

BOINGO WIRELESS INC  
Form 10-Q  
May 12, 2014  
[Table of Contents](#)

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 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: 001-35155

**BOINGO WIRELESS, INC.**

(Exact name of registrant as specified in its charter)

Edgar Filing: BOINGO WIRELESS INC - Form 10-Q

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**95-4856877**  
(I.R.S. Employer  
Identification No.)

**10960 Wilshire Blvd., Suite 800**  
**Los Angeles, California**  
(Address of principal executive offices)

**90024**  
(Zip Code)

**(310) 586-5180**

(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 definitions 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   
(Do not check if a smaller reporting company)

Smaller Reporting Company

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

As of May 1, 2014, there were 35,541,457 shares of the registrant's common stock outstanding.

Table of Contents

**TABLE OF CONTENTS**

	<b>Page</b>
<b><u>PART I FINANCIAL INFORMATION</u></b>	
<u>Item 1.</u>	<u>Financial Statements (unaudited)</u> 3
	<u>Condensed Consolidated Balance Sheets</u> 3
	<u>Condensed Consolidated Statements of Operations</u> 4
	<u>Condensed Consolidated Statement of Stockholders' Equity</u> 5
	<u>Condensed Consolidated Statements of Cash Flows</u> 6
	<u>Notes to the Condensed Consolidated Financial Statements</u> 7
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u> 17
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosure about Market Risk</u> 24
<u>Item 4.</u>	<u>Controls and Procedures</u> 25
<b><u>PART II OTHER INFORMATION</u></b>	
<u>Item 1.</u>	<u>Legal Proceedings</u> 25
<u>Item 1A.</u>	<u>Risk Factors</u> 25
<u>Item 6.</u>	<u>Exhibits</u> 25
<u>SIGNATURES</u>	26

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****Boingo Wireless, Inc.****Condensed Consolidated Balance Sheets****(Unaudited)****(In thousands, except per share amounts)**

	March 31, 2014	December 31, 2013
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 13,516	\$ 27,338
Restricted cash	545	545
Marketable securities	37,286	32,962
Accounts receivable, net	18,045	16,326
Prepaid expenses and other current assets	2,479	2,566
Deferred tax assets	1,192	1,192
Total current assets	73,063	80,929
Property and equipment, net	76,445	67,560
Goodwill	42,431	42,431
Intangible assets, net	22,483	23,413
Other assets	1,285	1,210
Total assets	\$ 215,707	\$ 215,543
<b>Liabilities and stockholders equity</b>		
Current liabilities:		
Accounts payable	\$ 8,748	\$ 11,642
Accrued expenses and other liabilities	\$ 17,909	16,908
Deferred revenue	22,303	19,292
Total current liabilities	\$ 48,960	47,842
Deferred revenue, net of current portion	26,258	21,591
Deferred tax liabilities	3,369	3,369
Other liabilities	\$ 1,372	2,133
Total liabilities	79,959	74,935
Commitments and contingencies (Note 9)		
Stockholders equity:		
Preferred stock, \$0.0001 par value; 5,000 shares authorized; no shares issued and outstanding		
Common stock, \$0.0001 par value; 100,000 shares authorized; 35,516 and 35,226 shares issued and outstanding at March 31, 2014 and December 31, 2013, respectively	4	4
Additional paid-in capital	183,988	182,927
Accumulated deficit	(48,636)	(43,188)

Edgar Filing: BOINGO WIRELESS INC - Form 10-Q

Total common stockholders' equity	135,356	139,743
Non-controlling interests	392	865
Total stockholders' equity	135,748	140,608
Total liabilities and stockholders' equity	\$ 215,707	\$ 215,543

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

Table of Contents**Boingo Wireless, Inc.****Condensed Consolidated Statements of Operations****(Unaudited)****(In thousands, except per share amounts)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2014</b>	<b>2013</b>
Revenue	\$ 26,452	\$ 23,134
Costs and operating expenses:		
Network access	12,925	9,670
Network operations	5,824	3,951
Development and technology	3,671	3,136
Selling and marketing	3,885	2,990
General and administrative	4,395	4,490
Amortization of intangible assets	925	399
Total costs and operating expenses	31,625	24,636
Loss from operations	(5,173)	(1,502)
Interest and other income, net	19	47
Loss before income taxes	(5,154)	(1,455)
Income tax expense (benefit)	148	(467)