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, 2000

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)

19 Estate Thomas/Havensight
P.O. Box 12030
St. Thomas, U.S. Virgin Islands 00801
(340) 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, 2000, the registrant had outstanding 4,942,124 shares of its common stock ($.01 par value).

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS

(Columnar Amounts in Thousands)

	December 31, 1999	March 31, 2000 (Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	$31,463	$35,396
Accounts receivable, net	20,512	16,075
Materials and supplies	4,853	5,130
Prepayments and other current assets	4,285	4,426
Total current assets	61,113	61,027
Fixed assets:		
Property, plant and equipment	66,739	70,317
Less accumulated depreciation	(10,288)	(12,554)
Total fixed assets, net	56,451	57,763
Uncollected surcharges, net of current portion	1,428	1,329
Investment in and advances to Bermuda Digital Communications, Ltd.	4,710	4,879
Other assets	7,746	9,358
Total assets	$131,448	$134,356

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable and accrued liabilities	$7,905	$8,187
Accrued taxes	7,823	9,477
Advance payments and deposits	1,353	1,452
Other current liabilities	4,651	4,205
Current portion of long-term debt	3,410	3,401
Total current liabilities	25,142	26,722
Deferred income taxes	3,032	3,552
Long-term debt, excluding current portion	7,969	7,113
Total liabilities	36,143	37,387
Minority interests	20,371	20,847
Contingencies and commitments (Notes 7 and 8)		
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; 5,151,424 shares issued and 4,659,000 and 4,942,124 outstanding, respectively	49	52
Treasury stock, at cost	(1,418)	(1,893)
Paid-in capital	54,263	55,652
Retained earnings	22,040	22,311
Total stockholders' equity	74,934	76,122
Total liabilities and stockholders' equity	$131,448	$134,356

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

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 1999 AND 2000
(Columnar Amounts in Thousands, except per share data)

	Three months ended March 31, 1999	Three months ended March 31, 2000 (Unaudited)
Telephone operations		
Revenues:		
Local exchange service revenues	$1,943	$2,541
International long-distance revenues	18,452	16,117
Other revenues	346	478
Total revenues	20,741	19,136
Operating expenses:		
International long-distance expenses	9,410	6,676
Telephone operating expenses	5,093	5,256
General and administrative expenses	1,365	1,128
Total operating expenses	15,868	13,060
Income from telephone operations	4,873	6,076
Other operations:		
Revenues of other operations	332	748
Expenses of other operations	460	916
Loss from other operations	(128)	(168)
Other income (expense):		
Interest expense	(480)	(435)
Interest income	550	627
Other income (expense), net	(105)	46
Other income (expense), net:	(35)	238
Income before income taxes and minority interests	4,710	6,146
Income taxes	2,418	3,024
Income before minority interests	2,292	3,122
Minority interests	(279)	(476)
Net income	$2,013	$2,646
Net income per share:		
Basic and diluted	$0.42	$0.56
Weighted average common stock outstanding:		
Basic and diluted	4,757	4,721

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

ATLANTIC TELE-NETWORK, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 1999, AND 2000
(Columnar Amounts in Thousands)

	Three months ended March 31, 1999	2000
	(Unaudited)	
Net cash flows provided by operating activities:	$3,913	$9,718
Cash flows from investing activities:		
Capital expenditures	(1,898)	(1,888)
Advances to Bermuda Digital Communications, Ltd.	(84)	(182)
Net cash flows used in investing activities	(1,982)	(2,070)
Cash flows from financing activities:		
Repayment of long-term debt	(877)	(865)
Purchase of common stock	(1,776)	(475)
Cash paid in conjunction with Acquisition of Antilles Wireless	-	(1,500)
Dividends declared on common stock	(699)	(875)
Net cash flows used in financing activities	(3,352)	(3,715)
Net change in cash and cash equivalents	(1,421)	3,933
Cash and cash equivalents, beginning of period	35,116	31,463
Cash and cash equivalents, end of period	$33,695	$35,396
Supplemental cash flow information:		
Interest paid	$366	$281
Income taxes paid	$1,079	$1,133
Supplemental non cash information:		
Depreciation and Amortization Expense	$1,333	$1,473
Issuance of common stock in conjunction with acquisition of Antilles Wireless	-	$3
Additional paid in capital realized with issuance of Common Stock	-	$1,389

