

TELE CENTRO OESTE CELULAR PARTICIPACOES

Form 6-K

November 13, 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 NOVEMBER 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 _____

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

TCOC3: R\$ 8,80/1,000 shares
TCOC4: R\$ 5,20/1,000 shares
TRO: US\$ 5,91/ADR (1 ADR = 3,000 shares)

INVESTOR RELATIONS:

ARTHUR FONSECA -
ARTHUR.FONSECA@TCO.NET.BR
FLAVIA MENEZES -
FLAVIA.MENEZES@TCO.NET.BR

WEB SITE
[HTTP://WWW.TCO.NET.BR](http://www.tco.net.br)

ANNOUNCES RESULTS FOR THE THIRD QUARTER OF 2001

RESULTS OF THE
3RD QUARTER,
2001

BRASILIA, November 13, 2001 - Tele Centro Oeste Celular (NYSE: TRO; BOVESPA: TCOC3/TCOC4) today discloses its results relative to the third quarter of 2001. In the third quarter of 2001 the company obtained a net consolidated profit of R\$ 56.9 million, and its earnings before interest, taxes, depreciation and amortization (EBITDA), totaled R\$ 136.6 million. The 57.6% increase observed in the Company's client base against the third quarter of last year resulted in a Gross Operating Revenue of R\$ 406.5 million and a Net Operating Revenue of R\$ 323.1 million, which corresponds to a growth of 41.2% over the same period of last year.

ELEVATION OF
MARGINS
BASED ON THE
REDUCTION OF
SUBSIDIES

In the third quarter of 2001 TCO's consolidated EBITDA margin was 42.3%, against 35.4% registered in the previous quarter. An important factor in determining this margin was the increase observed in the quarter's Net Service Revenue generated by campaigns aiming at the expansion of cellular service usage. The campaigns also focused on improving client loyalty, mainly by encouraging the celebration of new contracts based on minutes deductibles. One other important factor contributing to the elevation of the EBITDA margin was the recently-implemented cost-reduction policy, effective as of July, 2001. The emphasis placed on the reduction of subsidies allowed the Cost of Sales to decrease by 13% compared to the previous quarter.

MANAGEMENT
EFFICIENCY

Splice has been positioning TCO as one of the most efficient companies among cellular telecommunications companies in Brazil. Results have been extremely positive quarter after quarter, mostly on account of strategic decisions leading to the acquisition of a concession to operate Band B in the North region of Brazil and in the northeastern state of Maranhao. One consequence of this acquisition was the creation of NBT, which has been producing increasing and continual success. Having operated for less than two years, NBT has exceeded all

expectations and has presented results significantly above the average obtained by other Band B companies, including those operating with a positive EBITDA. In the last few years, TCO has cancelled the registrations of four of its operating companies. As a consequence, TCO bought back the shares of those companies. The cancellation of the registration under which Telegoias Celular S.A. operated was recently approved. The closing of the capital of these companies will certainly benefit TCO's shareholders in the long run. The process of buying back shares issued by TCO was conceived as an attempt to reduce the volatility of the Company's stock, thus benefiting all minority shareholders. In addition, it is important to mention that TCO has been maintaining a comfortable cash position, which has allowed strategic investments to be made.

A
PARTICIPATING
'CITIZEN'

TCO has a significant role in social, cultural and sports activities in Brazil. Since 1999, the Company has acted as a strategic collaborator to educational projects carried out by the AYRTON SENNA INSTITUTE [Instituto Ayrton Senna], benefiting over 100 thousand children and teenagers and 2,640 educators in 256 different cities throughout Brazil. This collaboration has granted the Company the TOP SOCIAL ADVB prize in 2001, awarded by the BRAZILIAN SALES AND MARKETING MANAGERS ASSOCIATION [Associacao dos Dirigentes de Vendas e Marketing do Brasil], and the OUTSTANDING MARKETING PERFORMANCE IN 2001 PRIZE [Premio Destaque no Marketing], awarded by the BRAZILIAN MARKETING & BUSINESS ASSOCIATION [Associacao Brasileira de Marketing & Negocios]. Another major project maintained by TCO offers support to cancer-research institutions. With the same objective, TCO has partnered with Mc. Donald's to co-sponsor the MC. HAPPY-DAY CAMPAIGN [Mc. Dia Feliz]. Concerned about preserving the local identity of the region where it operates, TCO has been supporting projects that contribute to cultural activities and local tourism. The funding provided by TCO has allowed the organization of presentations by different groups of Brazilian artists. This has provided the public with opportunities to be in closer contact with their own values and cultural reality. Since the SYMPATHY TOUCH PROGRAM [Toque de Solidariedade] was implemented in the year 2000, TCO has been encouraging collaborators to volunteer for activities that are supportive of unprivileged communities and social-assistance organizations, mainly those working with children and youngsters. Besides benefiting poor communities, this initiative has succeeded in improving volunteers' awareness of social problems.

