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AT&T CORP  
Form 8-K  
July 28, 2003

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

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

Date of Report: July 24, 2003

AT&T CORP.  
(Exact Name of Registrant as Specified in Charter)

New York

(State or Other Jurisdiction of Incorporation)

1-1105  
(Commission File Number)

13-4924710  
(IRS Employer Identification No.)

One AT&T Way  
Bedminster, New Jersey  
(Address of Principal Executive Offices)

07921  
(Zip Code)

Registrant's telephone number, including area code: (908) 221-2000

Not Applicable

(Former Name or Former Address, If Changed Since Last Report)

A New York  
Corporation

Commission File  
No. 1-1105

I.R.S. Employer  
No. 13-4924710

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

What are we disclosing?

On July 24, 2003, David W. Dorman, our Chairman and Chief Executive Officer, publicly disclosed in an interview on CNBC "Squawkbox" that our EBITDA (earnings before interest, taxes, depreciation and amortization) margins (EBITDA as a percent of revenue) were in the mid-twenties.

Reconciliation of EBITDA and associated margin to net income for the three, six and twelve month periods ended June 30, 2003:

For the three

For the six

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|  | months ended<br>June 30, 2003<br>----- | Margin | months ended<br>June 30, 2003<br>----- | Margin |
|--|--|--------|--|--------|
| EBITDA   | \$2,226                                | 25.3%  | \$4,578                                | 25.7%  |
| Depreciation and amortization                          | (1,197)                                |        | (2,383)                                |        |
| AT&T Latin America impairment charge                   | -                                      |        | -                                      |        |
|  | -----                                  |        | -----                                  |        |
| Subtotal Operating Income                              | 1,029                                  | 11.7%  | 2,195                                  | 12.3%  |
| Other income (expense), net                            | 86                                     |        | 96                                     |        |
| Interest (expense)                                     | (296)                                  |        | (628)                                  |        |
| (Provision) for taxes                                  | (308)                                  |        | (605)                                  |        |
| Minority interest income                               | -                                      |        | 1                                      |        |
| Net earnings (losses) related to<br>equity investments | 25                                     |        | 6                                      |        |
|  | -----                                  |        | -----                                  |        |
| Net income from continuing operations                  | 536                                    |        | 1,065                                  |        |
| Net (loss) from discontinued operations                | -                                      |        | -                                      |        |
| Gain on disposition of discontinued<br>operations      | -                                      |        | -                                      |        |
| Cumulative effect of accounting change                 | -                                      |        | 42                                     |        |
|  | -----                                  |        | -----                                  |        |
| Net income   | \$536                                  | 6.1%   | \$1,107                                | 6.2%   |
|  | -----                                  |        | -----                                  |        |

The information in this Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AT&T CORP.

/s/ Robert S. Feit

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By: Robert S. Feit  
Vice President - Law and Secretary

July 28, 2003