

TELECOM ARGENTINA STET FRANCE TELECOM SA

Form 6-K

June 06, 2003

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer

**Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

For the month of June 6, 2003

Commission File Number: 001-13464

Telecom Argentina STET-France Telecom S.A.

(Translation of registrant's name into English)

Alicia Moreau de Justo, No. 50, 1107

Buenos Aires, Argentina

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes ☐

No ☒

If ☒ Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Telecom Argentina STET-France Telecom S.A.

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1. Press Release dated June 5, 2003 titled Telecom Argentina STET-France Telecom S.A. and Its Subsidiary, Telecom Personal S.A., Announce the Purchase Price and the Acceptance of Tenders in Connection with their Respective Cash Tender Offers for a Portion of their Financial Debt Instruments .

FOR IMMEDIATE RELEASE

Market Cap: Pesos 3.3 billion

(June 5, 2003)

Contacts:

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TELECOM ARGENTINA STET-FRANCE TELECOM S.A. AND ITS SUBSIDIARY,

TELECOM PERSONAL S. A., ANNOUNCE THE PURCHASE PRICE AND THE

ACCEPTANCE OF TENDERS IN CONNECTION WITH THEIR RESPECTIVE CASH

TENDER OFFERS FOR A PORTION OF THEIR FINANCIAL DEBT INSTRUMENTS

Buenos Aires, June 5, 2003 **Telecom Argentina STET-France Telecom S.A. (Telecom Argentina)** and its subsidiary Telecom Personal S.A. (Telecom Personal) and together with Telecom Argentina, the Companies , today announced the purchase price and amount of debt instruments accepted for purchase in their respective cash tender offers which expired on June 2, 2003 (the Expiration Date).

Telecom Argentina

The purchase price for Telecom Argentina's debt instruments, determined pursuant to the terms described in Telecom Argentina's tender offer materials and expressed as a percentage of principal amount of the tendered debt instruments, is equal to 55% or 550 per Euro 1,000, US\$1,000, Yen 1,000 or Argentine Peso 1,000 (the Telecom Argentina Purchase Price). The Telecom Argentina Purchase Price will be paid in the currency of the respective debt instruments. Telecom Argentina will purchase an aggregate principal amount equal to approximately US\$175 million of its outstanding notes and US\$34 million of its outstanding indebtedness under credit facilities with financial creditors (11% and 4% of its outstanding notes and indebtedness under credit facilities with financial creditors as of December 31, 2002, respectively), for the aggregate offer consideration of the equivalent of US\$115 million. All holders whose offers have been accepted for purchase will receive the same purchase price, upon the terms and subject to the conditions described in Telecom Argentina's tender offer materials.

Telecom Argentina expects that tendering holders will receive their respective payments on or before June 9, 2003.

Telecom Personal

The purchase price for Telecom Personal's indebtedness under credit facilities with financial creditors, determined pursuant to

the terms described in Telecom Personal's tender offer materials and expressed as a percentage of principal amount of the tendered indebtedness under credit facilities with financial creditors, is equal to 55% or 550 per US\$1,000, Yen 1,000 or Argentine Peso 1,000 (the Telecom Personal Purchase Price). The Telecom Personal Purchase Price will be paid in the currency of the respective credit facility debt instruments. Telecom Personal will purchase an aggregate principal amount equal to approximately US\$80 million of its outstanding indebtedness under credit facilities with financial creditors (13% of its outstanding indebtedness under credit facilities with financial creditors as of December 31, 2002), for the aggregate offer consideration of the equivalent of US\$44 million. All holders whose offers have been accepted for purchase will receive the same purchase price, upon the terms and subject to the conditions described in Telecom Personal's tender offer materials.

Telecom Personal expects that tendering holders will receive their respective payments on or before June 9, 2003.

The tender offers comprised the first steps of the Companies' plans to restructure their outstanding financial indebtedness and their ongoing debt service obligations.

Morgan Stanley & Co. Incorporated and MBA Banco de Inversiones S.A. acted as dealer managers for the tender offers. MBA Banco de Inversiones S.A. acted as dealer manager in Argentina only.

