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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

WILEY, REIN & FIELDING

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July 6, 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

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

Dear Mr. Chairman and Commissioners:

Enclosed please find the monthly status report of MobileMedia Corporation, filed pursuant to the Commission's stay order in the above-referenced proceeding.

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

Sincerely,

Robert L. Pettit

cc: service list on attached document

No. of Copies rec'd 0
List ABCDE

MOBILEMEDIA CORPORATION
Fort Lee Executive Park
One Executive Drive, Suite 500
Fort Lee, New Jersey 07024
(201) 969-4686
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July 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 (which stay was extended by the Commission on June 4, 1998), MobileMedia submits this monthly report as to the progress of its bankruptcy proceedings during the month of June, 1998.

I. PROGRESS TOWARD A CONFIRMED PLAN OF REORGANIZATION

As reported in prior monthly reports, MobileMedia, the unsecured Creditors' Committee and the steering committee for MobileMedia's pre- and post-petition secured lenders previously agreed to adjourn the hearing on the adequacy of the information contained in the Disclosure Statement because they are considering certain possible business combinations and standalone scenarios involving MobileMedia under a plan of reorganization. That hearing was most recently adjourned on June 2, 1998 to an as yet undetermined date.

Discussions regarding both a stand-alone reorganization and certain possible third-party business combinations involving MobileMedia continued during the month of June and are ongoing. Given the highly confidential nature of the considerations and the public nature of these monthly reports to the Commission, MobileMedia is unfortunately constrained at this time from providing further detail herein as to its recent activity. MobileMedia will, of course, provide the Commission with further detail as soon as it effects public disclosure.

II. OTHER PROCEEDINGS IN THE BANKRUPTCY COURT

During the month of June, MobileMedia filed motions with the Bankruptcy Court seeking authority (a) to implement its 1998 Employee Performance Incentive Plan, which plan provides for incentive payments, based on the achievement of specified goals, to MobileMedia's approximately 2600 salaried employees, (b) to make "stay" incentive payments to approximately 107 employees in MobileMedia's "Retail Activation Center" whose positions are being eliminated, (c) to extend until July 31, 1998 the period during which it has the exclusive right to solicit votes on a plan of reorganization. At a hearing held on June 25, 1998, the Bankruptcy Court granted the relief requested in these three motions. At this hearing, the Court also granted the relief requested in MobileMedia's fourth omnibus objection to pre-petition claims, which objection was filed in May.

On June 15, 1998, the Bankruptcy Court entered an order rejecting certain leases and unexpired contracts, relief requested in a motion filed on May 14, 1998. On June 16, 1998, MobileMedia filed a motion seeking to reject additional leases and unexpired contracts.

III. FINANCIAL PERFORMANCE

As previously reported, MobileMedia is required to file Monthly Operating Reports with the United States Trustee. The Monthly Operating Report provides information relating to MobileMedia's financial performance for the prior month. MobileMedia's Monthly Operating Report for May 1998 is attached hereto as Exhibit A.

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)

OFFICE OF THE U.S. TRUSTEE - REGION 3
MONTHLY OPERATING REPORT

For the month ended May 31, 1998

Debtor Name: **MobileMedia Corporation et al.**

Case Number: **97-174 (PJW)**

Required Attachments:	**Document Attached**	**Previously Submitted**	**Explanation Attached**
1. Tax Receipts	( )	(X)	(X)
2. Bank Statements	( )	( )	(X)
3. Most recently filed Income Tax Return	( )	(X)	( )
4. Most recent Annual Financial Statements prepared by accountant	( )	(X)	( )

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:

David R. Gibson

SIGNATURE OF RESPONSIBLE PARTY

Senior Vice President/Chief Financial Officer

TITLE

David R. Gibson

PRINTED NAME OF RESPONSIBLE PARTY

June 30, 1998

DATE

OFFICE OF THE U.S. TRUSTEE - REGION 3
ATTACHMENT
For the month ended May 31, 1998

Debtor Name: **MobileMedia Corporation et al.**

Case Number: **97-174 (PJW)**

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1. Payroll tax filings and payments are made by Automated Data Processing, Inc. (an outside payroll processing company). Evidence of tax payments are available upon request. Previously, the Debtors filed copies of such evidence for the third quarter of 1996 with the US Trustee.