OPERATING PERFORMANCE

INCREASE IN
CLIENT BASE

TOC consolidated the addition of 125,342 new subscribers to its client base in the third quarter of 2001. This represents an increase of 6.1% compared to the previous quarter.

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

CLIENTS	3Q01	2Q01	1Q01	4Q00
CONSOLIDATED	2,195,372	2,070,030	1,897,557	1,712,184
Post-paid	662,840	665,678	621,746	579,511
Pre-paid	1,515,804	1,387,631	1,259,101	1,115,962
Rural	16,728	16,721	16,710	16,711
AREA 7	1,827,087	1,728,202	1,598,530	1,455,502
Post-paid	554,929	551,304	519,734	493,934
Pre-paid	1,255,430	1,160,177	1,062,086	944,857
Rural	16,728	16,721	16,710	16,711
AREA 8	368,285	341,828	299,027	256,682
Post-paid	107,911	114,374	102,012	85,577
Pre-paid	260,374	227,454	197,015	171,105

THE COMPETITION

TCO has been successful in every single one of the strategies it has used to sustain not only its fine institutional reputation but also the quality of the services it provides and the efficiency of its services in both Area 7 and Area 8. Its market share in Area 7 is estimated at 78% and it is increasing also in Area 8, owing to some service-coverage advantages and to the transparence characteristic of its relationship with all clients. In the third quarter of 2001, the company operating Area 8 reached a market share of nearly 30%.

AREA 7 - OPERATING STATISTICS	UNIT	3Q01	2Q01	1Q01
Population covered	x 1,000	12,625	12,082	12,082
TCO Penetration	%	12.2	12.0	11.8
Cities attended	UNIT	266	259	259
Workforce	UNIT	2,415	2,376	2,288
Employees	UNIT	1,215	1,208	1,188
Outsourced parties and trainees	UNIT	1,200	1,168	1,100

AREA 8 - OPERATING STATISTICS	UNIT	3T01	2T01	1T01
Population covered	x 1000	8,347	7,511	7,347
NBT Penetration	%	2.3	2.3	2.3
Cities attended	UNIT	64	61	61
Workforce	UNIT	593	667	667
Employees	UNIT	265	260	260
Outsourced parties and trainees	UNIT	328	407	407

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

COMMERCIALIZATION At the end of the third quarter of 2001, TCO had 37 proprietary stores, 1,106 accredited dealers and 13 thousand direct and indirect retailers of cards in Area 7. In Area 8, TCO runs a trade structure through NBT which has 15 proprietary stores, 273 accredited dealers and 4 thousand direct and indirect retailers of cards.

NETWORK STRUCTURE TCO operates based on TDMA technology. At the end of the third quarter of 2001, 95% of the handsets in Area 7 operated on a digital basis. Since its implementation, NBT has operated with 100% digital technology.

AREA 7 - NETWORK STRUCTURE	UNIT	3Q01
Radio-Base Stations (ERB's)	UNIT	629
Switches (CCC's)	UNIT	13

AREA 8 - NETWORK STRUCTURE	UNIT	3Q01
Radio-Base Stations (ERB's)	UNIT	133
Switches (CCC's)	UNIT	10

WAP SERVICES WAP services are currently offered in the main cities where TCO has operations. For both the pre-paid and the post-paid services, the Company commercializes two types of handsets equipped with WAP technology: the Nokia 7160, the Nokia 3320, the Gradiente G-WAP and the Gradiente Freedom. No monthly subscription is charged; instead, users pay the value equivalent to the VC1 rate, per minute of usage. The services offered by the WAP portal include an agenda for films, theater shows, parties and musical events, as well as tourist tips, restaurant and hotel referrals, useful and convenient telephone numbers, news, banking services, message delivery, customized message cards, games, professions and careers, among others. TCO clients to the Basic Plan as well as clients opting for the plan known as ESSENCIAL are eligible to a given number of minutes offered every month as deductibles, against their use of WAP services provided by TCO. The number of minutes offered will vary from plan to plan. As a way to encourage increased use of WAP services, new clients receive 1,200 WAP minutes free of charge, which are divided into 12 batches of 100 minutes credited every 30 days.

SHORT- TCO offers two types of SHORT MESSAGE services: the

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

MESSAGE SERVICE-SMS

E-CELULAR and the E-EXPRESSO. The E-CELULAR delivers messages using TCO's web site and includes the delivery of news packages, bankstatements etc. and served a total of approximately 319 thousand registered subscribers at the end of the third quarter. Along this last quarter, 258 thousand clients in Area 7 and 61 thousand clients in Area 8 sent an average of 539 thousand messages daily. The number of daily messages averaged 448 thousand in Area 7 and 91 thousand in Area 8. The E-EXPRESSO consists in delivering messages using subscribers' handsets. TCO started to charge for this service only in August, 2001, at R\$0.13 value per message, net of taxes. Since then, approximately 5.9 million messages have been sent monthly using the E-EXPRESSO, which generated an average monthly net revenue of approximately R\$ 760 thousand.