This announcement and the cash tender offers which are the subject hereof have not been made in any jurisdiction in which, or to any person to whom, it is unlawful to make such announcement and/or cash tender offers under applicable securities laws. This announcement shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof, or that there has been no change in the information set forth herein or in the affairs of the Companies or any of their affiliates since the date hereof.

For information relating to the tender offers contact:

Information Agent in the U.S. and Argentina

Georgeson Shareholder Communications Inc.

Banks and Brokers: (1-212) 440-9800

U.S. Toll Free: (866) 216-0459

For Argentine Holders: please dial 0800-555-4288, 0800-222-1288 or 0800-288-5288 followed by the U.S. Toll Free (866) 216-0459

Information Agent in Europe

GSC Proxitalia S.p.A.

(39) 06 4217-1777

Toll Free in Italy: (800) 18 99 23

www.gscproxitalia.com

You may also contact:

Telecom Argentina and Telecom Personal

Pedro Insussarry

Mariela Teló

Moira Colombo

Martín Heine

(54-11) 4968-3743/3627/3628/3701

Morgan Stanley & Co. Incorporated

Heather Hammond

(1-800) 624-1808 (domestic U.S.)

(1-212) 761-1893 (international callers call collect)

MBA Banco de Inversiones

Diego Steverlynck

(54-11) 4319-5865

Telecom Argentina is the parent company of a leading telecommunications group in Argentina, where it offers by itself or through its controlled subsidiaries local and long distance basic telephony, cellular, PCS, data transmission, and Internet services, among other services. Additionally, through a controlled subsidiary the Telecom Group offers cellular and PCS services in Paraguay. Telecom Argentina commenced operations on November 8, 1990, upon the Argentine Government's transfer of the telecommunications system in the northern region.

Nortel Inversora S.A. ("Nortel"), which acquired the majority of the Company from the Argentine government, holds 54.74% of Telecom's common stock. Nortel is a holding company where the common stock (aprox. 68% of capital stock) is owned in equal parts by the Groups Telecom Italia and France Telecom. Additionally, the capital stock of Nortel is comprised of preferred shares that are in hands of minority shareholders.

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On March 31, 2003, Telecom had 984,380,978 shares outstanding.

Disclaimer

This document may contain statements that could constitute forward-looking statements, including, but not limited to the Company's expectations for its future performance, revenues, income, earnings per share, capital expenditures, dividends, liquidity and capital structure; the impact of recent emergency laws enacted by the Argentine government; and the impact of rate changes and competition on the Company's future financial performance. Forward looking statements may be identified by words such as believes, expects, anticipates, projects, intends, shows, seeks, estimates, future or other similar expressions. Forward-looking statements involve risks and uncertainties that could significantly affect the Company's expected results. The risks and uncertainties include, but are not limited to, uncertainties concerning the impact of recent emergency laws enacted by the Argentine government which have resulted in the repeal of Argentina's convertibility law, the devaluation of the peso, restrictions on the ability to exchange pesos into foreign currencies, the adoption of a restrictive currency transfer policy, the pesification of tariffs charged for public services, the elimination of indexes to adjust rates charged for public services and the Executive branch announcement to renegotiate the terms of the concessions granted to public service providers, including Telecom. Due to extensive and rapid changes in laws and economic and business conditions in Argentina, it is difficult to predict the impact of these changes on the Company's financial condition. Other factors may include, but are

not limited to, the current and on-going recession in Argentina, growing inflationary pressure and reduction in consumer spending and the outcome of certain legal proceedings. Readers are cautioned not to place undue reliance on forward looking statements, which speak only as the date of this document. The Company undertakes no obligation to release publicly the results of any revisions to forward looking statements which may be made to reflect events and circumstances after the date of this press release, including, without limitation, changes in the Company's business or to reflect the occurrence of unanticipated events. Readers are encouraged to consult the Company's Annual Report and Form 20-F as well as periodic filings made on Form 6-K, which are filed with or furnished to the United States Securities and Exchange Commission.

Carlos Felices

C.E.O.

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.

TELECOM ARGENTINA STET-FRANCE TELECOM S.A.

Date: June 6, 2003

By:

/s/ CHRISTIAN CHAUVIN

Name:

Christian Chauvin

Title:

Vice-President