   Please see the Status of Post Petition Taxes attached hereto for the month's activity.

2. The Debtors have 50 bank accounts. In order to minimize costs to the estate, the Debtors have included a GAAP basis Statement of Cash Flows in the Monthly Operating Report. The Statement of Cash Flows replaces the listing of cash receipts and disbursements, copies of the bank statements, and bank account reconciliations.

OFFICE OF THE U.S. TRUSTEE - REGION 3
CONDENSED CONSOLIDATED
STATEMENT OF OPERATIONS
For the month ended May 31, 1998

Debtor Name: **MobileMedia Corporation et al.**

Case Number: **97-174 (PJW)**

See Statement of Operations for reporting period attached.

HEADNOTES:

These financial statements have not been prepared in accordance with GAAP because Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets, to be Disposed of" ("SFAS 121") has not been applied. Upon the application of SFAS 121, the Company expects to be required to write down the carrying value of its long-lived assets to their fair value. The Company believes the amount of the write-down will be material; however, it is not possible at this time to determine such amount. There could also be additional year end audit adjustments and adjustments to certain other accounts as a result of the Debtors' filing for protection under Chapter 11 of the US Bankruptcy Code on January 30, 1997.

(1) March 1998 Service, Rents & Maintenance Revenue and General & Administrative Expense include the favorable impact of quarter end adjustments to the allowance for doubtful accounts. The adjustments reflect the improvement in the Company's billing and collection processes. Billing reserves recorded against revenue included in Service, Rents & Maintenance Revenue, were $1.1, $1.0 and $(0.8) million, respectively, in May, April and March. Bad debt expense included in General & Administrative expense was $0.5, $1.1 and $(0.8) million, respectively, in May, April and March.

MobileMedia Corporation and Subsidiaries
Consolidated Statements of Operations
For the Months Ended May 31, 1998, April 30, 1998 and March 31, 1998
(Unaudited)
(in thousands)

	May 1998	April 1998	March 1998
Paging Revenues			
Service, Rents & Maintenance	$35,758	$36,251	$37,103 (1)
Equipment Sales			
Product Sales	2,208	2,823	2,251
Cost of Products Sold	1,470	2,186	1,806
Equipment Margin	738	637	445
Net Revenue	36,496	36,888	37,548
Operating Expense			
Service, Rents & Maintenance	8,308	9,660	9,475
Selling	5,378	5,591	5,483
General & Administrative	10,936	12,292	9,979 (1)
Operating Expense Before Depr. & Amort.	24,622	27,543	24,937
EBITDA Before Reorganization Costs	11,873	9,345	12,612
Reorganization Costs	1,456	1,493	1,518
EBITDA after Reorganization Costs	10,417	7,852	11,093
Depreciation	7,462	7,329	7,897
Amortization	8,240	8,244	8,245
Total Depreciation and Amortization	15,702	15,573	16,142
Operating Loss	(5,285)	(7,721)	(5,049)
Interest Expense	4,868	4,751	4,913
Other (Income)Expense	(11)	(49)	0
Taxes	0	0	(83)
Net Loss	($10,141)	($12,422)	($9,878)

See Accompanying Notes.

OFFICE OF THE U.S. TRUSTEE - REGION 3
CONDENSED CONSOLIDATED BALANCE SHEET
For the month ended May 31, 1998

Debtor Name: **MobileMedia Corporation et al.**

Case Number: **97-174 (PJW)**

See balance sheet attached.

HEADNOTES:

These financial statements have not been prepared in accordance with GAAP because Statement of Financial Accounting Standards No.121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets, to be Disposed of" ("SFAS 121") has not been applied. Upon the application of SFAS 121, the Company expects to be required to write down the carrying value of its long-lived assets to their fair value. The Company believes the amount of the write-down will be material; however, it is not possible at this time to determine such amount. There could also be additional year end audit adjustments and adjustments to certain other accounts as a result of the Debtors' filing for protection under Chapter 11 of the US Bankruptcy Code on January 30, 1997.