O2

O2 is TCO's provider of Internet access. It started operations in early September 2001, aiming at offering the best connection service, as well as content and technology. Also, it intends to develop products and solutions for cellular telephone users, as well as for users of HANDHELDS and NOTEBOOKS. In addition, TCO is working on innovative solutions to widen the scope of services to include conveniences made possible by integrating the Internet with WAP services and the SMS.

FINANCIAL PERFORMANCE

CONSOLIDATED	3Q01	3Q00	CHANGE (%)	SEPT. 30/2001	SEPT.
Gross Operating Revenue	406,470	283,840	43.2	1,137,830	80
Net Operating Revenue	323,146	228,878	41.2	905,147	64
Operating Profit	56,873	42,872	32.7	143,231	10
Net Profit in the Period	136,624	93,841	45.6	345,430	25
Cost of sales	60,258	36,565	64.8	183,458	10
Depreciation	35,301	28,845	22.4	99,167	8
PDD / Write-offs	9,580	8,759	9.4	39,346	3
Financial revenues	46,883	21,320	119.9	142,679	5
Financial expenses	(53,459)	(17,144)	211.8	(176,617)	(5)
Investments	56,257	66,100	-14.9	134,122	15

OPERATING REVENUE

TCO's Net Operating Revenue obtained in the third quarter of 2001 rose by 41.2% compared to the previous quarter. The consolidated ARPU without handset sales in the third quarter of 2001 was R\$44. ARPU without handset sales in Area 8 was R\$41, while in Area 7 it was R\$ 45. Handset retail generated R\$ 54 million in gross revenues in the quarter.

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

OPERATING EXPENSES	While the total cost of sales reached R\$ 60 million in the quarter, the cost of client-acquisition (SAC) was R\$147 in the third quarter of 2001, 12% below the value registered in the second quarter. This reduction is due to the reduction in marketing, advertising and subsidies expenses.
EBITDA	The EBITDA obtained in the quarter was R\$ 136 million, which clearly demonstrates the Company's capability to generate cash by means of its own operating assets.
DEPRECIATION	Expenses with depreciation and amortization mount up to R\$ 99 million, of which R\$ 35 million were incurred in the third quarter of 2001. Depreciation is calculated based on the linear method and takes into consideration the useful life of goods.
ALLOWANCE FOR DOUBTFUL DEBTORS	Allowances for doubtful debtors / write-offs totaled 39 million, equivalent to 4.3% of the net operating revenue. Allowances for doubtful debtors / write-offs reached R\$ 9.6 million in the third quarter. Such provisions aim at covering credits regarded as unlikely to be recovered by the Company. The methodology considers provisions for 100% of the credit over due for over 90 days. In addition, the percentage ratio obtained from the write-offs' historical series is applied to unbilled credits, to credits coming due and to credits over due for up to 90 days, on the respective gross revenues of the last 12 months.
INVESTMENTS	During the third quarter of 2001, TCO's investments in Property, Plant & Equipment totaled R\$ 56 million in Areas 7 and 8, mainly in projects related with the expansion of the wireless cellular telephoning network, with the modernization of telecommunication services and with the development of proprietary transmission routes. On September 30, 2001, the accumulated investment in the year was R\$ 134 million. The amount of investments estimated for the year 2001 amount to approximately R\$ 250 million, including TCO's own resources and resources on loan, to be used in network expansion, to modernize services and to develop proprietary transmission routes.
INDEBTEDNESS	There was a 28.5% reduction in TCO's Gross indebtedness in the third quarter of 2001. On September 30, 2001, TCO's total debt was R\$ 398.6 million, against R\$ 512.4 million registered in the previous quarter. Eighty-three percent of this debt is denominated in American Dollars, of which 82% is hedged. Only the loans obtained from the EXPORT DEVELOPMENT CORPORATION (EDC) and the resources obtained based on RESOLUTION 2770 are not hedged. Their due-dates are concentrated on the long-run. This indebtedness is partially compensated by the availabilities and securities, which provides for a negative net debt of R\$ 93 million.
SHARE PERFORMANCE	TCO obtained the best performance in the last year among all Latin-American companies in the telecommunications sector which have ADRs negotiated in the New York Stock Exchange. According to Morgan Stanley - Wireless

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

Connection October, TCO obtained the 7th best performance in ADR price among telecommunications companies. The increase in the price of TCO's ADRs was due mainly to the excellent operating and economic/financial results the company has been able to attain.

