UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarter ended March 31, 1997

OR

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

Commission File Number 0-19551

Atlantic Tele-Network, Inc.
(exact name of issuer as specified in its charter)

Delaware	47-072886
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

Chase Financial Center
P.O. Box 1730
St. Croix, U.S. Virgin Islands 00821
(809) 777-8000

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 [X] No [ ]

As of March 31, 1997, the registrant had outstanding 12,272,500 shares of its common stock ($.01 par value).

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS
(Columnar Amounts in Thousands)

ASSETS	December 31, 1996	March 31, 1997 (Unaudited)
Current assets:		
Cash	$ 11,540	$ 12,465
Accounts receivable, net	63,660	60,117
Materials and supplies	9,658	9,391
Prepayments and other current assets	4,110	3,719
Total current assets	88,968	85,692
Fixed assets:		
Property, plant and equipment	328,895	333,301
Less accumulated depreciation	(117,031)	(121,428)
Franchise rights and cost in excess of underlying book value, less accumulated amortization of $11,170,000 and $11,520,000	40,132	39,782
Net fixed assets	251,996	251,655
Property costs recoverable from future revenues	22,905	22,391
Uncollected authorized rate increases	3,119	3,018
Other assets	15,846	16,469
	$ 382,834	$ 379,225

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31, 1996	March 31, 1997 (Unaudited)
Current liabilities:		
Notes payable	$ 17,153	$ 16,810
Accounts payable	25,021	20,661
Accrued taxes	2,457	2,079
Advance payments and deposits	2,701	2,865

Other current liabilities	8,231	6,792
Current portion of long-term debt	12,942	12,936
Total current liabilities	68,505	62,143
Deferred income taxes and tax credits	33,066	32,969
Long-term debt, excluding current portion	109,737	107,522
Pension and other long-term liabilities	6,702	6,578
Minority interest	15,033	15,340
Contingencies and commitments (Note D)		
Stockholders' equity:		
Preferred stock, par value $.01 per share; 10,000,000 shares authorized; none issued and outstanding	-	-
Common stock, par value $.01 per share; 20,000,000 shares authorized; 12,272,500 shares issued and outstanding	123	123
Paid-in capital	81,852	81,852
Retained earnings	67,816	72,698
Total stockholders' equity	149,791	154,673
	$ 382,834	$ 379,225

See notes to consolidated condensed financial statements.

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Columnar Amounts in Thousands, Except Per Share Data)

	(Unaudited) Three Months Ended March 31,	
	1996	1997
Telephone Operations:		
Revenues:		
Local exchange service	$ 6,311	$ 7,283
Access charges	3,364	4,192
International long-distance revenues	35,241	30,862
Universal Service Fund	2,802	3,591
Billing and other revenues	1,029	1,530
Directory advertising	649	487
Total revenues	49,396	47,945
Expenses:		
Plant specific operations	3,717	3,821
Plant nonspecific operations	4,923	6,443
Customer operations	1,594	1,614
Corporate operations	2,921	2,989
International long-distance expenses	22,305	20,254
Taxes other than income	916	894
Total expenses	36,376	36,015
Income from telephone operations	13,020	11,930
Other Operations:		
Revenues:		
Cellular services	1,638	1,149
Product sales and rentals	1,286	1,030
Total revenues	2,924	2,179
Expenses of other operations	2,074	1,860
Income from other operations	850	319
Non-operating Revenues and Expenses:		
Interest expense	(2,868)	(2,572)
Interest income	142	89
Other revenues and expenses	(4,442)	(1,668)
Non-operating revenues and expenses, net	(7,168)	(4,151)
Income before income taxes and minority interest	6,702	8,098
Income taxes	2,924	2,909
Income before minority interest	3,778	5,189
Minority interest	(592)	(307)
Net income	$ 3,186	$ 4,882
Net income per share	$ 0.26	$ 0.40
Weighted average shares outstanding	12,273	12,273

See notes to consolidated condensed financial statements.

