should not be assumed to be accurate as of any future date. This Amendment should be read in conjunction with the Company's other filings made with the SEC subsequent to the Original Filing Date, together with any amendments to those filings.

As previously disclosed in the Company's Form 8-K filed on November 8, 2007, the Company's unaudited quarterly condensed consolidated financial statements previously included in the Original Form 10-Q should not be relied upon.

LEAP WIRELESS INTERNATIONAL, INC.

QUARTERLY REPORT ON FORM 10-Q/A

(Amendment No. 1)

For the Quarter Ended March 31, 2007

TABLE OF CONTENTS

	Page	
<u>PART I FINANCIAL INFORMATION</u>		
<u>Item 1.</u>	<u>Financial Statements</u>	1
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	29
<u>Item 4.</u>	<u>Controls and Procedures</u>	40
<u>PART II OTHER INFORMATION</u>		
<u>Item 1A.</u>	<u>Risk Factors</u>	43
<u>Item 6.</u>	<u>Exhibits</u>	59
<u>EXHIBIT 31</u>		
<u>EXHIBIT 32</u>		

Table of Contents

PART I
FINANCIAL INFORMATION

Item 1. Financial Statements.

LEAP WIRELESS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

	March 31, 2007 (Unaudited) (As Restated) (See Note 2)	December 31, 2006 (As Restated) (See Note 2)
Assets		
Cash and cash equivalents	\$ 300,321	\$ 372,812
Short-term investments	25,432	66,400
Restricted cash, cash equivalents and short-term investments	12,479	13,581
Inventories	75,985	90,185
Other current assets	55,222	52,981
Total current assets	469,439	595,959
Property and equipment, net	1,109,638	1,078,521
Wireless licenses	1,564,381	1,563,958
Assets held for sale		8,070
Goodwill	425,782	425,782
Other intangible assets, net	71,397	79,828
Deposits for wireless licenses	274,084	274,084
Other assets	39,054	58,745
Total assets	\$ 3,953,775	\$ 4,084,947
Liabilities and Stockholders Equity		
Accounts payable and accrued liabilities	\$ 175,306	\$ 317,093
Current maturities of long-term debt	9,000	9,000
Other current liabilities	112,294	84,675
Total current liabilities	296,600	410,768
Long-term debt	1,674,250	1,676,500
Deferred tax liabilities	150,697	148,335
Other long-term liabilities	49,038	47,608
Total liabilities	2,170,585	2,283,211
Minority interests	23,734	29,943

Commitments and contingencies (Note 8)

Stockholders' equity:

Preferred stock authorized 10,000,000 shares; \$.0001 par value, no shares issued and outstanding

Common stock authorized 160,000,000 shares; \$.0001 par value, 68,051,029 and 67,892,512 shares issued and outstanding at March 31, 2007 and

December 31, 2006, respectively

Additional paid-in capital

Retained earnings (accumulated deficit)

Accumulated other comprehensive income

Total stockholders' equity

Total liabilities and stockholders' equity

	7	7
	1,782,880	1,769,772
	(23,996)	228
	565	1,786
	1,759,456	1,771,793
	\$ 3,953,775	\$ 4,084,947

See accompanying notes to condensed consolidated financial statements.

Table of Contents**LEAP WIRELESS INTERNATIONAL, INC.****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited and in thousands, except per share data)**

	Three Months Ended March 31,	
	2007	2006
	(As Restated) (See Note 2)	(As Restated) (See Note 2)
Revenues:		
Service revenues	\$ 321,691	\$ 218,085
Equipment revenues	71,734	63,765
Total revenues	393,425	281,850
Operating expenses:		
Cost of service (exclusive of items shown separately below)	(90,440)	(56,210)
Cost of equipment	(122,665)	(71,977)
Selling and marketing	(48,769)	(29,102)
General and administrative	(65,234)	(49,090)
Depreciation and amortization	(68,800)	(54,036)
Total operating expenses	(395,908)	(260,415)
Net gain on sale of wireless licenses and disposal of operating assets	940	
Operating income (loss)	(1,543)	21,435
Minority interests in consolidated subsidiaries	1,579	(75)
Interest income	5,285	4,194
Interest expense	(26,496)	(7,431)
Other income (expense), net	(637)	535
Income (loss) before income taxes and cumulative effect of change in accounting principle	(21,812)	18,658
Income tax expense	(2,412)	
Income (loss) before cumulative effect of change in accounting principle	(24,224)	18,658
Cumulative effect of change in accounting principle		623
Net income (loss)	\$ (24,224)	\$ 19,281
Basic earnings (loss) per share:		
Earnings (loss) before cumulative effect of change in accounting principle	\$ (0.36)	\$ 0.30
Cumulative effect of change in accounting principle		0.01