MobileMedia Corporation and Subsidiaries
Consolidated Balance Sheets
As of May 31, 1998, April 30, 1998 and March 31, 1998
(Unaudited)
(in thousands)

	May 1998	April 1998	March 1998
Assets:			
Current Assets:			
Cash	$10,779	$12,435	$15,608
Accounts Receivable, Net	41,332	41,019	44,192
Inventory	621	540	461
Prepaid Expenses	4,449	6,155	4,381
Other Current Assets	5,161	5,210	5,198
Total Current Assets	62,341	65,359	69,839
Noncurrent Assets:			
Property and Equipment, Net	231,556	233,665	238,597
Deferred Financing Fees, Net	21,421	21,724	22,028
Investment In Net Assets Of Equity Affiliate	1,766	1,766	1,766
Intangible Assets, Net	965,728	974,054	982,199
Other Assets	403	430	475
Total Noncurrent Assets	1,220,873	1,231,640	1,245,065
Total Assets	$1,283,215	$1,296,999	$1,314,904
Liabilities and Stockholders' Equity:			
Liabilities Not Subject to Compromise:			
DIP Credit Facility	$0	$0	$0
Accrued Reorganization Costs	5,454	4,836	5,039
Accrued Wages, Benefits and Payroll Taxes	6,859	9,984	14,974
Accounts Payable - Post Petition	2,691	2,436	2,356
Accrued Interest (Chase & DIP Facilities)	4,632	4,477	4,630
Accrued Expenses and Other Current Liabilities	35,457	34,534	34,557
Advance Billings and Customer Deposits	32,851	34,404	34,600
Total Liabilities Not Subject To Compromise	87,944	90,671	96,156
Liabilities Subject to Compromise:			
Accrued Wages, Benefits and Payroll Taxes	3,093	3,093	3,093
Chase Credit Facility	649,000	649,000	649,000
Notes Payable - 10 1/2%	174,125	174,125	174,125
Notes Payable - 9 3/8%	250,000	250,000	250,000
Notes Payable - Yampol	986	986	986
Notes Payable - Dial Page 12 1/4%	1,570	1,570	1,570
Accrued Interest On Notes Payable	20,423	20,423	20,423
Accounts Payable- Pre Petition	18,794	19,701	19,694
Accrued Expenses and Other Current Liabilities - Pre Petition	21,515	21,518	21,518
Other Liabilities	4,755	4,762	4,769
Total Liabilities Subject To Compromise	1,144,261	1,145,178	1,145,178
Deferred Tax Liability	72,097	72,097	72,097
Stockholders' Equity			
Class A Common Stock	39	39	39
Class B Common Stock	2	2	2
Additional Paid-In Capital	671,459	671,459	671,459
Accumulated Deficit - Pre Petition	(437,127)	(437,127)	(437,127)
Accumulated Deficit - Post Petition	(249,339)	(239,198)	(226,777)
Total Stockholders' Equity	(14,965)	(4,824)	7,596
Less:			
Treasury Stock	(6,123)	(6,123)	(6,123)
Total Stockholders' Equity	(21,088)	(10,947)	1,473
Total Liabilities and Stockholders' Equity	$1,283,215	$1,296,999	$1,314,904

See Accompanying Notes

***Footnotes to the Financial Statements*:**

1. These financial statements have not been prepared in accordance with GAAP because Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets, to be Disposed Of" ("SFAS 121") has not been applied. Upon the application of SFAS 121, the Company expects to be required to write down the carrying value of its long-lived assets to their fair value. The Company believes the amount of the write-down will be material; however, it is not possible at this time to determine such amount. There could also be additional year end audit adjustments and adjustments to certain other accounts as a result of the Debtors' filing for protection under Chapter 11 of the US Bankruptcy Code on January 30, 1997.

   In March 1995, the Financial Accounting Standards Board issued SFAS 121, which is effective for financial statements for fiscal years beginning after December 15, 1995. Under certain circumstances, SFAS 121 requires companies to write down the carrying value of long-lived assets recorded in the financial statements to the fair value of such assets. A significant amount of the assets of the Company, which were acquired as a result of the acquisitions of businesses, including the Dial Page and MobileComm acquisitions, were recorded in accordance with principles of purchase accounting at acquisition prices and constitute long-lived assets. The Company has determined, and its independent auditors have concurred, that SFAS 121 is applicable to the Company, and therefore the Company expects to be required to write down the carrying value of its long-lived assets to their fair value. The Company believes the amount of the write down will be material; however, it is not possible at this time to determine such amount. Since the Company cannot comply with SFAS 121 at this time, it is unable to issue audited financial statements in compliance with generally accepted accounting principles. Consequently, the Company will not file its Report on Form 10-K or its other periodic reports under the Securities Exchange Act of 1934, as amended.