** FINANCIAL STATEMENTS TO FOLLOW **

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A.
BALANCE SHEETS
September 30, 2001 and June 30, 2001
(In thousands of Brazilian Reais)

	CONSOLIDATED	
	09/30/2001	06/30/2001
ASSETS		
CURRENT ASSETS	878.310	941.558
Cash and cash equivalents	41.100	20.927
Short-term investments	169.583	439.805
Marketable securities	281.268	134.365
Accounts receivable from services	161.203	153.073
Inventories	34.985	35.612
Deferred and recoverable taxes	127.749	119.026
Interest on own shareholders' equity	-	-
Other assets	62.422	38.750
NONCURRENT ASSETS	53.297	58.779
Deferred and recoverable taxes	49.375	54.858
Loans to related parties	-	-
Other assets	3.922	3.921
PERMANENT ASSETS	914.476	892.186
Investments	5.528	5.699
Property, plant and equipment	871.749	848.559
Deferred charges	37.199	37.928
TOTAL ASSETS	1.846.083	1.892.523

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A.
BALANCE SHEETS

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

September 30, 2001 and June 30, 2001
(In thousands of Brazilian Reais)

	CONSOLIDATED	
	09/30/2001	06/30/2001
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES	559.049	704.902
Personnel, social charges and benefits payable	9.659	9.748
Trade accounts payable	109.325	124.684
Indirect taxes	65.972	55.482
Income taxes	23.908	10.132
Income participation	34.475	33.331
Loans and financing	280.484	432.462
Concession Area 8	21.890	21.045
Other obligations	13.336	18.018
NONCURRENT LIABILITIES	190.862	148.479
Provision for contingencies	72.229	68.004
Trade accounts payable	548	548
Income taxes	-	-
Loans from related parties	-	-
Loans and financing	118.085	79.927
PARTICIPATION OF MINORITY SHAREHOLDERS	80.954	76.670
SHAREHOLDERS' EQUITY	1.015.087	962.346
Capital	505.000	319.618
Capital reserve	87.900	87.900
Income reserve	127.837	127.837
Retained earnings	294.350	426.991
CAPITALIZABLE FUNDS	131	126
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1.846.083	1.892.523

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A.
CONSOLIDATED FINANCIAL STATEMENT
(In thousands of Brazilian Reais)

CONSOLIDATED

1 TRIM 00 1 TRIM 01 2 TRIM 00 2 TRIM 01 3 TRIM 00

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

GROSS OPERATING REVENUE	243.418	346.539	274.814	384.821	283.840
Deductions from gross revenue	(49.722)	(68.932)	(57.308)	(80.427)	(54.962)
NET OPERATING REVENUE	193.696	277.607	217.506	304.394	228.878
Cost of services rendered and merchandise sold *	(73.677)	(104.265)	(77.748)	(122.115)	(87.525)
GROSS PROFIT	120.019	173.342	139.758	182.279	141.353
OPERATING REVENUES / EXPENSES					
Services commercialized *	(30.924)	(47.677)	(28.839)	(48.626)	(29.410)
General and administrative expenses *	(17.546)	(24.772)	(17.562)	(22.151)	(17.282)
Other net revenues / expenses *	(908)	194	(781)	(3.783)	(820)
PROFIT BEFORE DEPRECIATION AND FINANCIAL REVENUES / EXPENSES - EBITDA	70.641	101.087	92.576	107.719	93.841
Depreciation	(26.617)	(31.148)	(27.734)	(32.718)	(28.845)
PROFIT AFTER DEPRECIATION BEFORE FINANCIAL REVENUE AND EXPENSES - EBIT	44.024	69.939	64.842	75.001	64.996
Financial revenue / expenses	(2.474)	(11.197)	(5.821)	(16.165)	4.176
OPERATING PROFIT	41.550	58.742	59.021	58.836	69.172
Non-operating revenue / expense	1.211	(5.304)	(5.454)	(4.378)	(3.374)
PROFIT BEFORE TAXES, MINOR	42.761	53.438	53.567	54.458	65.798
Income tax and social contribution	(11.620)	(14.680)	(14.505)	(14.992)	(19.785)
Employee participation	(427)	(527)	(457)	(589)	(553)
Participation of minority shareholders	(3.976)	(3.329)	(5.554)	(4.675)	(4.456)
PROFIT BEFORE REVERSAL OF INTEREST ON OWNED CAPITAL	26.738	34.902	33.051	34.202	41.004
REVERSAL OF INTEREST ON OWNED CAPITAL	-	-	3.366	17.254	1.868
NET PROFIT IN THE PERIOD	26.738	34.902	36.417	51.456	42.872
EBITDA MARGIN	36,47%	36,41%	42,56%	35,39%	41,00%
EBIT MARGIN	22,73%	25,19%	29,81%	24,64%	28,40%

* without depreciation.