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

Atlantic Tele-Network, Inc. and Subsidiaries

Notes to Consolidated Condensed
Financial Statements
Three Months Ended March 31, 1999 and 2000

1. ORGANIZATION AND BUSINESS OPERATIONS

Atlantic Tele-Network, Inc. (the "Company" or "ATN"), a Delaware corporation, is engaged principally through its 80%-owned subsidiary, Guyana Telephone & Telegraph Company, Limited ("GT&T"), in providing telecommunications services, including local telephone service, long-distance services, and cellular service in the Cooperative Republic of Guyana ("Guyana") and international telecommunications service to and from Guyana. The Company also owns the entire equity interest in Wireless World, LLC ("Wireless World") which holds MMDS and LMDS licenses for the U.S. Virgin Islands and is engaged in the U.S. Virgin Islands in the internet service provider, specialized mobile radio and paging businesses and the wireless cable television business. The Company also owns an 80% interest in Digicom S.A. ("Digicom"), a Haitian corporation principally engaged in dispatch radio, mobile telecommunications, and paging, and a 30% interest in Bermuda Digital Communications, Ltd. ("BDC"), a Bermuda corporation which operates under the name "Cellular One" and is the sole cellular and PCS competitor in Bermuda to the Bermuda Telephone Company. ATN provides management, technical, financial, regulatory, and marketing services for GT&T, Digicom, BDC, and Wireless World for a management fee equal to 6% of revenues.

2. BASIS OF PRESENTATION

The consolidated condensed balance sheet of ATN and susidiaries at December 31, 1999 has been taken from audited financial statements at that date. All of the other accompanying consolidated condensed financial statements are unaudited. These consolidated condensed financial statements have been prepared by the management of ATN in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, certain information and footnote disclosures usually found in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. In the opinion of the management of the Company, all adjustments (consisting only of normal recurring adjustments) considered necessary for fair presentation of the consolidated condensed financial statements have been included, and the accompanying condensed consolidated financial statements present fairly the financial position and the results of operations for the interim periods presented. The consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and related footnotes included in the Company's 1999 Annual Report on Form 10-K, as filed with the SEC.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. NET INCOME PER SHARE

In accordance with SFAS No. 128, "Earnings Per Share," basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding during the period and does not include any other potentially dilutive securities. Diluted net income per share gives effect to all potentially dilutive securities. There is no difference between basic net income per share and diluted net income per share for any period presented as the Company's only dilutive security, stock options, was antidilutive to the calculation as of March 31, 1999 and as of March 31, 2000.

5. NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board has issued SFAS No. 133 and SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities," which must be adopted by January 2001. These statements establish accounting and reporting standards for derivative instruments including certain derivative instruments embedded in other contracts and for hedging activities. SFAS No. 133 and SFAS No. 137 are not to be applied retroactively to financial statements of prior periods. The Company expects no material impact to its financial position upon adoption of SFAS No. 133 and SFAS No. 137.

6. ACQUISITIONS

In October 1999, Wireless World acquired the internet service provider business and certain other assets of VI Access from Ackley Caribbean Enterprises, Inc. for a purchase price of $875,000 in cash and 100,000 shares of ATN common stock and in March 2000, Wireless World acquired the specialized mobile radio and paging business of Ackley Caribbean Enterprises for $625,000 in cash. These acquisitions have been accounted for as purchases in accordance with APB Opinion No. 16. The purchase price allocation for these acquisitions is preliminary and further refinements are likely to be made based on the completion of final valuation studies. The excess of the cost over the estimated fair value of the net tangible assets acquired amounts to approximately $1.4 million and has been included in other assets in the accompanying consolidated condensed balance sheets and is being amortized on a straight-line basis over ten years.

Effective March 31, 2000, Wireless World acquired the assets and business of Antilles Wireless Cable T.V. Company ("Antilles Wireless") for a consideration of 242,424 shares of ATN common stock and $1.5 million in cash. Antilles Wireless held LMDS and MMDS licenses for the U.S. Virgin Islands and provided wireless cable T.V. services there. The entire equity interest in Antilles Wireless was owned by Cornelius B. Prior Jr., the chief executive officer and majority shareholder of the Company. In accordance with AICPA Interpretation No. 39 of Accounting Principle Bulletin 16, the assets and liabilities acquired from Antilles Wireless have been recorded at Antilles Wireless' cost similar to a pooling of interests transaction, and the cash portion of the consideration has been treated as analogous to a cash dividend. Operating results prior to March 31, 2000 are not material and have not been reflected in these financial statements.

