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Enventis Corp
Form 10-Q
July 30, 2014
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 30, 2014

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 0-13721

ENVENTIS CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota 41-1524393
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

221 East Hickory Street
Mankato, Minnesota 56002-3248
(Address of principal executive offices and zip code)

(800) 326-5789
(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 by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definition of "large accelerated filer, accelerated filer, and smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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

The total number of shares of the Registrant's common stock outstanding as of July 25, 2014: 13,665,701.

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Part I Financial Information

Item 1. Financial Statements

ENVENTIS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
(Dollars in thousands, except share and per share amounts)	2014	2013	2014	2013
Operating revenue:				
Services	\$35,671	\$34,231	\$69,884	\$67,636
Equipment	14,052	12,910	24,079	28,274
Total operating revenue	49,723	47,141	93,963	95,910
Costs and expenses:				
Cost of sales, excluding depreciation and amortization	12,357	10,860	20,901	24,082
Cost of services, excluding depreciation and amortization	17,335	16,971	33,995	33,570
Selling, general and administrative expenses	8,327	7,047	15,290	14,496
Asset impairment	-	5	-	638
Depreciation and amortization	7,510	7,252	15,090	14,261
Total costs and expenses	45,529	42,135	85,276	87,047
Operating income	4,194	5,006	8,687	8,863
Other income (expense):				
Interest and other income	8	13	8	15
Interest expense	(991)	(1,131)	(1,970)	(2,270)
Total other expense	(983)	(1,118)	(1,962)	(2,255)
Income before income taxes	3,211	3,888	6,725	6,608
Income tax provision	1,300	1,567	2,741	2,661
Net income	\$1,911	\$2,321	\$3,984	\$3,947
Basic earnings per share	\$0.14	\$0.17	\$0.29	\$0.29
Weighted average common shares outstanding	13,641,564	13,531,007	13,619,055	13,543,690
Diluted earnings per share	\$0.14	\$0.17	\$0.29	\$0.29
Weighted average common and equivalent shares outstanding	13,696,119	13,576,967	13,679,378	13,584,749
Dividends per share	\$0.15	\$0.145	\$0.30	\$0.29

The accompanying notes are an integral part of the consolidated financial statements.

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ENVENTIS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three		Six Months	
	Months		Ended	
	Ended		June 30	
	June 30		June 30	
(Dollars in thousands)	2014	2013	2014	2013

Net income