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SBC COMMUNICATIONS INC
Form 8-K
March 22, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report: March 22, 2004

SBC COMMUNICATIONS INC.

(Exact name of registrant as specified in its charter)

1-8610

(Commission File Number)

DELAWARE

(State or other jurisdiction of incorporation)

43-1301883

(I.R.S. Employer Identification Number)

175 E. Houston, San Antonio, Texas, 78205

(Address of principal executive offices and zip code)

(210) 821-4105

(Registrant's telephone number, including area code)

Item 5. Other Events

As previously announced in October 2003, Belgian telecom provider Belgacom SA/NV ("Belgacom") and Telecommunications B.V. ("ADSB"), agreed to proceed with preparations for an initial public offering in connection with this IPO, which began today, SBC Communications Inc. ("SBC"). will sell substantial portion of Belgacom. SBC holds both a direct and indirect ownership in Belgacom's minority shareholder, ADSB.

In connection with the IPO, SBC expects to report a combined direct and indirect net gain of approximately \$1.0 billion (\$700 million after-tax), in its first-quarter 2004 financial results. Approximately \$2.0 billion will be reported as equity income, reflecting its indirect ownership through TDC A/S ("TDC"). SBC expects to receive approximately \$2.0 billion in cash from the disposition of its direct interest.

After the closing of the IPO, ADSB expects to hold a small percentage of Belgacom shares, representing approximately 10 percent of SBC's and TDC's original ownership, which are subject to an over-allotment option in the IPO. If the over-allotment option will be exercised, but if the option is exercised, any shares sold in the IPO will be at the IPO price.

Information set forth in this report contains financial estimates and other forward-looking statements which are subject to uncertainties. A discussion of factors that may affect future results is contained in SBC's filing with the Securities and Exchange Commission. SBC disclaims any obligation to update or revise statements contained in this news release or otherwise.

The securities discussed in this report have not been registered under the U.S. Securities Act of 1933.

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not be offered or sold in the United States absent registration or an applicable exemption from the Securities Act.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this statement to be signed on its behalf by the undersigned hereunto duly authorized.

SBC COMMUNICATIONS INC.

Date: March 22, 2004

By: /s/ John J. Stephens_____
John J. Stephens
Vice President and Cont