2. On January 30, 1997 (the "Filing Date"), MobileMedia Corporation (the "Company"), MobileMedia Communications, Inc. ("MobileMedia Communications") and all seventeen of MobileMedia Communications' subsidiaries (collectively with the Company and MobileMedia Communications, the "Debtors"), filed for protection under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors are operating as debtors-in-possession and are subject to the jurisdiction of the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

   The Bankruptcy Court has authorized the Debtors to pay certain pre-petition creditors. These permitted pre-petition payments include: (i) employee salary and wages; (ii) certain employee benefits and travel expenses; (iii) certain amounts owing to essential vendors; (iv) trust fund type sales and use taxes; (v) trust fund payroll taxes; (vi) property taxes; (vii) customer refunds; and (viii) customer rewards.

Footnotes to the Financial Statements (continued):

On January 27, 1998, the Company filed its Joint Plan of Reorganization with the Bankruptcy Court. On February 2, 1998, the Company filed its Disclosure Statement with the Bankruptcy Court. The Debtors, the Steering Committee for the Debtors' secured creditors and the Official Committee of Unsecured Creditors agreed to adjourn a hearing concerning the adequacy of information contained in the Disclosure Statement that had been scheduled for April 14, 1998. The Debtors and such Committees are considering certain possible business combinations and standalone scenarios involving the Debtors under a plan of reorganization. There can be no assurance that the parties will reach agreement on a plan of reorganization or that any business combination will be effected.

3. Since the Filing Date, the Debtors have continued to manage their business as debtors-in-possession under sections 1107 and 1108 of the Bankruptcy Code. During the pendency of the Chapter 11 cases, the Bankruptcy Court has jurisdiction over the assets and affairs of the Debtors, and their continued operations are subject to the Bankruptcy Court's protection and supervision. The Debtors have sought, obtained, and are in the process of applying for, various orders from the Bankruptcy Court intended to stabilize and reorganize their business and minimize any disruption caused by the Chapter 11 cases.

4. March 1998 Service, Rents & Maintenance Revenue and General & Administrative Expense include the favorable impact of quarter end adjustments to the allowance for doubtful accounts. The adjustments reflect the improvement in the Company's billing and collection processes. Billing reserves recorded against revenue included in Service, Rents & Maintenance Revenue, were $1.1, $1.0 and $(0.8) million, respectively, in May, April and March. Bad debt expense included in General & Administrative Expense was $0.5, $1.1 and $(0.8) million, respectively, in May, April and March.

5. The Company is one of the largest paging companies in the U.S., with approximately 3.3 million units in service at May 31, 1998, and offers local, regional and national paging services to its subscribers. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. The Company's business is conducted primarily through the Company's principal operating subsidiary, MobileMedia Communications, and its subsidiaries. The Company markets its services primarily under the "MobileComm" brand name. All significant intercompany accounts and transactions have been eliminated.

Footnotes to the Financial Statements (continued):

6. As previously announced in its September 27, 1996 and October 21, 1996 releases, the Company discovered misrepresentations and other violations which occurred during the licensing process for as many as 400 to 500, or approximately 6% to 7%, of its approximately 8,000 local transmission one-way paging stations. The Company caused an investigation to be conducted by its outside counsel, and a comprehensive report regarding these matters was provided to the FCC in the fall of 1996. In cooperation with the FCC, outside counsel's investigation was expanded to examine all of the Company's paging licenses, and the results of that investigation were submitted to the FCC on November 8, 1996. As part of the cooperative process, the Company also proposed to the FCC that a Consent Order be entered which would result, among other things, in the return of certain local paging authorizations then held by the Company, the dismissal of certain pending applications for paging authorizations, and the voluntary acceptance of a substantial monetary forfeiture.

   On January 13, 1997, the FCC issued a Public Notice relating to the status of certain FCC authorizations held by the Company. Pursuant to the Public Notice, the FCC announced that it had (i) automatically terminated approximately 185 authorizations for paging facilities that were not constructed by the expiration date of their construction permits and remained unconstructed, (ii) dismissed approximately 94 applications for fill-in sites around existing paging stations (which had been filed under the so-called "40-mile rule") as defective because they were predicated upon unconstructed facilities and (iii) automatically terminated approximately 99 other authorizations for paging facilities that were constructed after the expiration date of their construction permits. With respect to the approximately 99 authorizations where the underlying station was untimely constructed, the FCC granted the Company interim operating authority subject to further action by the FCC.

