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LAW OFFICES  
**BRICKER & ECKLER**

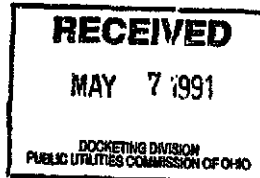
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May 7, 1991

Dane Stinson, Esq.  
Attorney Examiner  
Public Utilities Commission of Ohio  
180 East Broad Street--7th Floor  
Columbus, Ohio 43266-0573



RE: Joint Application of CCI/PacTel  
Case No. 91-467-RC-UNC

**HAND-DELIVERED**

Dear Mr. Stinson:

In order to supplement the record in the above-referenced proceeding, I am enclosing some additional financial information concerning the transactions described in the Joint Application filed March 8, 1991. I am enclosing pro forma financial statements (unaudited) which include a condensed statement of operations for the year ended 1989 and for the nine months ended September 30, 1990, as well as a pro forma condensed combined balances sheet (unaudited) as of September 30, 1990. I have designated this information Exhibit C. These statements are taken from the Proxy Statement/Prospectus of Cellular Communications, Inc. dated December 24, 1990 and assume (for presentation purposes in the Proxy Statement/Prospectus) that the Joint Venture had been operating in 1989 and the first nine months of 1990. Other portions of the Proxy Statement/Prospectus have already been submitted as exhibits to the Joint Application.

In addition, I wanted to clarify that the wholesale customers of both the CCI cellular companies and the PacTel companies will not be affected by the Joint Venture transaction. They will continue to take service pursuant to each of the Commission-approved tariffs and/or contracts of the each of the CCI and PacTel cellular companies. As to the relationship of these wholesale customers to the particular Ohio certificated

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Dane Stinson, Esq.  
May 7, 1991  
Page 2

cellular company, the relationship will be unchanged and the effect of the Joint Venture upon them will be transparent.

Sincerely,

*Sally*

Sally W. Bloomfield

Enclosure: Exhibit C (copy)

cc: Docketing Department (with original + 13 copies)  
Mark H. Longenecker, Jr., Esq. (with enclosure)

SWB/sn

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EXHIBIT C

**PRO FORMA FINANCIAL STATEMENTS (UNAUDITED)**

**Pro Forma Condensed Combined Balance Sheet and Statements of Operations of the Joint Venture**

The following unaudited pro forma financial statements give effect to the Amended and Restated Merger and Joint Venture Agreement, dated as of December 14, 1990 ("Agreement") between Cellular Communications, Inc. ("CCI") and PacTel Corporation ("PacTel") whereby CCI's cellular telephone interests in Ohio and PacTel's cellular telephone interests in Michigan and Ohio will be combined into a Joint Venture equally owned by the two companies. The pro forma information is based on the historical financial statements of CCI Ohio System and PacTel Midwest, and has been prepared to reflect the proposed combination of the respective cellular interests at the transferors' historical basis of accounting for the net assets transferred and the assumptions and adjustments in the accompanying notes to pro forma condensed combined financial statements.

The pro forma financial statements have been prepared by CCI's management. These pro forma financial statements may not be indicative of the results that actually would have occurred if the combinations had been in effect on the dates indicated or which may be obtained in the future. The pro forma financial statements should be read in conjunction with the consolidated financial statements and notes of Cellular Communications, Inc. and subsidiaries; the combined financial statements and notes of CCI Ohio System; and the combined financial statements and notes of PacTel Midwest.

The unaudited pro forma condensed combined statements of operations of the Joint Venture for the year ended December 31, 1989 and the nine months ended September 30, 1990 are based on the audited combined statements of operations of CCI Ohio System and PacTel Midwest for the year ended December 31, 1989 and the respective unaudited combined statements of operations for the nine months ended September 30, 1990, after giving effect to the pro forma adjustments described in notes to pro forma condensed combined financial statements (unaudited). Such adjustments have been made assuming that the combination of the respective cellular businesses had occurred as of the beginning of the respective period.

The unaudited pro forma condensed combined balance sheet of the Joint Venture at September 30, 1990 is based on the unaudited historical combined balance sheets of CCI Ohio System and PacTel Midwest as of September 30, 1990 and has been prepared to reflect the combination of the respective cellular interests at transferors' basis after giving effect to the pro forma adjustments described in notes to pro forma condensed combined financial statements (unaudited) as if the interests had been contributed on September 30, 1990.

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**JOINT VENTURE**  
**PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS (UNAUDITED)**  
Year Ended December 31, 1989

	Historical			Pro Forma	
	CCI Ohio System	Pactel Midwest	Total	Adjustment	Combined
<b>Revenues:</b>					
Service revenue.....	\$69,596,000	\$79,343,000	\$148,939,000		\$148,939,000
Telephone equipment revenue.....	10,813,000	7,534,000	18,347,000		18,347,000
	<u>80,409,000</u>	<u>86,877,000</u>	<u>167,286,000</u>		<u>167,286,000</u>
<b>Costs and expenses</b>					
Cost of telephone equipment sold.....	10,315,000	7,890,000	18,205,000		18,205,000
Operating expenses.....	16,745,000	15,043,000	31,788,000		31,788,000
Selling, general and administrative expenses.....	42,147,000	27,605,000	69,752,000	(a)(2,448,000)	67,304,000
Property tax assessment..	3,022,000		3,022,000		3,022,000
Depreciation and amortization expense.....	13,296,000	25,355,000	38,651,000	(b)(3,400,000)	35,251,000
Loss on sale of operating equipment.....	9,921,000		9,921,000		9,921,000
	<u>95,446,000</u>	<u>75,893,000</u>	<u>171,339,000</u>	<u>(5,848,000)</u>	<u>165,491,000</u>
<b>OPERATING INCOME (LOSS)...</b>	<u>(15,037,000)</u>	<u>10,984,000</u>	<u>(4,053,000)</u>	<u>5,848,000</u>	<u>1,795,000</u>
Other income (expense)—net..	(2,184,000)	417,000	(1,767,000)		(1,767,000)
<b>INCOME (LOSS) BEFORE MINORITY INTERESTS.....</b>	<u>(17,221,000)</u>	<u>11,401,000</u>	<u>(5,820,000)</u>	<u>5,848,000</u>	<u>28,000</u>
Minority interest.....		23,000	23,000		23,000
<b>NET INCOME (LOSS).....</b>	<u>\$(17,221,000)</u>	<u>\$11,424,000</u>	<u>\$(5,797,000)</u>	<u>\$ 5,848,000</u>	<u>\$ 51,000</u>