7. REGULATORY MATTERS

GT&T is subject to regulation in Guyana under the provisions of its License and under the Guyana Public Utilities Commission Act of 1999 ("PUC law") and the Guyana Telecommunications Act of 1990 ("Telecommunications Law"). GT&T also has certain significant rights and obligations under the agreement pursuant to which the Company acquired its interest in GT&T in 1991.

Since December 31, 1997, GT&T has had pending before the PUC an application for a significant increase in rates for local and outbound international long-distance service so as to enable GT&T to earn a 15% return on its rate base.

In January 1999, after the chairman of the PUC held a press conference which dealt extensively with the rate issues under consideration by the PUC, GT&T applied to the Guyana High Court for an order prohibiting the chairman from further participation in the rate case on the grounds that this press conference and his statements at the press conference revealed a predetermination and bias by the chairman against GT&T on the pending issues. In response to this application, in March 2000, the Guyana High Court issued the requested order of prohibition against the chairman. The chairman and the PUC have filed an appeal from the High Court's decision and it is unclear at the date of this report whether or when the Commission will proceed with hearings in the rate case.

In April 1999, the PUC furnished to GT&T a preliminary report of the PUC's staff to the Commissioners for a response by GT&T. In this report, the staff challenged GT&T's computation of rate base and expense in several respects and concluded with a recommendation that the temporary rates currently in effect for local service should be reduced by approximately $2.7 million, rather than being increased as GT&T is seeking. GT&T has filed a response to the PUC disputing the staff's conclusions. GT&T and the Company are also involved in discussions with officials at the highest levels in the Guyana government seeking to resolve all outstanding PUC and Guyana tax issues affecting GT&T. There can be no assurance as to how or when any or all of these issues will be resolved.

In 1997, after the Guyana High Court voided a PUC order of October 1995 reducing GT&T's rates for outbound long distance calls to various countries, GT&T put into effect a surcharge to recover the approximately $9.5 million of lost revenues from the period of October 1995 to the date of the High Court's order. The Guyana Consumer Advisory Bureau, a non-governmental group, instituted a suit challenging GT&T's rights to institute this surcharge without PUC approval, and in the fourth quarter of 1999, the Guyana High Court ruled that GT&T should have first obtained PUC's permission for such surcharge. Substantially all of the $9.5 million of lost revenues were collected prior to the court's ruling, and it is unclear whether GT&T will be required to make any refund since the High Court did not rule on GT&T's contention that it was entitled to recover these lost revenues.

In October 1997, the PUC ordered GT&T to increase the number of telephone lines in service to a total of 69,278 lines by the end of 1998, 89,054 lines by the end of 1999, and 102,126 by the end of the year 2000 to allocate and connect an additional 9,331 telephone lines before the end of 1998 and to provide to subscribers who request them facilities for call diversion, call waiting, reminder call, and three-way calling by the end of the year 1998. In issuing this order, the PUC did not hear evidence or make any findings on the cost of providing these lines and services, the adjustment in telephone rates which may be necessary to give GT&T a fair return on its investment, or the ways and means of financing the requirements of the PUC's order. GT&T has filed a motion against the PUC's order in the Guyana High Court and has appealed the order on different grounds to the Guyana Court of Appeal. No stay currently exists against this order.

In February 2000, GT&T received notices of five separate hearings from the PUC relating to various issues, including GT&T's failure to comply with the October 1997 order to increase the number of lines in service and information requests on the amount of surcharges collected by GT&T as a result of the High Court's voiding of the PUC's October 1995 rate reduction order. GT&T has filed with the Guyana High Court a petition to bar the Chairman of the PUC on the grounds of bias from participating in any matters involving GT&T.