   On April 8, 1997, the FCC adopted an order commencing an administrative hearing into the qualification of the Company to remain a licensee. The order directed an Administrative Law Judge to take evidence and develop a full factual record on directed issues concerning the Company's filing of false forms and applications. The Company was permitted to operate its licensed facilities and provide service to the public during the pendency of the hearing.

   On June 6, 1997, the FCC issued an order staying the hearing proceeding in order to allow the Company to develop and consummate a plan of reorganization that provides for a change of control of the Company and a permissible transfer of the Company's FCC licenses. The order was originally granted for ten months and was extended by the FCC through October 6, 1998. The order, which is based on an FCC doctrine known as *Second Thursday*, provides that if there is a change of control that meets the conditions of *Second Thursday*, the Company's FCC issues will be resolved by the transfer of the Company's FCC licenses to the new owners of the Company and the hearing will not proceed. The Company believes that a reorganization plan that provides for either a conversion of certain existing debt to equity, in which case existing MobileMedia shares will be substantially diluted or eliminated

Footnotes to the Financial Statements (continued):

or a sale of the Company will result in a change of control. In the event that the Company were unable to consummate a plan of reorganization that satisfies the conditions of *Second Thursday*, the Company would be required to proceed with the hearing, which, if adversely determined, could result in the loss of the Company's licenses or substantial monetary fines, or both. Such an outcome would have a material adverse effect on the Company's financial condition and results of operations.

OFFICE OF THE U.S. TRUSTEE - REGION 3
CONSOLIDATED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For the month ended May 31, 1998

Debtor Name: **MobileMedia Corporation et al.**

Case Number: **97-174 (PJW)**

The Debtors have 50 bank accounts. In order to minimize costs to the estate, the Debtors have included a GAAP basis Statement of Cash Flows for the reporting period which is attached. The Statement of Cash Flows replaces the listing of cash receipts and disbursements, copies of the bank statements, and bank account reconciliations.

HEADNOTES:

These financial statements have not been prepared in accordance with GAAP because Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets, to be Disposed of" ("SFAS 121") has not been applied. Upon the application of SFAS 121, the Company expects to be required to write down the carrying value of its long-lived assets to their fair value. The Company believes the amount of the write-down will be material; however, it is not possible at this time to determine such amount. There could also be additional year end audit adjustments and adjustments to certain other accounts as a result of the Debtors' filing for protection under Chapter 11 of the US Bankruptcy Code on January 30, 1997.

MobileMedia Corporation and Subsidiaries
Consolidated Statements Of Cash Flows
For The Months Ended May 31, 1998, April 30, 1998 and March 31, 1998
(Unaudited)
(in thousands)

	May 1998	April 1998	March 1998
Operating Activities			
Net Loss	($10,141)	($12,422)	($9,878)
Adjustments To Reconcile Net Loss To Net Cash Provided By (Used In) Operating Activities:			
Depreciation And Amortization	15,702	15,573	16,142
Provision For Uncollectible Accounts And Returns	1,563	2,128	(1,619)
Undistributed Earnings Of Affiliate	0	0	0
Deferred Financings Fees, Net	304	304	304
Change In Operating Assets and Liabilities:			
Accounts Receivable	(1,876)	1,045	4,688
Inventory	(82)	(79)	149
Prepaid Expenses And Other Assets	1,869	(1,842)	662
Accounts Payable, Accrued Expenses and Other	(3,643)	(5,483)	1,569
Net Cash Provided By (Used In) Operating Activities	3,696	(776)	12,017
Investing Activities			
Construction And Capital Expenditures, Including Net Change In Pager Assets	(5,353)	(2,397)	(1,110)
Net Cash Used In Investing Activities	(5,353)	(2,397)	(1,110)
Financing Activities			
Borrowings (Repayments) of DIP Credit Facility	0	0	0
Net Cash Provided By (Used In) Financing Activities	0	0	0
Net Increase (Decrease) In Cash And Cash Equivalents	(1,657)	(3,173)	10,907
Cash And Cash Equivalents At Beginning Of Period	12,435	15,608	4,701
Cash And Cash Equivalents At End Of Period	$10,779	$12,435	$15,608

See Accompanying Notes

OFFICE OF THE U.S. TRUSTEE - REGION 3
STATEMENT OF OPERATIONS, TAXES, INSURANCE AND PERSONNEL

For the month ended May 31, 1998

Debtor Name: MobileMedia Corporation et al.