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Columnar Amounts in Thousands)

	(Unaudited) Three Months Ended March 31,	
	1996	1997
Net cash flows provided by operating activities	$ 20,670	$ 8,570
Cash flows from investing activities:		
Capital expenditures	(12,207)	(5,081)
Net cash used in investing activities	(12,207)	(5,081)
Cash flows from financing activities:		
Repayment of long-term debt	(6,187)	(2,221)
Net borrowings (repayments) on notes	3,975	(343)
Net cash flows provided (used) by financing activities	(2,212)	(2,564)
Net increase in cash	6,251	925
Cash, Beginning of Period	18,822	11,540
Cash, End of Period	$ 25,073	$ 12,465
Supplemental cash flow information:		
Interest paid	$ 2,796	$ 2,606
Income taxes paid	$ $416	$ 2,219
Depreciation and Amortization Expense	$ $4,525	$ 6,003

See notes to consolidated condensed financial statements.

Atlantic Tele-Network, Inc. and Subsidiaries

Notes to Consolidated Condensed Financial Statements
Three Months Ended March 31, 1996 and 1997

(Columnar Amounts in Thousands)

A. GENERAL

SIGNIFICANT ACCOUNTING POLICIES

The consolidated balance sheet of Atlantic Tele-Network, Inc. and subsidiaries (the "Company") at December 31, 1996 has been taken from audited financial statements at that date. All other consolidated condensed financial statements contained herein have been prepared by the Company and are unaudited. The consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996.

The unaudited interim consolidated condensed financial statements furnished herein reflect all adjustments, which are, in the opinion of management, necessary to fairly present the financial results for the interim periods presented. The results for the three months ended March 31, 1996 and 1997 are not necessarily indicative of the operating results for the full year not yet completed.

B. PROPERTY COSTS RECOVERABLE FROM FUTURE REVENUES

On September 15, 1995, Hurricane Marilyn struck the Virgin Islands causing extensive damage to the outside telephone plant of Vitelco. None of the damage was covered by insurance. The historical cost of the facilities damaged or destroyed by Hurricane Marilyn was approximately $26.3 million with associated accumulated depreciation of approximately $9.1 million. These costs have been removed from the property accounts and along with certain excess maintenance costs and costs of removal of $7.1 million have been classified as property costs recoverable from future revenues because the Company anticipates that future revenue in an amount at least equal to the capitalized cost will result from inclusion of these costs in allowable costs for rate making purposes. Vitelco has received approval from the Federal Communications Commission to include the interstate portion of these costs in its rate base and amortize them over a five year period. Vitelco has applied to the Industrial Development Commission of the Virgin Islands for a 5-year exemption from 90% of Virgin Islands income taxes and 100% of Virgin Islands gross receipts and certain other taxes to assist in recovering the intrastate portion of the costs described above. This application is still pending before the IDC.

C. REGULATORY MATTERS

In October 1995, the Guyana Public Utilities Commission ("PUC") issued an order that rejected the request of GT&T for substantial increases in all telephone rates and temporarily reduced rates for outbound long-distance calls to certain countries. In most cases, the existing rates were already less than GT&T's payment obligations to foreign carriers. In January 1997, on an appeal by GT&T, the Guyana High Court voided the PUC's order in regard to rates and the rates were returned to the rates in existence in October 1995. The lost revenue was approximately $10 million for the period when the order was effective. Effective May 1, 1997, GT&T put into effect a surcharge on long distance rates designed to recover these lost revenues over a period of 18 months. The PUC has appealed the January 1997 decision of the Guyana High Court to the Guyana Court of Appeals, and in May 1997 the Consumer Advisory Bureau (a non-governmental group in Guyana) sought an injunction from the Guyana High Court restoring telephone rates to those imposed by the PUC in its October 1995 order. At the date of the report, the PUC's appeal and the Consumer Advisory Bureau's application are still pending.

In January 1997, the PUC ordered GT&T to cease paying advisory fees to the Company and to recover from the Company approximately $25 million of fees paid by GT&T to the Company since January 1991. GT&T has appealed the PUC's order to the Guyana High Court and obtained a stay of the PUC's order pending determination of that appeal.

At December 31, 1996, GT&T owed the Company approximately $23 million for advances made from time to time for working capital and capital expenditure needs of GT&T. GT&T's indebtedness to the Company was evidenced by a series of promissory notes. In March 1997, the PUC voided all of the promissory notes then outstanding for failure to comply with certain provisions of the PUC law. The PUC ordered that no payments be made on any of the outstanding notes, and that GT&T recover from ATN all amounts theretofore paid. The order also provided that the Commission would be willing to authorize the payment of any amounts properly proven to the satisfaction of the PUC to be due and payable from GT&T to ATN. GT&T has appealed the PUC's order to the Guyana High Court and obtained a stay of the PUC's order pending determination of that appeal.

