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February 9, 1998

The Honorable William E. Kennard
The Honorable Susan Ness
The Honorable Michael K. Powell
The Honorable Harold W. Furchtgott-Roth
The Honorable Gloria Tristani
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: MobileMedia Corporation *et al.* (WT Docket No. 97-115)

Dear Mr. Chairman and Commissioners:

Enclosed please find the original signed version (minus enclosures) of the monthly status report of MobileMedia Corporation, filed pursuant to the Commission's stay order in the above-referenced proceeding. A facsimile copy of the report, along with all enclosures, was filed with the Commission on February 6, 1998.

Should any questions arise concerning this filing, please contact the undersigned counsel for MobileMedia Corporation.

Sincerely,

Nancy J. Victory

Nancy J. Victory

cc: service list on attached document

No. of Copies rec'd 1
List ABCDE

MOBILEMEDIA CORPORATION
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February 6, 1998

The Honorable William E. Kennard
The Honorable Susan Ness
The Honorable Michael Powell
The Honorable Harold W. Furchtgott-Roth
The Honorable Gloria Tristani
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: MobileMedia Corporation et al. (WT Docket No. 97-115)

Dear Mr. Chairman and Commissioners:

Pursuant to Paragraph 19 of the Stay Order entered by the Commission on June 6, 1997, MobileMedia submits this monthly report as to the progress of the bankruptcy proceedings:

I. PROGRESS TOWARD A CONFIRMED PLAN OF REORGANIZATION

MobileMedia filed its Joint Plan of Reorganization (the "Plan") with the Bankruptcy Court on January 27, 1998. A copy of the Plan is attached hereto as Exhibit A.

Under the Plan, the holders of the existing stock of MobileMedia Corporation will receive no recovery under the Plan. Moreover, the Plan contemplates that an entirely new board of directors will be chosen by the secured creditors, effective as of the effective date of the Plan.

The creditors will receive the following treatment under the Plan:

(a) Secured creditors holding approximately $649 million in secured, pre-petition claims will receive $150 million in senior secured notes and substantially all the equity of Reorganized MobileMedia.

(b) Unsecured creditors holding approximately $450 million in unsecured bonds will receive distributions that vary depending on whether or not the holders of such bonds vote to accept the Plan. If the bondholders vote to accept the Plan, they will receive a package of equity securities of Reorganized MobileMedia including 3% of the common equity of Reorganized MobileMedia (in which case the secured creditors will receive 97% of such common equity), warrants and rights (each of which is described below); if the bondholders vote to reject the Plan, they will receive the warrants and the rights, but no common equity of Reorganized MobileMedia (in which case the secured creditors will receive in excess of 99% of such common equity).[1] The warrants, if fully issued on the effective date of the Plan, would entitle the bondholders to purchase up to 16.5% of the equity of the Reorganized Debtors within a seven-year period. The rights entitle the bondholders to purchase up to 100% of the equity of the Reorganized Debtors within a 60-day exercise period. Any shares issued to the bondholders in connection with an exercise of the rights (i) will result in a share-for-share redemption of the stock issued to the secured creditors and (ii) will have voting rights only upon the receipt of any necessary approvals, including FCC approval, if applicable.

(c) Unsecured creditors other than the bondholders will receive, regardless of whether or not the bondholders vote to accept the Plan, cash in an amount that would provide them with the same percent recovery as would be received by the bondholders (other than the holders of the Dial Page Notes) if the bondholders vote to accept the Plan.

Effectuation of the Plan is specifically conditioned on, among other things, FCC approval of MobileMedia's Second Thursday application.

Although the Debtors had hoped to reach full creditor consensus on the terms of a plan prior to January 27 -- and have spent months negotiating with representatives of both the secured creditors and the unsecured Creditors' Committee -- the Plan currently has the support only of the Steering Committee (whose members collectively hold approximately 45% of the secured claims) and the Agent for the secured creditors, but does not have the support of the unsecured Creditors' Committee. At the January 27 hearing, the unsecured Creditors' Committee indicated its intention to commence discovery in connection with possible objections to the Plan, and subsequently filed an ex parte request for discovery against a broad array of parties including the Debtors. A copy of this request for discovery is attached hereto as Exhibit B. Notwithstanding these issues, the Debtors continue to hope that they will reach agreement with