Case Number: 97-174 (PJW)

STATUS OF POSTPETITION TAXES					
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	DELINQUENT TAXES
FEDERAL					
WITHHOLDING	$ 10,187	$ 1,330,168	$ 1,340,355	$ 0	$ 0
FICA-EMPLOYEE	0	4,956,057	4,956,057	0	0
FICA-EMPLOYER	471,227	1,286,859	1,758,086	0	0
UNEMPLOYMENT	10,720	1,689	12,409	0	0
INCOME	0	0	0	0	0
TOTAL FEDERAL TAXES	492,134	7,574,773	8,066,907	0	0
STATE AND LOCAL					
WITHHOLDING	73,259	174,128	247,387	0	0
SALES	665,484	1,146,587	1,154,682	657,389	0
UNEMPLOYMENT	37,114	69,128	106,242	0	0
REAL PROPERTY	5,546,092	383,695	5,577	5,924,210	0
OTHER	694,380	846,224	614,290	926,314	0
TOTAL STATE AND LOCAL	7,016,329	2,619,762	2,128,178	7,507,913	0
TOTAL TAXES	$ 7,508,463	$ 10,194,535	$ 10,195,085	$ 7,507,913	$ 0

PAYMENTS TO INSIDERS AND PROFESSIONALS
For the month ended May 31, 1998

INSIDERS				
Payee Name	Position	Salary/Bonus/ Auto Allowance	Reimbursable Expenses	Total
Alvarez & Marsal Inc. - Joseph A. Bondi	Chairman - Restructuring	$ 54,167	$ 6,531	$ 60,698
Boykin, Roberta	Assistant Corporate Counsel	14,366	-	14,366
Burdette, H. Stephen	Senior VP Corporate Development and Senior VP Operations	22,500	135	22,635
Cross, Andrew	Executive VP Sales and Marketing	10,096	70	10,166
Grawert, Ron	Chief Executive Officer	46,154	6,525	52,679
Gray, Patricia	Secretary/Acting General Counsel	20,758	-	20,758
Gross, Steven	Acting Executive VP Sales & Marketing	22,298	892	23,190
Hilson, Debra	Assistant Secretary	6,992	-	6,992
Hughes, Curtis	VP Management Information Systems	14,784	1,784	16,568
Pascucci, James	Treasurer	12,704	3,557	16,261
Panzella, Vito	VP / Controller	13,269	2,094	15,363
Witsaman, Mark	Senior VP and Chief Technology Officer	22,904	2,572	25,476
			TOTAL PAYMENTS TO INSIDERS	$ 285,152

PAYMENTS TO INSIDERS AND PROFESSIONALS (Continued)
For the month ended May 31, 1998

PROFESSIONALS				
Name and Relationship	Date of Court Approval	Invoices Received (1)	Invoices Paid	Holdback and Invoice Balances Due
1. Ernst & Young - Auditor, Tax and Financial Consultants to Debtor	1/30/97	$ 356,903	$ -	$ 626,754
2. Latham & Watkins - Counsel to Debtor	1/30/97	21,904	46,308	51,888
3. Alvarez & Marsal Inc.- Restructuring Consultant to Debtor (2)	1/30/97	-	175,096	433,157
4. Sidley & Austin - Bankruptcy Counsel to Debtor	1/30/97	262,207	-	783,258
5. Young, Conway, Stargatt & Taylor - Delaware Counsel to Debtor	1/30/97	20,219	32,631	25,495
6. Wiley, Rein & Fielding - FCC Counsel to Debtor	1/30/97	21,612	26,361	71,038
7. Koteen & Naftalin - FCC Counsel to Debtor	6/11/97	-	-	3,945
8. Houlihan, Lokey, Howard & Zukin - Advisors to the Creditors' Committee	6/04/97	230,869	-	260,869
9. Jones, Day, Reavis & Pogue - Counsel to the Creditors' Committee	4/03/97	87,821	28,055	110,771
10. Morris, Nichols, Arsht & Tunnell - Delaware Counsel to the Creditors' Committee	4/03/97	555	3,041	2,073
11. Paul, Weiss, Rifkind, Wharton & Garrison - FCC Counsel to the Creditors' Committee	4/25/97	-	2,571	964
12. The Blackstone Group LP - Financial Advisors to Debtor	7/10/97	-	-	100,000
13. Gerry, Friend & Sapronov, LLP. - Counsel to Debtor	10/27/97	13,265	-	129,945
TOTAL		**$ 1,015,355**	**$ 314,063**	**$ 2,600,158**