See notes to unaudited pro forma condensed combined financial statements.

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**JOINT VENTURE**  
**PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS (UNAUDITED)**  
 Nine Months Ended September 30, 1990

	Historical			Pro Forma	
	CCI Ohio System	PacTel Midwest	Total	Adjustments	Combined
<b>Revenues:</b>					
Service revenue .....	\$73,459,000	\$72,996,000	\$146,455,000		\$146,455,000
Telephone equipment revenue .....	7,015,000	5,318,000	12,333,000		12,333,000
	<u>80,474,000</u>	<u>78,314,000</u>	<u>158,788,000</u>		<u>158,788,000</u>
<b>Costs and expenses:</b>					
Cost of telephone equipment sold .....	4,436,000	5,354,000	9,790,000		9,790,000
Operating expenses .....	16,437,000	13,006,000	29,443,000		29,443,000
Selling, general and administrative expenses .....	33,225,000	28,197,000	61,422,000	(a)(3,071,000)	58,351,000
Depreciation and amortization .....	16,264,000	17,403,000	33,667,000	(b)(2,846,000)	30,821,000
	<u>70,362,000</u>	<u>63,960,000</u>	<u>134,322,000</u>	<u>(5,917,000)</u>	<u>128,405,000</u>
<b>OPERATING INCOME</b> .....	<u>10,112,000</u>	<u>14,354,000</u>	<u>24,466,000</u>	<u>5,917,000</u>	<u>30,383,000</u>
Other income—net .....	44,000	1,493,000	1,537,000		1,537,000
<b>NET INCOME</b> .....	<u>\$10,156,000</u>	<u>\$15,847,000</u>	<u>\$ 26,003,000</u>	<u>\$ 5,917,000</u>	<u>\$ 31,920,000</u>

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**JOINT VENTURE**  
**PRO FORMA CONDENSED COMBINED BALANCE SHEET (UNAUDITED)**  
September 30, 1990

	Historical		Pro Forma
	CCI Ohio System	PacTel Midwest	Combined
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash .....	\$ 1,050,000	\$ 36,000	\$ 1,086,000
Accounts receivable, net .....	15,895,000	13,907,000	29,802,000
Telephone equipment inventory .....	2,687,000	565,000	3,252,000
Prepaid expenses and other current assets .....	759,000	1,158,000	1,917,000
<b>TOTAL CURRENT ASSETS</b> .....	<b>20,391,000</b>	<b>15,666,000</b>	<b>36,057,000</b>
PROPERTY, PLANT AND EQUIPMENT, net .....	101,715,000	55,613,000	157,328,000
UNAMORTIZED LICENSE ACQUISITION COSTS .....	91,243,000	269,938,000	361,181,000
OTHER ASSETS .....	7,461,000	—	7,461,000
	<u>\$220,810,000</u>	<u>\$341,217,000</u>	<u>\$562,027,000</u>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable .....	\$ 6,069,000	\$ 9,660,000	\$ 15,729,000
Accrued expenses .....	4,823,000	2,848,000	7,671,000
Taxes payable .....	15,280,000	—	15,280,000
Other current liabilities .....	4,331,000	4,122,000	8,453,000
<b>TOTAL CURRENT LIABILITIES</b> .....	<b>30,503,000</b>	<b>16,630,000</b>	<b>47,133,000</b>
EQUITY .....	190,307,000	324,587,000	514,894,000
	<u>\$220,810,000</u>	<u>\$341,217,000</u>	<u>\$562,027,000</u>

See notes to unaudited pro forma condensed combined financial statements.

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JOINT VENTURE  
NOTES TO PRO FORMA CONDENSED COMBINED  
FINANCIAL STATEMENTS—(UNAUDITED)

For purposes of preparing the pro forma financial statements of the Joint Venture for the year ended December 31, 1989 and the nine months ended September 30, 1990, the following adjustments have been made:

	Year Ended December 31, 1989	Nine Months Ended September 30, 1990
(a) To remove historical overhead charged to PacTel Midwest that will not be charged to the joint venture .....	<u>\$(2,448,000)</u>	<u>\$(3,071,000)</u>
(b) To adjust depreciation expense for the adoption of uniform estimated useful lives for similar assets .....	<u>\$(3,400,000)</u>	<u>\$(2,846,000)</u>

No adjustment has been made to the pro forma financial statements of the Joint Venture to reflect the possibility that PacTel Midwest will contribute less than all of its existing ownership interest in Muskegon, since the effect of any such adjustment is not material.