In July 1998, the PUC gave notice that it would hold a public hearing on August 25, 1998 in respect of the following matters: (i) "the validity of the grant of monopoly rights to any owner or provider of services in the public utility sector, having regard to the laws in force in Guyana at the relevant time" and (ii) "whether the Commission has power to request the Government to issue a license to a new provider of services in the public utility sector, where the existing provider in that sector fails to refuse to meet reasonable demands for service in that public utility sector." While the PUC's notice did not name GT&T as the service provider in question, the Company believes that GT&T is the service provider which will be the subject of the hearing. This intended hearing has been stayed by an order issued by the Guyana High Court on an application by GT&T pending a hearing on the merits of GT&T's application.

On October 30, 1998, the U.S. Federal Trade Commission ("FTC") issued for comment a proposed rule which would expand the definition of "pay per call" services to include audiotext services, such as those which GT&T terminates in Guyana. If adopted in its present form, the FTC's proposed rule would require, among other things, that a caller must receive a short preamble at the beginning of the call advising the caller of the cost of the call and permitting the caller to terminate the call without charge if terminated immediately. Although GT&T has not completed its study of the ways and means of possibly complying with this requirement, it may be technically impossible for recipients of international audiotext traffic, such as GT&T, to separate audiotext traffic from other incoming international traffic and permit a free preamble for audiotext calls. The FTC's proposed rule would have the effect of prohibiting a local telephone company from disconnecting a subscriber's telephone service for failure to pay charges for an international audiotext call. This requirement currently applies to area code 900 domestic audiotext, but not to international audiotext, and provides a collection advantage for international audiotext over domestic audiotext. The proposed rule would also include several requirements which, if adopted, could make it more difficult to bill and collect for international audiotext calls. If the proposed regulations are adopted, the provisions described above may have a significant adverse impact on international audiotext traffic from the United States to Guyana and other non-U.S. termination points.

The Federal Communication Commission (the "FCC") has issued a Report and Order in a rule making proceeding in which it adopted mandatory international accounting and settlement rate benchmarks for many countries. The FCC adopted a mandatory settlement rate benchmark of $.23 per minute for low-income countries such as Guyana and required that settlement rates between the U.S. and low-income countries be reduced to $.23 per minute by January 1, 2002. The current settlement rate is $.85 per minute. The FCC stated in the Report and Order that it expects U.S. licensed carriers to negotiate proportionate annual reductions prior to 2002. In accordance with this FCC policy, AT&T sought a reduction in the settlement rate for traffic between Guyana and the United States. GT&T declined to agree to such a reduction, and effective December 31, 1999, GT&T's operating agreement and all direct circuits with AT&T were terminated. In anticipation of the termination of the AT&T agreement, GT&T has sought to bring on circuits with other carriers to handle the traffic previously received from AT&T and to restructure its operating agreements with carriers around the world so that GT&T will receive approximately $.85 per minute as a termination fee for international traffic from all countries, with the exception of Canada and certain Caribbean countries which will continue to be able to send normal volumes of traffic to GT&T at the lower rates which traditionally have been in effect with these countries. It is likely, however, that international settlement rates between Guyana and the United States and other countries around the world will decline significantly on or prior to January 1, 2002. Any significant reduction in the settlement rates for the United States--Guyana traffic could have a significant adverse impact on GT&T's earnings. While such an event would provide GT&T with basis to seek a rate increase from the PUC so as to permit GT&T to earn its contractually provided 15% rate of return, there can be no assurances as to when or whether GT&T would receive such a rate increase.

8. CONTINGENCIES AND COMMITMENTS

The Company is subject to lawsuits and claims which arise out of the normal course of business, some of which involve claims for damages and taxes that are substantial in amount. The Company believes, except for the items discussed below for which the Company is currently unable to predict the outcome, the disposition of claims currently pending will not have a material adverse effect on the Company's financial position or results of operations.

Upon the acquisition of GT&T in January 1991, ATN entered into an agreement with the government of Guyana to significantly expand 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 government agreed to permit rate increases in the event of currency devaluation within the three-year period, but GT&T was unable to get timely increases when the Guyana currency suffered a sharp decline in March 1991. The Plan was modified in certain respects, and the date for completion of the Plan was extended to February 1995. Since 1995, the PUC has had pending a proceeding initiated by the Minister of Telecommunications of Guyana with regard to the failure of GT&T to complete the Plan by February 1995. It is GT&T's position that its failure to receive timely rate increases, to which GT&T was entitled to compensate for the devaluation of currency which occurred in 1991, provides legal justification for GT&T's delay in completing the Plan. If the PUC were to find that GT&T was not excused from fulfilling the terms of the Plan by February 1995, GT&T could be subject to monetary penalties, cancellation of the license, or other action by the PUC or the government which could have a material adverse effect on the Company's business and prospects. The requirements of the Plan have now been substantially completed.