In late April 1997, the PUC applied to the Guyana High Court for orders prohibiting GT&T from paying any monies to the Company on account of intercompany debt, advisory fees or otherwise pending the determination of GT&T's appeals from the January 1997 and March 1997 orders mentioned above. At the date of this report, the PUC's application is still pending.

D. CONTINGENCIES AND COMMITMENTS

The Company presently has no insurance coverage for its outside plant for damages caused by wind storms. The Company is exploring alternatives to enable it to insure this risk in whole or in part, but believes that such insurance for outside plant is currently not available at reasonable rates.

Upon the acquisition of GT&T in January 1991, GT&T entered into an agreement with the government of Guyana to expand significantly GT&T's existing facilities and telecommunications operations and to improve service within a three-year period pursuant to an expansion and service improvement plan (the "Plan"). The Plan was modified in certain respects and the date for completion of the Plan was extended to February 1995. The government has referred to the PUC the failure of GT&T to complete the Plan by February 1995. However, all proceedings by the PUC with respect to GT&T's obligations under its Expansion Plan were stayed by the Guyana High Court during GT&T's appeal to the Court from the PUC's October, 1995 order with regard to telephone rates discussed above. As a result of the High Court's decision in January 1997 on this appeal, the stay is no longer in effect. The PUC has scheduled a hearing on this matter for July 1997. Failure to timely fulfill the terms of the Plan could result in monetary penalties, cancellation of the License, or other action by the PUC or the government which could have a material adverse affect on the Company's business and prospects.

E. SPLIT-UP TRANSACTION

On January 29, 1997, the Company announced that its Board of Directors and its two principal stockholders had approved the terms of the split-up of the Company into two separate public companies. One, a new company, will contain all of the Company's Virgin Islands operations. The other will continue the Company's Guyana operations. As a condition to the transaction, the new company is required to raise in excess of $17.4 million which will be paid to the Company in repayment of certain intercompany indebtedness and will be used by the Company to redeem a portion of the stock held by one of the principal stockholders. The split-up is subject to the execution of definitive documentation, the receipt of certain regulatory approvals, including a ruling from the Internal Revenue Service that the distribution of shares of the new company will be tax free for federal income tax purposes to the Company and its stockholders under Section 355 of the Internal Revenue Code of 1986, as amended, and an opinion from an investment banking firm as to the fairness of the split-up from a financial point of view to the public stockholders of the Company.

Management Discussion and Analysis of Financial Conditions and Results of Operations

Introduction

The Company's revenues and income from continuing operations are derived principally from the operations of its telephone subsidiaries, Vitelco and GT&T. Vitelco derives most of its revenues from local telephone and long-distance access services. GT&T derives almost all of its revenues from international telephone services. Other operations in the Company's Consolidated Statements of Operations include: VitelCellular, which provides cellular telephone service in the U.S. Virgin Islands; and Vitelcom, which supplies customer premises equipment in the U.S. Virgin Islands.

The principal components of operating expenses for the Company's telephone operations are plant specific operations expenses, plant non-specific operations expenses, customer operations expenses, corporate operations expenses, long-distance expenses and taxes other than income taxes. These categories are consistent with FCC accounting practices. Plant specific operations expenses relate to support and maintenance of telephone plant and equipment and include vehicle expense, land and building expense, central office switching expense and cable and wire expense. Plant non-specific operations expenses consist of depreciation charges for telephone plant and equipment and expenses related to telephone plant and network administration, engineering, power, materials and supplies, provisioning and plant network testing. Customer operations expenses relate to marketing, providing operator services for call completion and directory assistance, and establishing and servicing customer accounts. Corporate operations expenses include Vitelco's and GT&T's expenses for executive management and administration, corporate planning, accounting and finance, external relations, personnel, labor relations, data processing, legal services, procurement and general insurance. International long-distance expenses consist principally of charges from international carriers for outbound international calls from Guyana and payments to audiotext providers from whom GT&T derives international audiotext traffic. Taxes other than income taxes include gross receipts taxes, property taxes, and other miscellaneous taxes.