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A.
Explicative Notes
For the period ended September 30, 2001

1. COMPANY OPERATIONS

TELE CENTRO OESTE CELULAR PARTICIPACOES S.A. was constituted in accordance with Article 189 of Law No. 9472/97 (General Telecommunications Law) and Decree No. 2,546 of April 14, 1998, as a result of the spin-off of TELEBRAS. The general shareholders' meeting that approved the register/justification was held on May

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

22, 1998 and the respective appraisal report was issued on February 28, 1998.

The Company is a corporation directly controlled by BID S.A. (company controlled by Splice do Brasil S.A.) who acquired 53.80% of the voting capital and 18.36% of the total capital.

The Company controls the following companies: Telebrasil Celular S.A., Telegoias Celular S.A., Telemat Celular S.A., Telems Celular S.A., Teleron Celular S.A. and Teleacre Celular S.A. The subsidiaries are responsible for providing cellular telephone services - Band A throughout the Middle West region of the country including the States of Rondonia and Acre, according to the concession terms signed by the Federal Government, which should expire on August 5, 2008 but could be extended for another 15 years.

On May 24, 1999 the company Norte Brasil Telecom S.A. - NBT was constituted, as a private corporation, with 95% participation in the parent company. NBT's operating objective is to explore cellular services as well as all necessary and useful activities for delivering these services within Area 8 - Band B which comprises the States of Amazonas, Roraima, Amapa, Para and Maranhao.

Norte Brasil Telecom S.A. started its operating activities at the end of October 1999, serving 11 of the 97 cities comprising the respective service area. As the operating activities related to the services at December 31, 1999 were not significant, all expenses incurred as a result were considered as pre-operating expenses, which were amortized in proportion to the area served as of January 2000.

The services provided by the subsidiaries and respective charges are controlled by ANATEL (National Agency of Telecommunications), authority responsible for regulating telecommunications in Brazil in accordance with Law No. 9472 of July 16, 1997.

On November 21, 2000 TCO IP S.A. was constituted, a corporation holding 99.99% participation in the parent company (Tele Centro Oeste Celular). The latter has the objective of rendering telecommunication services according to classification established by ANATEL - National Agency of Telecommunications, as well as services of internet access, information systems in general, resale of computer and software equipment, computer and telecommunications training, internet marketing, home pages development and others.

Tele Centro Oeste Celular Participacoes S.A. has a 98.33% shareholding in Norte Brasil Telecom S.A., comprised of a direct shareholding of 31.67%, and an indirect shareholding of 66.66% through its subsidiary company Telebrasil Celular, which on June 21, 2001 acquired from Tele Centro Oeste Celular Participacoes S.A. 47,999,692 preferred shares of Norte Brasil Telecom S.A.

2. PRESENTATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the parent company and subsidiaries have been prepared in conformity with accounting practices established by the Brazilian Corporation Law and norms published by the C.V.M. (Brazilian equivalent of the Securities and Exchange Commission of the U.S.).

3. SUMMARY OF THE MAIN ACCOUNTING PRACTICES

a. SHORT-TERM INVESTMENTS

Refer to temporary investments of high liquidity falling due within less than

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

three months, stated at cost plus income earned to the balance sheet date.

b. CREDITS AND OBLIGATIONS

Credits and obligations are stated at their historical amounts. The amounts subject to monetary correction, foreign exchange rates and interest have been adjusted to the balance sheet date.

c. ALLOWANCE FOR DOUBTFUL ACCOUNTS

This allowance was constituted to cover accounts receivable unlikely to be collected. The methodology comprises the recording of a provision to cover 100% of accounts overdue more than 90 days. Additionally, for the accounts not yet billed, not yet due and overdue less than 90 days, the percentages historically obtained from write-offs are applied on the respective gross revenues computed within the last 12 months.

d. INVENTORIES

Stated at average acquisition cost not exceeding the respective replacement cost.

e. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at acquisition and/or construction cost, monetarily corrected to December 31, 1995 less accumulated depreciation.

The exploration right (Concession Area 8) of cellular services - Band B relating to the subsidiary Norte Brasil Telecom S.A. was stated at the respective acquisition cost and is being amortized according to the concession period.

The inventories of materials related to the plant expansion are stated at average acquisition cost.

Expenditures with repair and maintenance are capitalized when improvements are made (increase in the installation capacity or useful life). The remaining expenses are charged to the operating result on the accrual basis.

Depreciation is calculated by the straight-line method taking into consideration the useful life of the assets. The respective rates are described in Note 7.

f. DEFERRED CHARGES

The income and expenses incurred during the pre-operating period of the subsidiary Norte Brasil Telecom S.A. are charged to deferred charges.