In April 2000, private parties initiated a lawsuit in the Guyana High Court against the Company and GT&T which seeks to invalidate the 1990 agreement between the government of Guyana and ATN pursuant to which GT&T received an exclusive license to provide telephone service in Guyana. The suit charges that the agreement is in conflict with provisions of the laws of Guyana which prohibit monopolies, and with the Guyana constitution. At the date of this report neither ATN nor GT&T, have been served with the lawsuit.

In May 1997, GT&T received a letter from the Commissioner of Inland Revenue indicating that GT&T's tax returns for 1992 through 1996 had been selected for an audit under the direct supervision of the Trade Minister with particular focus on the withholding tax on payments to international audiotext providers. In March and April 1997, the Guyanese Trade Minister publicly announced that he had appointed a task force to probe whether GT&T should pay withholding taxes on fees paid by GT&T to international audiotext providers. The Minister announced that if GT&T were found guilty of tax evasion, it could owe as much as $40 million in back taxes. In July 1997, GT&T applied to the Guyana High Court for an order prohibiting this audit on the grounds that the decision of the Minister of Trade to set up this task force and to control and direct its investigation was beyond his authority, violated the provisions of the Guyanese Income Tax Act, interfered with the independence of the Commissioner of Inland Revenue, and was done in bad faith. The court issued an order effectively staying the audit pending a determination by the court of the merits of GT&T's application.

In June 1997, GT&T received an assessment of the current equivalent of approximately $3 million from the Commissioner of Inland Revenue for taxes for 1996 based on the disallowance as a deduction for income tax purposes of five-sixths of the advisory fees payable by GT&T to the Company and for the timing of the taxation on certain surcharges to be billed by GT&T. The deductibility of these advisory fees and the deferral of these surcharges until they are actually billed had been upheld for an earlier year in a decision of the High Court in August 1995. In July 1997, GT&T applied to the High Court for an order prohibiting the Commissioner of Inland Revenue from further proceeding with this assessment on the grounds that the assessment was arbitrary and unreasonable and capriciously contrary to the August 1995 decision of the Guyana High Court, and GT&T obtained an order of the High Court effectively prohibiting any action on the assessment pending the determination by the Court of the merits of GT&T's application.

In November 1997, GT&T received assessments of the current equivalent of approximately $11 million from the Commissioner of Inland Revenue for taxes for the years 1991 through 1996. It is GT&T's understanding that these assessments stem from the same audit commenced in May 1997 which the Guyana High Court stayed in its July 1997 order referred to above. Apparently because the audit was cut short as a result of the High Court's July 1997 order, GT&T did not receive notice of and an opportunity to respond to the proposed assessments as is the customary practice in Guyana, and substantially all of the issues raised in the assessments appear to be based on mistaken facts. GT&T has applied to the Guyana High Court for an order prohibiting the Commissioner of Inland Revenue from enforcing the assessments on the grounds that the origin of the audit with the Minister of Trade and the failure to give GT&T notice of and opportunity to respond to the proposed assessments violated Guyana law. The Guyana High Court has issued an order effectively prohibiting any action on the assessments pending the determination by the Court of the merits of GT&T's application.

Management Discussion and Analysis of Financial Conditions and Results of Operations

Forward Looking Statements and Analysts' Reports

This report contains forward looking statements within the meaning of the federal securities laws, including statements concerning future rates, revenues, costs, capital expenditures, and financing needs and availability and statements of management's expectations and beliefs. Actual results could differ materially from these statements as a result of many factors, including future economic and political conditions in Guyana, the matters discussed in the Regulatory Considerations section of Management's Discussion and Analysis of Financial Condition and Results of Operations in this Report and matters discussed in the Company's Form 10K Annual Report for the fiscal year ended December 31, 1999.

Investors should also be aware that while the Company does, from time to time, communicate with securities analysts, it is against the Company's policy to disclose to them any material non-public information or other confidential information. Accordingly, shareholders should not assume that the Company agrees with any statement or report issued by an analyst irrespective of the content of the statement or report. Furthermore, the Company has a policy against issuing or confirming financial forecasts or projections issued by others. Thus, to the extent that reports issued by securities analysts contain any projections, forecasts or opinions, such reports are not the responsibility of the Company.

