

MULTIBAND CORP
Form 10-Q
November 14, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES AND EXCHANGE ACT OF 1934
FOR THE PERIOD ENDING SEPTEMBER 30, 2008

OR

..

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES AND EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____
COMMISSION FILE NUMBER 0 - 1325

MULTIBAND CORPORATION

(Exact name of registrant as specified in its charter)

MINNESOTA

(State or other jurisdiction of incorporation or organization)

41 - 1255001

(IRS Employer Identification No.)

9449 Science Center Drive, New Hope, Minnesota 55428

(Address of principal executive offices)

Telephone (763) 504-3000 Fax (763) 504-3060

Internet: www.multibandusa.com

(Registrant's telephone number, facsimile number, and Internet address)

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 and 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.

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Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

On November 10, 2008 there were 9,632,305 shares outstanding of the registrant's common stock, no par value, and 297,375 outstanding shares of the registrant's convertible preferred stock.

PART I. FINANCIAL INFORMATION**ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS**

MULTIBAND CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Nine Months Ended	
	September 30, 2008 (unaudited)	September 30, 2007 (unaudited)	September 30, 2008 (unaudited)	September 30, 2007 (unaudited)
REVENUES	\$ 12,340,659	\$ 3,653,600	\$ 28,860,595	\$ 11,960,281
COSTS AND EXPENSES				
Cost of products and services (exclusive of depreciation and amortization shown separately below)	8,556,168	2,345,895	18,769,937	6,395,179
Selling, general and administrative	2,757,319	2,360,254	7,173,357	7,057,936
Depreciation and amortization	846,317	770,215	2,463,079	2,814,981
Impairment of assets	-	-	65,452	-
Total costs and expenses	12,159,804	5,476,364	28,471,825	16,268,096
INCOME (LOSS) FROM OPERATIONS	180,855	(1,822,764)	388,770	(4,307,815)
OTHER INCOME (EXPENSE)				
Interest expense	(300,826)	(108,847)	(514,485)	(430,264)
Management consulting income	1,446,938	-	1,446,938	-
Other income	8,109	13,267	80,699	177,361
Total other income (expense)	1,154,221	(95,580)	1,013,152	(252,903)
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTEREST IN SUBSIDIARY	1,335,076	(1,918,344)	1,401,922	(4,560,718)
PROVISION FOR INCOME TAXES	286,658	-	749,458	-
MINORITY INTEREST IN NET INCOME OF SUBSIDIARY	137,755	-	549,758	-
NET INCOME (LOSS)	910,663	(1,918,344)	102,706	(4,560,718)
Preferred stock dividends	64,014	1,793,297	4,048,696	2,153,698
INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 846,649	\$ (3,711,641)	\$ (3,945,990)	\$ (6,714,416)

INCOME (LOSS)								
ATTRIBUTABLE TO COMMON								
STOCKHOLDERS PER								
COMMON SHARE - BASIC	\$.09	\$	(.50)	\$	(.43)	\$	(.94)

INCOME (LOSS)								
ATTRIBUTABLE TO COMMON								
STOCKHOLDERS PER								
COMMON SHARE - DILUTED	\$.09	\$	(.50)	\$	(.43)	\$	(.94)

Weighted average shares outstanding – basic	9,561,718	7,356,413	9,184,475	7,177,435
Weighted average shares outstanding – diluted	9,796,685	7,356,413	9,184,475	7,177,435

See notes to condensed consolidated financial statements

MULTIBAND CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended		Nine Months Ended	
	September 30, 2008 (unaudited)	September 30, 2007 (unaudited)	September 30, 2008 (unaudited)	September 30, 2007 (unaudited)
NET INCOME (LOSS)	\$ 910,663	\$ (1,918,344)	\$ 102,706	\$ (4,560,718)