Deferred charges were not subject to amortization in 1999 as the subsidiary Norte Brasil Telecom S.A. was in a pre-operating phase. These charges have been subjected to amortization since January 2000.

g. PROVISION FOR VACATION

The amounts related to employee vacations due were provided for in proportion to the respective acquisition period.

h. INCOME AND SOCIAL CONTRIBUTION TAXES

Income and social contribution taxes are recorded on the accrual basis, calculated according to current legislation. Deferred taxes are recorded over temporary differences, calculated based on rates applicable at the respective

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

realization or liquidation.

i. PROVISION FOR CONTINGENCIES

The provision for contingencies was recorded based on an analysis of the Company's lawyers regarding all existing legal actions.

j. RECORDING OF REVENUES AND EXPENSES

Revenues and expenses are charged to the period's operating results on the accrual basis. The revenues derived from sales of prepaid recharging cellular telephone cards are deferred and charged to the operating results as the cards are used.

k. FINANCIAL RESULT, NET

The net financial result is represented by interest and monetary correction on short-term investments and loans obtained as well as granted.

l. PENSION PLAN

Tele Centro Oeste Celular Participacoes S.A. and subsidiary companies sponsor the private pension plan TCO PREV, which is characterized as a "mixed" or "defined contribution plan" to grant schedulable benefits and as a "defined benefit" for the so-called "risk benefits", namely: disability compensation, disability and pension for death of active participant. The contributions to the plan are determined based on actuarial studies prepared and periodically reviewed by independent actuaries in accordance with regulations effective in Brazil.

m. EMPLOYEES' INCOME PARTICIPATION

Tele Centro Oeste Celular Participacoes S.A. and subsidiaries provide for employees' income participation based on Article 5 of Provisional Measure No. 980 of April 25, 1995 and subsequent publications.

The amount provided is equivalent to a monthly salary subject to approval at the Shareholders Meeting.

n. NET INCOME PER SHARE

Net income per share was calculated based on the number of shares in circulation at the balance sheet date.

4. CONSOLIDATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements were prepared in accordance with basic consolidation principles established by the Brazilian Corporation Law and norms of the C.V.M. (Brazilian equivalent of the Securities and Exchange Commission of the US).

We present below the main consolidation procedures:

Elimination of asset and liability account balances between the consolidated companies;

Elimination of capital participation, reserves and retained earnings of the consolidated companies;

Elimination of revenues and expenses derived from business transactions between the consolidated companies;

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

Highlighting the amounts of participation by minority shareholders in the financial statements.

The consolidated companies are as follows:

	CAPITAL PARTICIPATION (%)	
	9/30/2001	6/30/2001
Telebrasil Celular S.A.	88.26	88.26
Telegoias Celular S.A.	92.24	92.24
Telemat Celular S.A.	97.47	97.42
Telems Celular S.A.	98.39	98.29
Teleron Celular S.A.	97.04	97.02
Teleacre Celular S.A.	98.31	98.31
Norte Brasil Telecom S.A. - NBT	31.66	98.33
TCO IP S.A.	99.99	99.99

5. ACCOUNTS RECEIVABLE FROM SERVICES

	CONSOLIDATED	
	9/30/2001	6/30/2001
Amounts invoiced	69,150	64,411
Amounts to be invoiced	46,447	44,918
Network use rate	48,539	48,419
Sales - prepaid	26,817	29,110
Allowance for doubtful accounts	(41,962)	(41,629)
Others	12,212	7,844
Total	161,203	153,073

6. MARKETABLE SECURITIES

	INTEREST	MATURITY DATE	CONSOLIDATED	
			9/30/2001	6/30/2001
Commercial Paper - Splice do Brasil S.A.	Prefixed rate ranging from 24% to 25% p.a. with swap of 100% of Interbank Deposit			
	Certificate - CDI plus 1.5% p.a.	07/05/2002	281,268	13
			281,268	13

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

7. INVESTMENTS

	COMPANY		CONSOLIDATED	
	9/30/2001	6/30/2001	9/30/2001	6/30/2001
Participation stated by the equity method	1,114,720	1,055,943	-	-
Premium - Norte Brasil Telecom S.A.	5,337	5,508	5,337	5,508
Other investments	6	6	191	191
Total	1,120,063	1,061,457	5,528	5,699

COMPANIES	9/30/2001						
	SHAREHOLDERS' EQUITY	NET (LOSS) INCOME FOR THE PERIOD	VOTING CAPITAL	TOTAL CAPITAL	EQUITY PICK-UP	CAPITAL INCREASE AND INTEREST ON OWN CAPITAL	INVESTMENT
Telebrasil	430,709	22,134	91%	88%	19,535	2	383,090
Telegoias	312,420	18,580	91%	92%	17,138	(238)	289,535
Telemat	182,716	11,940	99%	97%	11,637	(3,180)	178,528
Telems	148,829	12,019	99%	98%	11,822	(1,790)	146,740
Teleron	42,315	3,258	98%	97%	3,162	(696)	41,187
Teleacre	23,555	2,104	100%	98%	2,068	(326)	23,195
NBT	161,043	(912)	95%	32%	(289)	-	50,998
TCO IP	1,452	(63)	100%	100%	(63)	(5)	1,447
Total	1,303,039	69,060			65,010	(6,233)	1,114,720

On June 21, 2001 Tele Centro Oeste Celular Participacoes S.A. sold to Telebrasil S.A. 47,999,692 preferred shares of Norte Brasil Telecom S.A., representing 66.66% of Norte Brasil Telecom S.A.'s total capital, for R\$ 2.26895 per share, corresponding to the book value of the shares of Norte Brasil Telecom S.A. at April 30, 2001.