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[1] The remainder of the common equity of Reorganized MobileMedia -- currently estimated to be less than 1% of the common stock of Reorganized MobileMedia -- will be distributed to the holders of the Dial Page Notes, one of the three series of unsecured bonds outstanding, in exchange for claims in the bankruptcy proceedings currently estimated to be approximately $1.8 million. Based on the contractual subordination provisions contained in the indentures for the other two series of bonds, the Plan provides that the holders of the Dial Page Notes will receive equity securities -- including common stock -- equal to the full amount of their claim regardless of whether the other bondholders vote to accept or reject the Plan.

the unsecured Creditors' Committee and the secured creditors on the terms of a plan of reorganization, and expect that further negotiations will be held among the Debtors, the Steering Committee for the secured creditors and the unsecured Creditors' Committee in the coming weeks.

At the hearing held on January 27, 1998, the Debtors also sought and obtained authority to file the disclosure statement relating to the Plan (the "Disclosure Statement") on February 2, 1998. As required by the Bankruptcy Code, the Disclosure Statement is intended to provide the Debtors' creditors with sufficient information regarding the Debtors' business, operations, finances and the terms of the Plan to enable creditors to make an informed decision as to whether to vote to accept the Plan. A copy of the Disclosure Statement, as filed with the Bankruptcy Court on February 2, 1998, is attached hereto as Exhibit C. Due to the Bankruptcy Court's heavy docket and to the issues raised by the unsecured Creditors' Committee and notwithstanding the fact that the Bankruptcy Court was aware of the FCC's stay deadline of April 6, the Bankruptcy Court has set April 14, 1998 as the hearing date on approval of the Disclosure Statement.

Until the Debtors' Disclosure Statement has been approved by the Bankruptcy Court, the Debtors cannot solicit votes on the Plan. Assuming that the hearing on the Disclosure Statement goes forward on April 14, 1998, and the Disclosure Statement is approved, the Bankruptcy Court will fix a solicitation period, expected to be 60-90 days in duration, and a date for a hearing on the confirmation of the Plan. At the hearing on confirmation, the Debtors will be required to respond to any objections to the Plan and to demonstrate that the Plan complies with a variety of statutory requirements.

II. OTHER PROCEEDINGS IN THE BANKRUPTCY COURT

At the hearing held on January 27, 1998, the Debtors were authorized by the Bankruptcy Court, on an interim basis, to extend their debtor-in-possession financing until July 31, 1998. As requested by the Debtors, the commitment under this facility was reduced from $200 million to $100 million. (As of the date of this report, only $10 million is outstanding under this facility.) The Debtors' secured creditors and the unsecured Creditors' Committee supported this extension. If no objections are filed, the interim approval will become final on February 13, 1998.

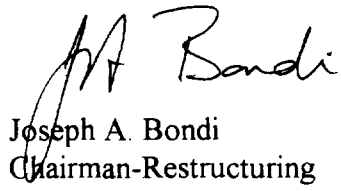
On January 7, 1998, the Debtors filed their Second Omnibus Claims Objection. This objection relates to approximately 658 proofs of claim filed against the Debtors.

III. FINANCIAL PERFORMANCE

As previously indicated, the Debtors are required to file Monthly Operating Reports with the United States Trustee. The Monthly Operating Report provides information relating to the Debtors' financial performance for the prior month. A copy of the Debtors' Monthly Operating Report for December 1997, which was filed on February 2, 1998, is attached hereto as Exhibit D.

We hope that this information is helpful. If we can provide any additional information or if you have any questions with regard to the foregoing, please let me know.

Sincerely,



Joseph A. Bondi
Chairman-Restructuring

cc: Daniel Phythyon, Esq.
David Solomon, Esq.
Rosalind K. Allen, Esq.
Gary Schonman, Esq.
John J. Riffer, Esq.
John Harwood, Esq.
Philip Spector, Esq.
Ky E. Kirby, Esq.
David Spears, Esq.
Ms. Magalie Roman Salas (for inclusion with WT Docket No. 97-115)

::ODMA\PCDOCS\NEWYORK\9101\9 February 4, 1998 (6:25pm)