Introduction

The Company's revenues and income from operations are derived principally from the operations of its 80% owned telephone subsidiary, Guyana Telephone & Telegraph Company, Ltd. ("GT&T"). GT&T derives substantially all of its revenues from local exchange, cellular and international telephone services. The Company also owns a 80% interest (acquired in June 1998) in Digicom S.A., a Haitian corporation principally engaged in dispatch radio, mobile telecommunications and paging and a 30% interest (acquired in July 1998) plus warrants which would enable the Company to increase that interest to 45%, in certain circumstances, in Bermuda Digital Communications, Ltd., a Bermuda corporation which operates under the name "Cellular One" and is the sole cellular and PCS competitor to the Bermuda Telephone Company. Wireless World, LLC, a wholly owned subsidiary of the Company, owns VIAccess, the largest internet service provider in the U.S. Virgin Islands, and is also engaged in the specialized mobile radio and paging businesses (all acquired in October 1999 or March 2000). On March 31, 2000, Wireless World, LLC. acquired Antilles Wireless Cable T.V. Company, which holds MMDS and LMDS licenses for the U.S. Virgin Islands and provides wireless cable television services there.

The principal components of operating expenses for the Company are international long-distance expenses, telephone operating expenses, and general and administrative expenses. 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. Telephone operating expenses consist of plant specific operations, plant non-specific (which includes depreciation and amortization), customer operations, corporate operations expenses of GT&T, and taxes other than income taxes. General and administrative expenses consist principally of expenses of the parent company.

RESULTS OF OPERATIONS

Three Months ended March 31, 1999 and 2000

Net income for the first quarter of 2000 was $2.6 million, or $0.56 per share, on operating revenues of $19.1 million, as compared to net income of $2.0 million, or $0.42 per share on operating revenues of $20.7 million in the first quarter of 1999.

Telephone operating revenues were $19.1 million for the quarter ended March 31, 2000 compared to $20.7 million for the quarter ended March 31, 1999; a decrease of $1.6 million or 7.7%. Revenues in 1999 include a reduction of approximately $1.5 million due to an apparent re-origination of international long-distance traffic through France Telecom via AT&T, which management suspects actually originated substantially in the United States and the United Kingdom and would have normally been settled at a higher rate.

Inbound sent paid and outcollect international long-distance revenues, which have the highest margin of all international long-distance revenues, increased by $1.4 million for the quarter ended March 31, 2000 over the corresponding period of 1999, principally due to an increase in inbound minutes of traffic of approximately 2.2 million minutes or 17%. Audiotext revenues, which have a lower profit margin than inbound sent paid and outcollect international long-distance revenues, declined in 2000 compared to 1999 as a result of a reduction of 5.4 million minutes or 45% in audiotext traffic over 1998. Outbound long-distance revenues, also increased in 2000 over 1999 by approximately $255,000. This increase was due to a 15% increase in outbound international minutes.

The Company expects that audiotext traffic volumes will continue to decline, although the Company is unable to predict future audiotext revenues and traffic volumes with any degree of certainty. On April 28, 2000 MCI World Com notified GT&T that starting May 1, 2000 MCI will no longer carry audiotext traffic. MCI is the principal carrier of traffic from the U.S. to GT&T and the only U.S. carrier with which GT&T currently has direct circuits. The Company is inquiring as to whether MCI's action is a breach of the operating agreement with MCI. Audiotext traffic contributed approximately $490,000 or $0.10 per share to ATN's net income for the quarter ended March 31, 2000, and MCI carried about 50% of that traffic.

Local exchange revenue increased $598,000 or 31% as a result of as a result of increased domestic metered traffic, a 5% increase in lines in service and increased cellular telephone revenues.

Operating expenses were $13.1 million for the first quarter of 2000 as compared to $15.9 million for the corresponding period in 1999, a decrease of $2.8 million or 17.7%. This decrease was principally due to a $2.7 million decrease in international long-distance traffic expenses as a result of reduced audiotext traffic minutes and revenues.

