

TELE CENTRO OESTE CELULAR PARTICIPACOES  
Form 6-K  
May 09, 2001

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO  
RULE 13A-16 OR 15D-16 OF THE SECURITIES EXCHANGE  
ACT OF 1934

FOR THE MONTH OF MAY 2001

(Commission File No. 001-14489)

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A.  
(Exact name of registrant as specified in its charter)

TELE CENTRO OESTE CELLULAR HOLDING COMPANY  
(Translation of registrant's name in English)

SCS-QUADRA 2, BLOCO C, EDIFICIO ANEXO-TELEBRASILIA CELULAR  
-7 ANDAR, BRASILIA, D.F.  
FEDERATIVE REPUBLIC OF BRAZIL  
(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file  
annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F  Form 40-F  
--- ---

(Indicate by check mark whether the registrant by  
furnishing the information contained in this form  
is also thereby furnishing the information to the  
Commission pursuant to Rule 12g3-2(b) under the  
Securities Exchange Act of 1934.)

Yes                      No   
---                      ---

TCOC3: R\$ 7.46/1,000 shares  
TCOC4: R\$ 6.05/1,000 shares  
TRO: US\$ 8.15/ADR (1 ADR = 3,000 shares)

INVESTOR RELATIONS DEPARTMENT:  
ARTHUR FONSECA - ARTHUR.FONSECA@TCO.NET.BR  
FLAVIA MENEZES - FLAVIA.MENEZES@TCO.NET.BR

WEB SITE  
HTTP://WWW.TCO.NET.BR

# Edgar Filing: TELE CENTRO OESTE CELULAR PARTICIPACOES - Form 6-K

## ANNOUNCES RESULTS FOR THE FIRST QUARTER OF 2001

### FIRST QUARTER HIGHLIGHTS

BRASILIA, MAY 09, 2001 - Tele Centro Oeste Celular Participacoes S.A. (NYSE: TRO; IBOVESPA: TCOC3/TCOC4) today discloses its results relative to the first quarter of 2001. In the first quarter of 2001, the company obtained a net consolidated profit of R\$ 34.9 million, and its earnings before interest, taxes, depreciation and amortization (EBITDA), was R\$ 101 million. It generated a Gross Operating Revenue of R\$ 346.5 billion and a Net Operating Revenue of R\$ 277.6 million, which represented a 43% growth over the previous year.

### 2 MILLION CLIENTS

In the month of May 2001 TCO is celebrating the mark of 2 million clients. In March 2001 TCO celebrated the mark of one million clients, and shortly afterwards it had increased its client base by 100%, which is clear evidence of the excellent administration of the company and proves its deep knowledge of the region where it operates. It also shows the level of investments made in the quality of services and coverage.

## OPERATING RESULTS

SUBSCRIBERS	1Q01	4Q00	3Q00	2Q00	1Q00
CONSOLIDATED	1,897,557	1,712,184	1,392,729	1,224,707	1,021,369
Post-paid	621,746	579,511	492,358	525,646	534,622
Pre-paid	1,259,101	1,115,962	883,664	682,360	470,055
Rural	16,710	16,711	16,707	16,701	16,692
AREA 7	1,598,530	1,455,502	1,212,137	1,094,766	939,176
Post-paid	519,734	493,934	446,093	487,229	508,584
Pre-paid	1,062,086	944,857	749,337	590,836	413,900
Rural	16,710	16,711	16,707	16,701	16,692
AREA 8	299,027	256,682	180,592	129,941	82,193
Post-paid	102,012	85,577	46,265	38,417	26,038
Pre-paid	197,015	171,105	134,327	91,524	56,155

### AREA 7 - CONTINUOUS GROWTH

Our Band A operators in Area 7 closed the quarter with more than 1.5 million clients, of which 34% is formed by clients of the post-paid system. The percentage of population covered by TCO in Area 7 reached 84% at the end of March, which is equivalent to more than 12 million inhabitants in 256 locations. TCO's penetration rate reached 11% in the region at the end of the quarter, which represents an increase of 66% compared to

Edgar Filing: TELE CENTRO OESTE CELULAR PARTICIPACOES - Form 6-K

the same period of the previous year.

AREA 8 -  
SUCCESS IN SALES

NBT is the company operating Band B in Area 8, and closed the quarter with more than 299 thousand subscribers, of which 34% were from post-paid clients. The penetration rate obtained by NBT went up by 235% compared to the first quarter of 2000, reaching 2% in the present quarter. In addition, NBT covers 56 locations, which corresponds to approximately 50% of the population in Area 8.