The premium of R\$ 5,508 refers to the acquisition of 45% of the shares of Norte Brasil Telecom S.A. from Inepar S.A. on May 24, 1999 plus the capital contribution of May 25, 2001, which is being amortized over a period of 10 years.

8. PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED

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

	ANNUAL DEPRECIATION RATES (%)	COST	9/30/2001	
			ACCUMULATED DEPRECIATION	NET BOOK VALUE
Assets and service installations				
Switching equipment	10	214,319	(48,799)	165,520
Transmission equipment	14.29	635,694	(297,474)	338,220
Infrastructure				
Land	-	4,713	-	4,713
Buildings	4	32,868	(10,347)	22,521
Supporters and protectors	5	45,089	(8,197)	36,892
Energy equipment	10	62,810	(33,692)	29,118
Leasehold improvements	10	3,911	(1,243)	2,668
Computer equipment	20	28,572	(6,964)	21,608
Vehicles	20	1,679	(1,266)	413
Exploration right (concession)	3.33	60,550	(4,033)	56,517
Other assets	5 to 20	59,349	(14,424)	44,925
Assets and installations in progress	-	135,685	-	135,685
Construction material	-	12,949	-	12,949
Total		1,298,188	(426,439)	871,749

9. LOANS AND FINANCING

OPERATIONS	INTEREST AND RESTATEMENT	MATURITY DATE	PARENT COMPANY	
			9/30/2001	6/30/2001
LOCAL CURRENCY				
National Bank for Economic and Social Development - BNDES Commercial Paper	Long-term Interest Rate - TJLP plus interest ranging from 3.5 to 4% p.a.	1/16/2006 and 2/15/2006	-	-
Others	Depreciation of 19% p.a. on the subscription date with swap of 103.5% of CDI	7/11/2001	-	97,927
	Industrial Products - Column 20 - Getulio Vargas Foundation - FGV	2000 to 2008	-	-
FOREIGN CURRENCY				
Export Development Corporation - EDC	Exchange variation based on the U.S. dollar, increased by six-month Libor rate plus 3.90%, p.a.	11/22/2005	27,087	-
Prepayment	Exchange variation based on the U.S. dollar, increased by Libor interest rate ranging from 1.75% p.a to 1,90% p.a., plus performance bonus ranging from 1.20% to 1.30% p.a.;	7/12/2002 and 8/13/2002	42,290	34,130
Import Financing Rate - FINIMP	Exchange variation based on the U.S. dollar, increased by Libor interest rate plus 0.93% p.a. to Libor interest rate plus 2.47% p.a.	12/16/2001 to 7/25/2002	47,618	-
Capital Raising Based	Exchange variation based on the U.S.			

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

on Resolution No. 2770 dollar rate, plus interest rate of 1/07/2002 405
 9.30% p.a.

Total	117,400	132,057
Current	(95,024)	(132,057)
Non-current	22,376	-

The amounts falling due on a long-term basis are as follows:

CONSOLIDATED		
DUE DATE	9/30/2001	6/30/2001
2003	39,115	26,387
2004	39,115	26,387
2005	39,116	26,387
2006	261	271
2007	261	271
2008	217	224
Total	118,085	79,927

The Company obtains loans in the financial market and transfers these amounts to related parties through debt assumption operations in order to reduce the loan total costs.

On May 17, 2001 TCO IP, controlled by Tele Centro Oeste Celular Participacoes S.A., obtained funds in the international market through an operation known as Exports Prepayment, with performance purchase. The operation amount was US\$ 90,000. The charges on this operation corresponded to 1.75% over Libor, plus annual interest of 1.20% for performance purchase charge.

On July 11, 2001, TCO IP, controlled by Tele Centro Oeste Celular Participacoes S.A., obtained funds in the international market in an operation called Export Prepayment with performance purchase. The amount of the transaction was US\$ 20 million. The financial charges of the transaction are 1.9% over Libor plus 1.3% per year as performance charge.

