

TELEPHONE & DATA SYSTEMS INC /DE/
Form 10-Q/A
March 10, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

(Amendment No. 2)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2003

OR

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TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 001-14157

TELEPHONE AND DATA SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

36-2669023
(I.R.S. Employer Identification No.)

30 North LaSalle Street, Chicago, Illinois 60602
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(312) 630-1900**

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Not Applicable

(Former address of principal executive offices) (Zip Code)

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 No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at June 30, 2003
Common Shares, \$.01 par value	50,934,645 Shares
Series A Common Shares, \$.01 par value	6,430,365 Shares

EXPLANATORY NOTE

Telephone and Data Systems, Inc. (TDS) is filing this Amendment No. 2 to its Quarterly Report on Form 10-Q for the quarter ended June 30, 2003, which was originally filed with the Securities and Exchange Commission (the SEC) on August 8, 2003, and which was amended by Amendment No. 1 on February 17, 2004 (the Quarterly Report), to amend Part I, Item 1 Financial Statements and Item 2 Management s Discussion and Analysis of Results of Operations and Financial Condition and Part II, Item 6 Exhibits and Reports on Form 8-K of the Quarterly Report. In addition, as required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended, updated certifications by the TDS principal executive officer and principal financial officer are being filed as exhibits to this Form 10-Q/A.

This amendment does not amend any other Items except those indicated above and does not update any of the disclosures contained in the Quarterly Report as previously amended except as expressly provided herein. The filing of this Form 10-Q/A shall not be deemed an admission that the original or amended filings, when made, included any untrue statement of a material fact or omitted to state a material fact necessary to make a statement not misleading.

TELEPHONE AND DATA SYSTEMS, INC.

2nd QUARTER REPORT ON FORM 10-Q/A

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PART I. FINANCIAL INFORMATIONITEM 1. FINANCIAL STATEMENTSTELEPHONE AND DATA SYSTEMS, INC. AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF OPERATIONSUnaudited

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003 (As Restated)	2002 (As Restated)	2003 (As Restated)	2002 (As Restated)
	(Dollars in thousands, except per share amounts)			
OPERATING REVENUES	\$ 851,287	\$ 720,443	\$ 1,658,705	\$ 1,385,640
OPERATING EXPENSES				
Cost of services and products (exclusive of depreciation, amortization and accretion expense shown below)	263,188	209,608	525,586	399,430
Selling, general and administrative expense	347,575	271,907	684,076	530,016
Depreciation, amortization and accretion expense	144,902	115,636	296,129	227,535
(Gain) Loss on assets held for sale	3,500		27,000	
	759,165	597,151	1,532,791	1,156,981
OPERATING INCOME	92,122	123,292	125,914	228,659
INVESTMENT AND OTHER INCOME (EXPENSE)				
Interest and dividend income	6,069	48,167	10,397	50,234
Investment income	13,517	7,752	26,267	18,789
Gain (loss) on marketable securities and other investments	(5,000)	(1,719,126)	(8,500)	(1,756,526)
Interest expense	(43,996)	(29,095)	(87,353)	(58,719)
Minority interest in income of subsidiary trust	(6,202)	(6,202)	(12,405)	(12,405)
Other (expense), net	(7,097)	(1,223)	(5,938)	(17)
	(42,709)	(1,699,727)	(77,532)	(1,758,644)
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTEREST	49,413	(1,576,435)	48,382	(1,529,985)
Income tax expense (benefit)	23,623	(609,530)	27,447	(587,118)
INCOME (LOSS) BEFORE MINORITY INTEREST	25,790	(966,905)	20,935	(942,867)
Minority Share of (Income) Loss	(6,294)	15,115	(6,451)	5,087
INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGES	19,496	(951,790)	14,484	(937,780)

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Cumulative effect of accounting changes, net of tax and minority interest			(11,789)	3,366
NET INCOME (LOSS)	19,496	(951,790)	2,695	(934,414)
Preferred Dividend Requirement	(104)	(106)	(209)	(218)
NET INCOME (LOSS) AVAILABLE TO COMMON	\$ 19,392	\$ (951,896)		