Telephone operating expenses were approximately 68% of telephone operating revenues for the three months ended March 31, 2000 as compared to 77% for the same period of the prior year. This decrease is principally the result of increased inbound international traffic revenues (which have no direct operating expenses) and decreased audiotext which have a significantly higher cost.

Income from telephone operations for the three months ended March 31, 2000 was $6.1 million as compared to $4.9 million for the corresponding period of 1999. This represents an increase of $1.2 million or 25% for the three months ended March 31, 2000 over the corresponding period of the prior year. This change is principally a result of the factors affecting revenues and operating expenses discussed above.

Other operations revenues and expenses represent the operations of Digicom S.A. and Wireless World, LLC. and are not material.

The Company's effective tax rate for the three months ended March 31, 2000 was 49% as compared to 51% for the corresponding period of the prior year.

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

Regulatory and Tax Issues

The Company is involved in a number of regulatory and tax proceedings. See notes 7 and 8 to the Company's Consolidated Condensed Financial Statements included in this Report. A material and adverse outcome in one or more of these proceedings could have a material adverse impact on the Company's financial condition and future operations.

Liquidity and Capital Resources

The Company believes its existing liquidity and capital resources are adequate to meet current operating and capital needs, although some external financing may be required for contemplated expansion of Wireless World's operations. The Company's current primary source of funds at the parent company level is advisory fees from GT&T. If and when the tax and regulatory issues discussed in Notes 7 and 8 to the Consolidated Condensed Financial Statement included in this Report are resolved, the Company anticipates that GT&T may begin paying dividends to its stockholders, the Company and the Government of Guyana. These tax and regulatory issues could have a material adverse impact on the Company's liquidity. GT&T is not subject to any contractual restrictions on the payment of dividends.

If and when the Company settles outstanding tax and regulatory issues with the Guyana government and the PUC, GT&T may require additional external financing to enable GT&T to further expand its telecommunications facilities. The Company has not estimated the cost to comply with the October 1997 PUC order to increase the number of telephone lines in service, but believes such a project would require significant capital expenditures that would require external financing. There can be no assurance that the Company will be able to obtain any such financing.

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 believes that the majority of GT&T's revenues will continue to be denominated in U.S. dollars or other hard currencies. However, as a result of the rate increases recently awarded to and currently sought by GT&T and the efforts of the U.S. FCC, AT&T and carriers in other countries to reduce international accounting rates, it is likely that an increasing portion of the Company's revenues will be earned in Guyana currency. While there are no legal restrictions on the conversion of Guyana currency into U.S. dollars or other hard currencies, or on the expatriation of Guyana currency or foreign currency from Guyana, there is little liquidity in the foreign currency markets in Guyana. While the Company believes that it has, and will continue to have, adequate cash flows denominated in hard currency to meet its current operating, debt service and capital requirements, there can be no assurance that GT&T will be able to convert its Guyana currency earnings into hard currency to meet such obligations. At March 31, 2000, approximately $8.2 million of the Company's total cash balances consisted of balances denominated in Guyana dollars.

The Company is currently exploring several opportunities to acquire communications properties or licenses in the Caribbean and elsewhere. Such acquisitions may require external financing. There can be no assurance as to whether, when or on what terms the Company will be able to acquire any of the businesses or licenses it is currently seeking.

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, the Guyana dollar declined in value to approximately 142 to the U.S. dollar, and it remained relatively stable at approximately that rate through 1997. In 1998, the Guyana dollar declined in value to approximately 180 to the U.S. dollar. Through March 31, 2000 the rate of exchange has remained at approximately 180 to the U.S. dollar.

The effect of devaluation and inflation on the Company's financial results has not been significant in the periods presented.

Atlantic Tele-Network, Inc. and Subsidiaries

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.

Atlantic Tele-Network, Inc. and Subsidiaries

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 10, 2000

/s/ Cornelius B. Prior, Jr.

Cornelius B. Prior, Jr.
Secretary

Date: May 10, 2000

/s/ Steven M. Ross

Steven M. Ross
Chief Accounting Officer

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-31-2000
MAR-31-2000
35,396
0
16,075
0
5,130
61,027
70,317
12,554
134,356
26,722
7,113
0
0
52
76,070
134,356
19,884
19,884
13,976
13,976
0
0
435
6,146
3,024
2,646
0
0
0
2,646
.56
.56