Edgar Filing: LEAP WIRELESS INTERNATIONAL INC - Form 10-Q/A

Basic earnings (loss) per share	\$	(0.36)	\$	0.31
Diluted earnings (loss) per share:				
Earnings (loss) before cumulative effect of change in accounting principle	\$	(0.36)	\$	0.30
Cumulative effect of change in accounting principle				0.01
Diluted earnings (loss) per share	\$	(0.36)	\$	0.31
Shares used in per share calculations:				
Basic		66,870		61,203
Diluted		66,870		61,961

See accompanying notes to condensed consolidated financial statements.

Table of Contents**LEAP WIRELESS INTERNATIONAL, INC.****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS****(Unaudited and in thousands)**

	Three Months Ended March 31,	
	2007	2006
	(As Restated) (See Note 2)	(As Restated) (See Note 2)
Operating activities:		
Net cash provided by operating activities	\$ 5,122	\$ 37,909
Investing activities:		
Purchases of property and equipment	(133,295)	(60,894)
Change in prepayments for purchases of property and equipment	7,409	4,573
Purchases of and deposits for wireless licenses	(423)	(91)
Proceeds from sale of wireless licenses	9,500	
Purchases of investments	(42,727)	(46,865)
Sales and maturities of investments	84,293	72,657
Purchase of minority interest	(4,706)	
Changes in restricted cash, cash equivalents and short-term investments, net	1,102	(50)
Net cash used in investing activities	(78,847)	(30,670)
Financing activities:		
Repayment of long-term debt	(2,250)	(1,527)
Payment of debt issuance costs	(881)	(91)
Minority interest contributions		668
Proceeds from issuance of common stock, net	4,365	233
Net cash provided by (used in) financing activities	1,234	(717)
Net increase (decrease) in cash and cash equivalents	(72,491)	6,522
Cash and cash equivalents at beginning of period	372,812	293,073
Cash and cash equivalents at end of period	\$ 300,321	\$ 299,595
Supplementary cash flow information:		
Cash paid for interest	\$ 18,373	\$ 11,098
Cash paid for income taxes	\$ 332	\$ 168

See accompanying notes to condensed consolidated financial statements.

Table of Contents

LEAP WIRELESS INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 1. The Company

Leap Wireless International, Inc. (Leap), a Delaware corporation, together with its subsidiaries, is a wireless communications carrier that offers digital wireless service in the United States of America under the Cricket® and Jump Mobile brands. Cricket service offers customers unlimited wireless service in their Cricket service area for a flat monthly rate without requiring a fixed-term contract or credit check. Jump Mobile service offers customers a per-minute prepaid wireless service. Leap conducts operations through its subsidiaries and has no independent operations or sources of operating revenue other than through dividends, if any, from its subsidiaries. Cricket and Jump Mobile services are offered by Cricket Communications, Inc. (Cricket), a wholly owned subsidiary of Leap, and Alaska Native Broadband 1 License, LLC (ANB 1 License), an indirect wholly owned subsidiary of Leap. Leap, Cricket, ANB 1 License and their subsidiaries are collectively referred to herein as the Company. Cricket and Jump Mobile services are also offered in Oregon by LCW Wireless Operations, LLC (LCW Operations), a designated entity under Federal Communications Commission (FCC) regulations. Cricket owns an indirect 73.3% non-controlling interest in LCW Operations through a 73.3% non-controlling interest in LCW Wireless, LLC (LCW Wireless). Cricket also owns an 82.5% non-controlling interest in Denali Spectrum, LLC (Denali), which participated in the FCC's auction for Advanced Wireless Service licenses (Auction #66) as a designated entity through its wholly owned subsidiary, Denali Spectrum License, LLC (Denali License).