(1) Excludes invoices for fees and expenses through May 31, 1998 that were received by the Debtors subsequent to May 31, 1998.

(2) Includes fees and expenses for David R. Gibson, Senior Vice President and Chief Financial Officer (effective June 24, 1997).

ADEQUATE PROTECTION PAYMENTS For the month ended May 31, 1998			
NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
The Chase Manhattan Bank - (Interest)	$ 4,610,528	$ 4,610,528*	$ 0

* Payment made on 6/1/98.

QUESTIONNAIRE For the month ended May 31, 1998	YES	NO
1. Have any assets been sold or transferred outside the normal course of business this reporting period?		No
2. Have any funds been disbursed from any account other than a debtor in possession account?		No
3. Are any postpetition receivables (accounts, notes, or loans) due from related parties?		No
4. Have any payments been made of prepetition liabilities this reporting period?	Yes	
5. Have any postpetition loans been received by the debtor from any party?		No
6. Are any postpetition payroll taxes past due?		No
7. Are any postpetition state or federal income taxes past due?		No
8. Are any postpetition real estate taxes past due?		No
9. Are any postpetition taxes past due?		No
10. Are any amounts owed to postpetition creditors past due?		No
11. Have any prepetition taxes been paid during the reporting period?	Yes	
12. Are any wage payments past due?		No

If the answer to any of the above questions is "YES", provide a detailed explanation of each item.

Item 4 & 11. The Court has authorized the Debtors to pay certain pre-petition creditors. These permitted pre-petition payments include (i) employee salary and wages; (ii) certain employee benefits and travel expenses; (iii) certain amounts owing to essential vendors; (iv) trust fund type sales and use taxes; (v) trust fund payroll taxes; (vi) property taxes; (vii) customer refunds; and (viii) customer rewards.

Item 5. During 1997, the Debtors drew down $47 million of borrowings and repaid $37 million under the DIP facility with The Chase Manhattan Bank, as agent for the lenders thereunder. During January and February, 1998 the Debtors repaid an additional $10 million. As of May 31, 1998 there were no funded borrowings under the DIP facility and a $0.5 million letter of credit issued in 1997 remained a contingent obligation of the Debtors under the DIP facility.

INSURANCE **For the month ended May 31, 1998**
There were no changes in insurance coverage for the reporting period.

PERSONNEL **For the month ended May 31, 1998**		
	Full Time	Part Time
1. Total number of employees at beginning of period	3,297	90
2. Number of employees hired during the period	13	14
3. Number of employees terminated or resigned during the period	118	69
4. Total number of employees on payroll at end of period	3,192	35

OFFICE OF THE U.S. TRUSTEE - REGION 3
STATEMENT OF ACCOUNTS RECEIVABLE AGING AND AGING OF POSTPETITION ACCOUNTS PAYABLE

For the month ended May 31, 1998

Debtor Name: MobileMedia Corporation et al.

Case Number: 97-174 (PJW)

ACCOUNTS RECEIVABLE AGING		
	$ 26,131,767	0 - 30 days old
	14,311,004	31 - 60 days old
	7,276,454	61 - 90 days old
	17,706,889	91+ days old
	65,426,114	TOTAL TRADE ACCOUNTS RECEIVABLE
	(24,740,251)	ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS
	40,685,863	TRADE ACCOUNTS RECEIVABLE (NET)
	645,976	OTHER NON-TRADE RECEIVABLES
	$ 41,331,839	ACCOUNTS RECEIVABLE, NET

AGING OF POSTPETITION ACCOUNTS PAYABLE	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
ACCOUNTS PAYABLE	**$ 2,230,692**	**460,447**	**0**	**0**	**$ 2,691,139**