RESULTS OF OPERATIONS

Three Months ended March 31, 1996 and 1997

Revenues from telephone operations for the period ended March 31, 1997 were $47.9 million as compared to $49.4 million for the corresponding period of the prior year, a decrease of $1.5 million (3%). Vitelco's telephone operations revenues increased $2.8 million (21%) for the three months ended March 31, 1997, principally as a result of the recovery from Hurricane Marilyn in September 1995 and an approximately $789,000 increase in Universal Service Fund revenues because of increased investment. At March 31, 1997 Vitelco had 60,397 lines in service compared to 45,940 at the corresponding date in the prior year. This revenue increase was more than offset by a decrease of $4.4 million from the corresponding period in the prior year in international long distance revenues at GT&T. Revenues from international inbound traffic decreased $5.8 million principally due to lower audiotext revenues, as a result of reduced traffic, a shift in traffic mix to lower rate countries, and chargebacks from certain foreign carriers. Offsetting this was an increase of $1.4 million in unprofitable international outbound revenues. In January 1997, the Guyana High Court voided a Guyana PUC order of October 1995 which had substantially reduced outbound rates in 1996, and permitted GT&T to restore its rates for outbound traffic to their pre-October 1995 level. Effective May 1997 GT&T instituted a surcharge on its outbound traffic to recover over 18 months approximately $10 million of revenues lost as a result of the PUC's improper October 1995 order. Both of these actions should have the affect of reducing the volume of unprofitable outbound traffic and increasing the volume of inbound international traffic to Guyana for the remainder of 1997.

Consolidated telephone operating expenses decreased $361,000 for the three months ended March 31, 1997. The decrease in expenses is principally due to a $2.1 million decrease in international outbound expenses as a result of lower audiotext traffic and associated expenses. This decrease was substantially offset by increased depreciation and plant specific expenses at Vitelco and GT&T due to increased plant in service.

Overall, income from telephone operations decreased $1.1 million (8%) for the three months ended March 31, 1997. The decrease occurred principally because of decreased audiotext traffic at GT&T. These revenue decreases at GT&T were partially offset by decreased international long distance expenses. Accordingly, GT&T's contribution to income from telephone operations decreased $2.7 million (31%) for the three months ended March 31, 1997. This was offset by an approximately $1.6 million increase in the contribution to income from telephone operations at Vitelco discussed above.

During 1996, audiotext traffic fluctuated between approximately 9 million and 11 million minutes per month. In the first quarter of 1997, it averaged 8.8 million minutes per month. Audiotext is a highly competitive business, and GT&T may experience significant increases or decreases in the volume of its audiotext traffic during the remainder of 1997. Profit margins from this traffic have decreased principally due to a shift in traffic mix to less profitable countries, reductions in some accounting rates, chargebacks from certain foreign carriers, and an increase in the value of the U.S. dollar against the SDR (Special Drawing Rights, which are based on exchange rates for U.S., German, British, French, and Japanese currencies) in which a substantial part of GT&T's audiotext revenues are denominated.

Income before income taxes and minority interest increased $1.4 million for the three months ended March 31, 1997. The significant factors which contributed to this change for the three months ended March 31, 1997 were:

(i) the $1.1 million decrease in income from telephone operations discussed above;

(ii) a $531,000 decrease in income from other operations as a result of decreased cellular operations;

(iii) a $243,000 decrease in net interest expense due to reduced debt;

(iv) a $2.8 million decrease in other revenues and expenses. This was principally due to a non-recurring charge of $2.8 million in the first three months of 1996 for the Company's obligation to reimburse its two Co-Chief Executive Officers for certain litigation expenses in connection with a management dispute settled in February 1996.

The Company's effective tax rate for the three months ended March 31, 1997 was 35.9% as compared to 43.6% for the corresponding period of the prior year. The decrease is due principally to the proportionally lower earnings of GT&T.

The minority interest in earnings consists primarily of the Guyana government's 20% interest in GT&T.

Regulatory Considerations

In October 1995, the Guyana Public Utilities Commission ("PUC") issued an order that rejected the request of GT&T for substantial increases in all telephone rates and temporarily reduced rates for outbound long-distance calls to certain countries. In most cases, the existing rates were already less than GT&T's payment obligations to foreign carriers. In January 1997, on an appeal by GT&T, the Guyana High Court voided the PUC's order in regard to rates and the rates were returned to the rates in existence in October 1995. The lost revenue was approximately $10 million for the period when the order was effective. Effective May 1, 1997, GT&T put into effect a surcharge on long distance rates designed to recover these lost revenues over a period of 18 months. The PUC has appealed the January 1997 decision of the Guyana High Court of Appeals, and in May 1997 the Consumer Advisory Bureau (a non governmental group in Guyana) sought an injunction from the Guyana High Court restoring telephone rates to those imposed by the PUC in its October 1995 order. At the date of this report, the PUC's appeal and the Consumer Advisory Bureau's application are still pending.

