

TELECOM ARGENTINA SA
Form 6-K
September 08, 2011

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

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

For the month of September 2011

Commission File Number: 001-13464

Telecom Argentina 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

Telecom Argentina S.A.

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TELECOM ARGENTINA S.A.

Corporation non adhered to the Optional Statutory Regime of Compulsory Public Purchase Offer

CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2011

TELECOM ARGENTINA S.A.

Corporation non adhered to the Optional Statutory Regime of Compulsory Public Purchase Offer

Consolidated Financial Statements as of June 30, 2011 and December 31, 2010 and for the six-month periods ended June 30, 2011 and 2010

\$: Argentine peso

US\$: US dollar

\$4.11 = US\$1 as of June 30, 2011

TELECOM ARGENTINA S.A.

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TELECOM ARGENTINA S.A.

Corporation non adhered to the Optional Statutory Regime of Compulsory Public Purchase Offer

Unaudited Consolidated Balance Sheets as of June 30, 2011 and December 31, 2010

(In millions of Argentine pesos, See Note 3.c)

	As of June 30, 2011 (unaudited)	As of December 31, 2010
ASSETS		
Current Assets		
Cash and banks	\$ 54	\$ 119
Investments	1,371	1,268
Accounts receivable, net	1,501	1,449
Other receivables, net	257	334
Inventories, net	306	437
Other assets, net	4	7
Total current assets	3,493	3,614
Non-Current Assets		
Accounts receivable, net	30	
Other receivables, net	112	98
Investments	1	1
Fixed assets, net	7,668	7,479
Intangible assets, net	762	769
Other assets, net	3	3
Total non-current assets	8,576	8,350
TOTAL ASSETS	\$ 12,069	\$ 11,964
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 2,777	\$ 2,908
Debt	55	42
Salaries and social security payable	366	390
Taxes payable	837	1,022
Other liabilities	63	54
Contingencies	106	64
Total current liabilities	4,204	4,480
Non-Current Liabilities		
Accounts payable	4	
Debt	134	121
Salaries and social security payable	115	110
Taxes payable	91	154
Other liabilities	196	200

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Contingencies		569		536
Total non-current liabilities		1,109		1,121
TOTAL LIABILITIES		\$ 5,313	\$	5,601
Noncontrolling interest		164		126
SHAREHOLDERS EQUITY		\$ 6,592	\$	6,237
TOTAL LIABILITIES, NONCONTROLLING INTEREST AND SHAREHOLDERS EQUITY		\$ 12,069	\$	11,964

The accompanying notes are an integral part of these consolidated financial statements.

Adrián Calaza
Chief Financial Officer

Enrique Garrido
Chairman of the Board of Directors

TELECOM ARGENTINA S.A.

Corporation non adhered to the Optional Statutory Regime of Compulsory Public Purchase Offer

Unaudited Consolidated Statements of Income

for the six-month periods ended June 30, 2011 and 2010

(In millions of Argentine pesos, except per share data in Argentine pesos see Note 3.c)

	For the six-month periods	
	ended June 30,	
	2011	2010
Net sales	\$ 8,616	\$ 6,717
Cost of services	(4,179)	(3,363)
Gross profit	4,437	3,354
General and administrative expenses	(311)	(244)
Selling expenses	(2,163)	(1,571)
Operating income	1,963	1,539
Financial results, net	56	(46)
Other expenses, net	(136)	(123)
Net income before income tax and noncontrolling interest	1,883	1,370
Income tax expense, net	(655)	(502)
Noncontrolling interest	(12)	(3)
Net income	\$ 1,216	\$ 865
Net income per share	\$ 1.24	\$ 0.88

The accompanying notes are an integral part of these consolidated financial statements.

Adrián Calaza
Chief Financial Officer

Enrique Garrido
Chairman of the Board of Directors

TELECOM ARGENTINA S.A.

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Unaudited Consolidated Statements of Changes in Shareholders' Equity

for the six-month periods ended June 30, 2011 and 2010

(In millions of Argentine pesos - see Note 3.c)

	Shareholders' contributions (Note 9.a)			Unappropriated earnings (Note 9.b)			Total Shareholders equity
	Common stock	of common stock	Total	Legal reserve	Other reserves	Accumulated earnings	
Balances as of January 1, 2010	\$ 984	2,688	3,672		106	1,658	\$ 5,436
As approved by the Shareholders' Ordinary and Extraordinary Meeting held on April 28, 2010:							
Legal Reserve				360		(360)	
Cash dividends (\$1.07 per share)						(1,053)	(1,053)
Note 6							
Foreign currency translation adjustments					(1)		(1)
Net income for the period						865	865
Balances as of June 30, 2010	\$ 984	2,688	3,672	360	(i) 105	1,110	\$ 5,247
Balances as of January 1, 2011	984	2,688	3,672	360	(i) 139	2,066	6,237
As approved by the Shareholders' Ordinary and Extraordinary Meeting held on April 7, 2011:							
Legal Reserve				91		(91)	
Cash dividends (\$0.93 per share)						(915)	(915)
Note 6							
Foreign currency translation adjustments (i)					54		54
Net income for the period						1,216	1,216
Balances as of June 30, 2011	\$ 984	2,688	3,672	451	(i) 193	2,276	\$ 6,592