On March 5, 2007, Cricket acquired the remaining 25% of the membership interests in Alaska Native Broadband 1, LLC (ANB 1), following Alaska Native Broadband, LLC's exercise of its option to sell its entire 25% controlling interest in ANB 1 to Cricket for \$4.7 million. As a result of the acquisition, ANB 1 and its wholly owned subsidiary, ANB 1 License, became direct and indirect wholly owned subsidiaries, respectively, of Cricket.

The Company operates in a single operating segment as a wireless communications carrier that offers digital wireless service in the United States of America. As of and for the three months ended March 31, 2007, all of the Company's revenues and long-lived assets related to operations in the United States of America.

Note 2. Restatement of Previously Reported Consolidated Financial Statements

The Company has restated its historical condensed consolidated financial statements as of and for the quarterly period ended March 31, 2007, its historical consolidated financial statements as of the year ended December 31, 2006 and its historical condensed consolidated financial statements as of and for the quarterly period ended March 31, 2006 included in this report.

The determination to restate these consolidated financial statements and quarterly condensed consolidated financial statements was made by the Company's Audit Committee upon management's recommendation following the identification of errors related to the Company's accounting for revenues and operating expenses. The general nature and scope of the related errors and adjustments are summarized as follows:

Errors in the Timing of Recognition of Service Revenues (Revenue Timing Adjustments) The Company identified several timing errors in the recognition of service revenues that generally resulted from errors in the processes that the Company used to ensure that revenues were not recognized until service had been provided to customers and cash had been received from them. The nature of these timing errors generally was that revenue that was recognized in a particular month should have been recognized in either the preceding or the following month. These errors resulted in an overstatement of service revenues of \$2.8 million in the quarter

ended March 31, 2007 and an understatement of service revenues of \$1.3 million in the quarter ended March 31, 2006.

Other Errors in the Recognition of Service Revenues (Other Revenue Adjustments) The Company incorrectly recognized revenue for a group of customers who voluntarily disconnected their service. For these customers, approximately one month of deferred revenue that was recorded when the customers' monthly bills were generated was mistakenly recognized as revenue after their service was disconnected,

Table of Contents

due to the fact that one of the key reports used to validate that revenue is not recognized for customers who have not yet paid erroneously excluded this subset of disconnected customer balances. These customers comprised a small percentage of the Company's disconnected customers, and the error arose in connection with the Company's re-implementation of the pay-in-advance billing method for new and reactivating customers in May 2006. This error resulted in an overstatement of service revenues of \$2.0 million in the quarter ended March 31, 2007. In addition, certain other errors were made in the recognition of revenue and revenue-related accounts, resulting in an overstatement of service revenues of \$1.8 million and \$0.1 million in the quarters ended March 31, 2007 and 2006, respectively.

Errors in the Classification of Certain Components of Service Revenues, Equipment Revenues and Operating Expenses (Reclassification Adjustments) The Company identified errors relating to the classification of certain components of service revenues, equipment revenues and operating expenses. The Company incorrectly classified certain customer service fees as equipment revenue rather than service revenue. The Company incorrectly classified certain costs related to handset insurance purchased by some pay-in-arrears customers as a reduction of service revenues rather than as a cost of service. The Company incorrectly classified certain revenues received by the Company in connection with handsets sold to Company customers under insurance or other handset replacement programs as a reduction in handset costs rather than as equipment revenues. These classification errors resulted from deficiencies in certain account analyses that resulted in the Company incorrectly analyzing certain types of transactions for their classification impacts. The errors resulted in a net understatement of total revenues and understatement of operating expenses of \$10.5 million and \$14.1 million in the quarters ended March 31, 2007 and 2006, respectively. These errors had no impact on operating income or net income.

Other Non-Material Items (Other Adjustments) The Company identified other errors that were not material, individually or in the aggregate, to its financial statements taken as a whole. However, because the Company is restating its financial statements for the effects of the items noted above, the Company revised its previously reported financial statements to correct all identified errors, including those that were not material. These items resulted in a net overstatement of operating expenses of \$0.5 million and \$0.4 million in the quarters ended March 31, 2007 and 2006, respectively.

