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SBC COMMUNICATIONS INC
Form 8-K
June 17, 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: June 17, 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

SBC Communications Inc. ("SBC") today sold 50 percent of its indirect 18 percent stake in South African Telkom SA Ltd. ("Telkom") for approximately 3.58 billion Rand (approximately U.S.\$542 million) to a group of South African and international institutional investors. As a result of the transaction, SBC now holds a 10 percent stake in Telkom. Thintana Communications LLC (Thintana) (the holder of the Telkom shares SBC beneficially owned) is the holder of the remaining 40 percent of the Telkom shares. SBC's ownership of Telkom is subject to exceptions for sales pursuant to: a public tender offer or exchange offer for all of the shares of Telkom; a repurchase program so long as it is targeted in whole or in part to Thintana; to affiliates of SBC; to persons who agree to the same transfer restriction; or with the prior written consent of the investment managers of the institutional investors.

SBC expects to report in its second-quarter 2004 financial results a net after-tax loss of approximately \$10 million.

SBC expects to continue to use the equity method of accounting for its remaining interest in Telkom. SBC recorded \$34 million in equity income from Telkom.

Information set forth in this report contains financial estimates and other forward-looking statements which are subject to uncertainties and actual results might differ materially. A discussion of factors that may affect SBC's filings with the Securities and Exchange Commission. SBC disclaims any obligation to update this report based on new information or otherwise.

The securities referred to in this report have not been and will not be registered under the U.S. Securities Act of 1933.

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and may not be offered or sold in the United States, except pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933, and the offering of securities is being made into the United States.

Signature

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

SBC COMMUNICATIONS INC.

Date: June 17, 2004

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