ENCOURAGING  
THE POST-PAID  
SERVICE

TCO recently launched new products aiming at expanding the use of the post-paid service. The SOLTE A VOZ ["SPEAK UP"] is an exclusive reward program offered to TCO clients who use post-paid cellular services. The services referring to calls paid through their bills are converted into minutes of free cellular-phone conversation. Also in 2000, TCO launched the LIGUE+ ["CALL+"], a program which offers a 25% discount on the calls originated by the client to a pre-established set of numbers, conditional on their being subscribers of TCO.

"ESSENCIAL" -  
AN ALTERNATIVE  
SERVICE PLAN

Late in the third quarter of 2000, TCO launched the alternative service plan called ESSENCIAL ["ESSENTIAL"], aiming at attracting clients with a profile for the post-paid service. The program offers four plans with services that have minute-based deductibles VC1 and VC2, for calls to any cellular or fixed line within the TCO region. The monthly fee is charged according to the number of minutes contracted as deductible:

ESSENCIAL 50 MINUTES : R\$ 39.00  
ESSENCIAL 100 MINUTES : R\$ 59.00  
ESSENCIAL 150 MINUTES : R\$ 69.00  
ESSENCIAL 300 MINUTES : R\$ 109.00

AREA 7 - OPERATING DATA	1Q01	4Q00
Estimated market participation (%)	79.0	78.4
Estimated population (Millions)	14.3	14.3
Estimated penetration - TCO (%)	11.1	10.1
Access digitization (%)	92.2	90.3
Municipalities attended	256	253
Workforce	2,213	1,834
Employed	1,148	1,082
Interns and outsourced	1,065	752
AREA 8 - OPERATING DATA	1Q01	4Q00
Estimated market participation (%)	27.0	25.3
Estimated population (Millions)	14.8	14.9
Estimated penetration - NBT (%)	2.0	1.7
Access digitization (%)	100	100

Edgar Filing: TELE CENTRO OESTE CELULAR PARTICIPACOES - Form 6-K

Municipalities attended	56	56
Workforce	636	563
Employed	252	245
Interns and outsourced	384	318

WAP  
 On January 10, 2001, TCO activated the WAP service, which is currently offered in the cities of BRASILIA, GOIANIA, CAMPO GRANDE, BELEM, MANAUS and SAO LUIS. TCO markets two types of handsets equipped with the WAP technology: the NOKIA 7160 and the GRADIENTE G-WAP, for R\$ 799.00 for post-paid and R\$990.00 for pre-paid service. No monthly subscription is charged, but the value equivalent to the VC1 rate per minute of usage is. The services offered by the WAP portal include movies and theater shows, celebrations and concerts, tourism, restaurants, hotels, convenient telephone numbers, news, bank services, message delivery, customized message cards, games, professions, careers and others. Between October 2000 and April 2001, TCO invested approximately R\$ 20 million the WAP system.

SMS  
 E-CELULAR is the SHORT MESSAGE SERVICE offered by TCO, which currently has more than 230 thousand registered subscribers, of which 182 thousand are in Area 7 and 48 thousand in Area 8. Approximately 600 thousand messages are sent daily, 470 thousand by clients in Area 7 and 130 thousand by clients in Area 8. Currently TCO does not charge for this service.

NETWORK STRUCTURE  
 At the end of March 2001, TCO had 607 Radio Base Stations (ERB) in Area 7 and 13 Switching Equipment. In Area 8, NBT has now 116 Radio Base Stations (ERB) and 9 Switching Equipment.

TRADE  
 At the end of the first quarter of 2001, TCO had 35 proprietary stores, 1,088 accredited retailers of handsets and more than 9 thousand direct and indirect retailers of cards in Area 7. In Area 8, TCO runs a trade structure through NBT which has 13 proprietary stores, 204 accredited retailers of handsets and more than 2.4 thousand direct and indirect retailers of cards.

ECONOMIC AND FINANCIAL RESULTS

	R\$ Thousand		
CONSOLIDATED RESULT - ACCUMULATED	1Q01	1Q00	VARIATIO
Gross Operating Revenue	346,539	243,418	
Net Operating Revenue	277,607	193,696	
Operating Profit	58,743	41,550	
Net Profit in the Period	34,902	26,738	
EBITDA	101,087	70,641	

Edgar Filing: TELE CENTRO OESTE CELULAR PARTICIPACOES - Form 6-K

EBITDA Margin  
Indebtedness

36.4%

36.5%