In January 1997, the PUC ordered GT&T to cease paying advisory fees to the Company and to recover from the Company approximately $25 million of fees paid by GT&T to the Company since January 1991. GT&T has appealed the PUC's order to the Guyana High Court and obtained a stay of the PUC's order pending determination of that appeal.

At December 31, 1996, GT&T owed the Company approximately $23 million for advances made from time to time for working capital and capital expenditure needs of GT&T. GT&T's indebtedness to the Company was evidenced by a series of promissory notes. In March 1997, the PUC voided all of the promissory notes then outstanding for failure to comply with certain provisions of the PUC law. The PUC ordered that no payments be made on any of the outstanding notes, and that GT&T recover from ATN all amounts theretofore paid. The order also provided that the Commission would be willing to authorize the payment of any amounts properly proven to the satisfaction of the PUC to be due and payable from GT&T to ATN. GT&T has appealed the PUC's order to the Guyana High Court and obtained a stay of the PUC's order pending determination of that appeal.

In late April 1997, the PUC applied to the Guyana High Court for orders prohibiting GT&T from paying any monies to the Company on account of intercompany debt, advisory fees or otherwise pending the determination of GT&T's appeals from the two orders mentioned above. At the date of this report, the PUC's application is still pending.

Upon the acquisition of GT&T in January 1991, GT&T entered into an agreement with the government of Guyana to expand significantly GT&T's existing facilities and telecommunications operations and to improve service within a three-year period pursuant to an expansion and service improvement plan (the "Plan"). The Plan was modified in certain respects and the date for completion of the Plan was extended to February 1995. The government has referred to the PUC the failure of GT&T to complete the Plan by February 1995. However, all proceedings by the PUC with respect to GT&T's obligations under its Expansion Plan were stayed by the Guyana High Court during GT&T's appeal to the Court from the PUC's October, 1995 order with regard to telephone rates discussed above. As a result of the High Court's decision in January 1997 on this appeal, the stay is no longer in effect. The PUC has scheduled a hearing on this matter for July 1997. Failure to timely fulfill the terms of the Plan could result in monetary penalties, cancellation of the License, or other action by the PUC or the government which could have a material adverse affect on the Company's business and prospects.

Liquidity and Capital Resources

The Company depends upon funds received from subsidiaries to meet its capital needs, including servicing existing debt and its ongoing program of seeking to acquire telecommunications licenses and businesses. The major sources of funds for the Company has been advisory fees received from GT&T and interest payments by GT&T and ATN-VI on intercompany debt. The PUC orders in January and March 1997 discussed above under "Regulatory Considerations" could have a material adverse impact on the Company's liquidity.

Other potential sources of funds to the Company are from repayment of loans to subsidiaries or dividends from GT&T or ATN - VI. However, the RTFC Loan limits the payment of dividends by ATN - VI unless ATN - VI meets certain financial ratios (which were not met at March 31, 1997). Consequently ATN - VI was restricted from paying dividends at that date. At March 31, 1997, the Company also holds a note of ATN - VI in the amount of approximately $23 million which may be repaid by ATN - VI in whole or in part without regard to the limit on the payment of dividends by ATN - VI.

ATN - VI's ability to service its debt is dependent on funds from its parent or its subsidiaries . The RUS loan and applicable RUS regulations restrict Vitelco's ability to pay dividends based upon certain net worth tests except for limited dividend payments authorized when specific security instrument criteria are unable to be met. Settlement agreements made in 1989 and 1991 with the U.S. Virgin Islands Public Service Commission (PSC) also contain certain restrictions on dividends by Vitelco which, in general, are more restrictive than those imposed by the RUS. Dividends by Vitelco are generally limited to 60% of its net income, although additional amounts are permitted to be paid for the sole purpose of servicing ATN-VI's debt to the RTFC. Under the above restrictions, at March 31, 1997, Vitelco's dividend paying capacity was approximately $1.0 million in excess of the amounts permitted for servicing ATN-VI debt.

