



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** June 11, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *ALM*  
**RE:** Docket No. 960563-TI, Ameritech Communications International, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

- (3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest and
- (4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets

Regarding the showing of financial capability, the Finance staff has analyzed the audited financial statements of Ameritech Corporation, the parent company of Ameritech Communications International, Inc. The company has somewhat low liquidity but it has adequate ownership equity and profitability. The company has an implied AA+ bond rating by Standard and Poor's.

For certification purposes, the application appears adequate.

cc: Division of Legal Services  
Division of Records and Reporting

DOCKET NO. 960563-TI -  
AMERITECH CORPORATION, PARENT OF  
AMERITECH COMMUNICATIONS INTERNATIONAL, INC.  
INTEREXCHANGE CERTIFICATE  
FINANCIAL ANALYSIS

FROM AUDITED 1995 FINANCIAL STATEMENTS OF  
AMERITECH CORPORATION

DOLLARS IN MILLIONS

TWELVE MONTHS  
ENDING  
12/31/95

CURRENT ASSETS	3,452
CURRENT LIABILITIES	5,761
CURRENT RATIO	0.60
CASH	131
COMMON EQUITY	7,014
TOTAL DEBT	6,650
TOTAL INVESTOR CAPITAL	13,664
COMMON EQUITY RATIO	51%
NET INCOME	2,007
RETURN ON EQUITY	29%