The Company is also restating its income tax provisions for the historical periods described above to reflect the tax impact of the adjustments to pre-tax income. In particular, the Company's tax provision for the quarter ended March 31, 2007 was originally computed using an annual effective tax rate. As a result of the adjustments made to the Company's historical financial statements, the Company's revised income forecast at March 31, 2007 was lowered to a level close to break-even. Under the revised forecast, a small change in the pre-tax book income projection would produce a significant variance in the effective tax rate and, therefore, it would be difficult to make a reliable estimate of the annual effective tax rate. As a result and in accordance with Financial Accounting Standards Board (FASB) Interpretation No. (FIN) 18, Accounting for Income Taxes in Interim Periods An Interpretation of APB Opinion No. 28 (FIN 18), the Company's restated income tax provision for the quarter ended March 31, 2007 has been calculated by applying the actual effective tax rate to the year-to-date income.

Table of Contents

The following tables present the adjustments due to the restatements of the Company's previously issued consolidated financial statements and quarterly condensed consolidated financial statements as of and for the quarterly period ended March 31, 2007, as of the year ended December 31, 2006, and for the quarterly period ended March 31, 2006 (in thousands, except share and per share data):

	Previously Reported	March 31, 2007	
		Adjustments (Unaudited)	As Restated
Assets			
Cash and cash equivalents	\$ 303,784	\$ (3,463)	\$ 300,321
Short-term investments	25,432		25,432
Restricted cash, cash equivalents and short-term investments	12,479		12,479
Inventories	75,985		75,985
Other current assets	55,038	184	55,222
Total current assets	472,718	(3,279)	469,439
Property and equipment, net	1,107,314	2,324	1,109,638
Wireless licenses	1,564,381		1,564,381
Goodwill	431,896	(6,114)	425,782
Other intangible assets, net	71,397		71,397
Deposits for wireless licenses	274,084		274,084
Other assets	39,054		39,054
Total assets	\$ 3,960,844	\$ (7,069)	\$ 3,953,775
Liabilities and Stockholders' Equity			
Accounts payable and accrued liabilities	\$ 173,606	\$ 1,700	\$ 175,306
Current maturities of long-term debt	9,000		9,000
Other current liabilities	96,897	15,397	112,294
Total current liabilities	279,503	17,097	296,600
Long-term debt	1,674,250		1,674,250
Deferred tax liabilities	141,439	9,258	150,697
Other long-term liabilities	49,038		49,038
Total liabilities	2,144,230	26,355	2,170,585
Minority interests	23,849	(115)	23,734
Stockholders' equity:			
Preferred stock			
Common stock	7		7
Additional paid-in capital	1,782,880		1,782,880
Retained earnings (accumulated deficit)	9,313	(33,309)	(23,996)
Accumulated other comprehensive income	565		565

Total stockholders' equity	1,792,765	(33,309)	1,759,456
Total liabilities and stockholders' equity	\$ 3,960,844	\$ (7,069)	\$ 3,953,775

Table of Contents

	Three Months Ended March 31, 2007						As Restated
	Previously Reported	Revenue Timing Adjustments	Other Revenue Adjustments	Reclassification Adjustments	Other Adjustments	Income Tax Adjustments	
Revenues:							
Service revenues	\$ 326,809	\$ (2,805)	\$ (3,765)	\$ 1,452	\$	\$	\$ 321,691
Equipment revenues	62,613	123		8,998			71,734
Total revenues	389,422	(2,682)	(3,765)	10,450			393,425
Operating expenses:							
Cost of service (exclusive of items shown separately below)	(90,949)			(313)	822		(90,440)
Cost of equipment	(112,482)			(10,137)	(46)		(122,665)
Selling and marketing	(48,560)				(209)		(48,769)
General and administrative	(65,199)				(35)		(65,234)
Depreciation and amortization	(68,800)						(68,800)
Total operating expenses	(385,990)			(10,450)	532		(395,908)
Net gain on sale of wireless licenses and disposal of operating assets	940						940
Operating income (loss)	4,372	(2,682)	(3,765)		532		(1,543)
Minority interests in consolidated subsidiaries	1,520				59		1,579
Interest income	5,285						5,285
Interest expense	(26,496)						(26,496)
Other expense, net	(637)						(637)
Loss before income taxes	(15,956)	(2,682)	(3,765)		591		(21,812)
Income tax benefit (expense)	7,833					(10,245)	(2,412)
Net loss	\$ (8,123)	\$ (2,682)	\$ (3,765)	\$	\$ 591	\$ (10,245)	\$ (24,224)