The RTFC Loan and RUS Loan agreements also require, among other things, maintenance of minimum debt service and times interest earned coverage and restrictions on issuance of additional long-term debt. As of March 31, 1997, the Company was in compliance with all covenants contained in its long-term debt agreements.

At March 31, 1997, Vitelco had outstanding $5 million of borrowings under a $5 million line of credit with the RTFC expiring in March 2000, and an additional $6 million under a $15 million line of credit with the RTFC expiring in October 1997. These borrowings were incurred to finance part of the costs of repairing damage to Vitelco's telephone plant caused by Hurricane Marilyn in September 1995. Vitelco has also received approval from the RUS for $35.7 million of long-term financing, which may be used to repay Vitelco's outstanding line of credit borrowings from the RTFC. Borrowings under Vitelco's $5 million line of credit are required to be repaid within 12 months of the date of the borrowing, but may be repaid from the proceeds of borrowings under the $15 million line of credit. Borrowings under Vitelco's $15 million line of credit will mature on October 31, 1997, at which date, if long-term loan funds from RUS have not yet been made available to Vitelco, Vitelco will have the option of rolling the outstanding amount borrowed under that line of credit into a 15-year term loan from RTFC having terms substantially similar to those contained in Vitelco's existing long-term loan from RTFC.

GT&T is not subject to any contractual restrictions on payment of dividends. However, GT&T's own capital needs and debt service obligations have precluded GT&T from paying any significant funds to the Company other than the advisory fees and interest on intercompany debt mentioned above.

If and when the Company settles outstanding issues with the Guyana Government and the PUC with regard to GT&T's Expansion Plan and its rates for service, GT&T may require additional external financing to enable GT&T to further expand its telecommunications facilities. There can be no assurance that the Company will be able to obtain any such financing.

The Company's short term bank credit facility, under which the Company has $5.5 million of loans outstanding, expired on October 1, 1994. The bank has orally agreed to renew this facility until October 1, 1997 and to waive the prohibition on borrowing under the facility during the first thirty days of the renewal period.

The continued expansion of GT&T's network is dependent upon the ability of GT&T to purchase equipment with U.S. dollars. A portion of GT&T's taxes in Guyana may be payable in U.S. dollars or other hard currencies. The Company anticipates that GT&T's foreign currency earnings will enable GT&T to service its debt and pay its hard currency tax obligations. There are no Guyana legal restrictions on the conversion of Guyana's currency into U.S. dollars or on the expatriation of foreign currency from Guyana.

Impact of Devaluation and Inflation

Although the majority of GT&T's revenues and expenditures are transacted in U.S. dollars or other hard currencies, the results of operations nevertheless may be affected by changes in the value of the Guyana dollar. From February 1991 until early 1994, the Guyana dollar remained relatively stable at the rate of approximately 125 to the U.S. dollar. In 1994, however, the Guyana dollar has declined in value to the current rate of approximately 142 to the U.S. dollar, and it has remained relatively stable at approximately that rate since 1994.

The effect of inflation on the Company's financial results of telephone operations in the U.S. Virgin Islands has not been significant in recent years. The effect of inflation on the cost of providing telephone service in the U.S. Virgin Islands has generally been offset (without any increase in local subscribers' rates) by increased revenues resulting from growth in the number of subscribers and from regulatory cost recovery practices in determining access revenues.

Atlantic Tele-Network, Inc. and Subsidiaries

Part II- Other Information

Item 1. Legal Proceedings

Not applicable.

Item 2. Changes in Securities

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits and Reports on Form 8-K

Not applicable.

Signatures

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

Atlantic Tele-Network, Inc.

Date: May 14, 1997

/s/ Craig A. Knock

Craig A. Knock
Chief Financial Officer and Vice-President
signing both in his capacity as Vice-President on behalf of the Registrant and as Chief Financial Officer of the Registrant

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
ACCOMPANYING FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE
TO SUCH FINANCIAL STATEMENTS.
*** (COLUMNAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA) ***

3-MOS
DEC-31-1997
MAR-31-1997
12,465
0
60,117
0
9,391
85,692
373,083
121,428
379,225
62,143
107,522
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123
154,550
379,225
50,124
50,124
37,875
37,875
1,668
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2,572
8,098
2,909
4,882
0
0
0
4,882
.40
.40