10. NET OPERATING REVENUE FROM TELECOMMUNICATION SERVICES

CONSOLIDATED		
	9/30/2001	9/30/2000
Subscription	95,807	145,304
Use	387,956	248,898
Use of network	386,175	225,804
Additional services	5,416	7,007
Resale of cellular equipment	157,002	118,954
Resale of cards	105,327	54,375

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

Others	147	1,730
Gross operating revenue	1,137,830	802,072
Gross revenue deductions	(232,683)	(161,992)
Net operating revenue	905,147	640,080

11. PROVISION FOR CONTINGENCIES

	COMPANY		CONSOLIDATED	
	9/30/2001	6/30/2001	9/30/2001	6/30/2001
Tax	8,295	6,750	12,133	10,405
Labor	-	-	364	364
Others (a)	59,732	57,052	59,732	57,235
Total	68,027	63,802	72,229	63,804

Basically refers to original loans from Telecomunicacoes Brasileira S.A. - TELEBRAS, which according to Attachment II of the Spin-Off Report of February 28, 1998, approved by the Shareholders Meeting of May 1998, should be charged to the respective holding company controlled by Telegoias Celular S.A. and Telebrasil Celular S.A.

Local management, based on the understanding that the respective loans were wrongly allocated at the time of the spin-off, suspended the payment flow subsequent to the changes in the Company's controls. These loans are being indexed by the IGP-M (Market General Price Index) plus 6% annual interest.

In June 1999, Tele Centro Oeste Celular Participacoes S.A. (parent company) filed a legal action claiming that the assets related to these obligations - loans and financing - belong to the Company as well as the respective accessories, plus compensation for the installments paid.

In November 1999, the Company's management decided to transfer to the actual holding company - Tele Centro Oeste Celular Participacoes S.A. the liability derived from the loan originally made by Telecomunicacoes Brasileiras S.A. - TELEBRAS and absorbed during the spin-off process.

The Company's lawyers believe that the chances of obtaining a favorable outcome are good.

12. CAPITAL

The authorized capital at September 30 and June 30, 2001 is represented by 700,000,000,000 shares.

The subscribed and paid-in capital at June 30, 2001 is R\$ 505,000 (R\$ 319,618 at June 30, 2001), represented by 366,463,334,000 shares distributed as follows (in thousands of shares):

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

	9/30/2001	6/30/2001
Common shares	126,433,337	126,433,337
Preferred shares	240,029,997	240,029,997
Total	366,463,334	366,463,334
Equity value per lot of thousand shares (in R\$)	2.769955	2.6402

The preferred shares of Tele Centro Oeste Celular Participacoes S.A do not have voting rights, priority of capital reimbursement and payment of noncumulative minimum dividends.

The Tele Centro Oeste Celular Participacoes S.A. Board of Directors, decided in a meeting held on June 22, 2001, for the acquisition at market value of up to 28,150,000,000 shares issued by this Company, distributed in 4,750,000,000 common shares and 23,400,000,000 preferred shares, representing up to 10% of common shares in circulation, for cancellation or holding in Treasury for subsequent alienation, without capital stock reduction

On August 2001, the General Shareholders' Meeting approved the Company's capital increase from R\$ 319,618 to R\$ 505,000 through capitalization of retained earnings of R\$ 185,382, without the issue of new shares.

13. MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES (FINANCIAL INSTRUMENTS)

At June 30, 2001, the Company and subsidiaries maintained operations that could be regarded as "Financial Instruments" according to instruction of CVM No. 235/95. However, none of these operations should result in significant effects regarding future gain or loss, considering market values and rates.

The main operations were:

Short-term investments - adjusted according to rates agreed with financial institutions, without expectation of losses to the Company.

Loans and financing - are linked to several indices and present varied interest rates, as mentioned in Note 8. Local management does not believe that future gains or losses will be generated by negotiations involving loans and financing.

These operations are carried out through definition of strategies, establishment of control systems, determination of position limits and assessment of risks involved.

THIS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS. STATEMENTS THAT ARE NOT STATEMENTS OF HISTORICAL FACT, INCLUDING STATEMENTS ABOUT THE BELIEFS AND EXPECTATIONS OF THE COMPANY'S MANAGEMENT, ARE FORWARD-LOOKING STATEMENTS. THE WORDS "ANTICIPATES," "BELIEVES," "ESTIMATES," "EXPECTS," "FORECASTS," "INTENDS," "PLANS," "PREDICTS," "PROJECTS" AND "TARGETS" AND SIMILAR WORDS ARE INTENDED TO IDENTIFY THESE STATEMENTS, WHICH NECESSARILY INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES. ACCORDINGLY, THE ACTUAL RESULTS OF OPERATIONS OF THE COMPANY MAY BE DIFFERENT FROM THE COMPANY'S CURRENT EXPECTATIONS, AND THE READER SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE, AND THE COMPANY DOES NOT

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

UNDERTAKE ANY OBLIGATION TO UPDATE THEM IN LIGHT OF NEW INFORMATION OR FUTURE DEVELOPMENTS.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Tele Centro Oeste Cellular Holding Company

Date: November 13, 2001

By: /S/ MARIO CESAR PEREIRA DE ARAUJO

Name: Mario Cesar Pereira de Araujo
Title: President