Edgar Filing: LEAP WIRELESS INTERNATIONAL INC - Form 10-Q/A

Basic and diluted loss
per share:

Basic loss per share	\$	(0.12)	\$	(0.04)	\$	(0.06)	\$	0.01	\$	(0.15)	\$	(0.36)
----------------------	----	--------	----	--------	----	--------	----	------	----	--------	----	--------

Diluted loss per share	\$	(0.12)	\$	(0.04)	\$	(0.06)	\$	0.01	\$	(0.15)	\$	(0.36)
------------------------	----	--------	----	--------	----	--------	----	------	----	--------	----	--------

Shares used in per
share calculations:

Basic	66,870	66,870
-------	--------	--------

Diluted	66,870	66,870
---------	--------	--------

Table of Contents

	Previously Reported	March 31, 2007	
		Adjustments (Unaudited)	As Restated
Operating activities:			
Net cash provided by operating activities	\$ 4,900	\$ 222	\$ 5,122
Investing activities:			
Purchases of property and equipment	(131,737)	(1,558)	(133,295)
Change in prepayments for purchases of property and equipment	7,409		7,409
Purchases of and deposits for wireless licenses	(423)		(423)
Proceeds from sale of wireless licenses	9,500		9,500
Purchases of investments	(42,727)		(42,727)
Sales and maturities of investments	84,293		84,293
Purchase of minority interest	(4,706)		(4,706)
Changes in restricted cash, cash equivalents and short-term investments, net	1,102		1,102
Net cash used in investing activities	(77,289)	(1,558)	(78,847)
Financing activities:			
Repayment of long-term debt	(2,250)		(2,250)
Payment of debt issuance costs	(881)		(881)
Proceeds from issuance of common stock, net	4,365		4,365
Net cash provided by financing activities	1,234		1,234
Net decrease in cash and cash equivalents	(71,155)	(1,336)	(72,491)
Cash and cash equivalents at beginning of period	374,939	(2,127)	372,812
Cash and cash equivalents at end of period	\$ 303,784	\$ (3,463)	\$ 300,321
Supplementary cash flow information:			
Cash paid for interest	\$ 18,373	\$	\$ 18,373
Cash paid for income taxes	\$ 332	\$	\$ 332

Table of Contents

	December 31, 2006		
	Previously Reported	Adjustments	As Restated
Assets			
Cash and cash equivalents	\$ 374,939	\$ (2,127)	\$ 372,812
Short-term investments	66,400		66,400
Restricted cash, cash equivalents and short-term investments	13,581		13,581
Inventories	90,185		90,185
Other current assets	53,527	(546)	52,981
Total current assets	598,632	(2,673)	595,959
Property and equipment, net	1,077,755	766	1,078,521
Wireless licenses	1,563,958		1,563,958
Assets held for sale	8,070		8,070
Goodwill	431,896	(6,114)	425,782
Other intangible assets, net	79,828		79,828
Deposits for wireless licenses	274,084		274,084
Other assets	58,745		58,745
Total assets	\$ 4,092,968	\$ (8,021)	\$ 4,084,947
Liabilities and Stockholders Equity			
Accounts payable and accrued liabilities	\$ 316,494	\$ 599	\$ 317,093
Current maturities of long-term debt	9,000		9,000
Other current liabilities	74,637	10,038	84,675
Total current liabilities	400,131	10,637	410,768
Long-term debt	1,676,500		1,676,500
Deferred tax liabilities	149,728	(1,393)	148,335
Other long-term liabilities	47,608		47,608
Total liabilities	2,273,967	9,244	2,283,211
Minority interests	30,000	(57)	29,943
Stockholders equity:			
Preferred stock			
Common stock	7		7
Additional paid-in capital	1,769,772		1,769,772
Retained earnings	17,436	(17,208)	228
Accumulated other comprehensive income	1,786		1,786
Total stockholders equity	1,789,001	(17,208)	1,771,793
Total liabilities and stockholders equity	\$ 4,092,968	\$ (8,021)	\$ 4,084,947

Table of Contents