

TELE CENTRO OESTE CELULAR PARTICIPACOES
Form 6-K
July 28, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of July, 2003

Commission File Number 001-14489

TELE CENTRO OESTE PARTICIPAÇÕES S.A.

(Exact name of registrant as specified in its charter)

Tele Centro Oeste Participações Holding Company

(Translation of Registrant's name into English)

SCS - Quadra 2, Bloco C, Edifício Anexo-Telebrasil Celular

-7° Andar, Brasília, D.F.

Federative Republic of Brazil

(Address of principal executive office)

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

Form 20-F Form 40-F

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

Yes No

VIVO, THE LARGEST WIRELESS COMMUNICATION GROUP IN SOUTH AMERICA, REPORTS SECOND QUARTER 2003 RESULTS OF TELE CENTRO OESTE CELULAR PARTICIPAÇÕES S.A.

INVESTOR RELATIONS OFFICER:

Luis André Carpintero Blanco

Brasília Brazil, July 24, 2003 Tele Centro Oeste Celular Participações S.A. TCO (BOVESPA: TCOC3 (Common), TCOC4 (Preferred); NYSE: TRO), part of Vivo, the largest cellular telephone group in South America, announced today its consolidated results for the second quarter 2003. The closing prices at July 24, 2003 were: **TCOC3**: R\$ 14.30 / 1,000 shares, **TCOC4**: R\$ 5.65 / 1,000 shares and **TRO**: US\$ 5.88 / ADR (1 ADR = 3,000 preferred shares). TCO is the holding company that controls six cellular operators Telegoiás Celular S.A., Telemat Celular S.A., Telems Celular S.A., Teleron Celular S.A., Teleacre Celular S.A. and Norte Brasil Telecom S.A. and a Company that provides IP (Internet Protocol) data services - TCO IP. TCO operates in the Federal District and in 11 Brazilian states: Acre, Amazonas, Amapá, Goiás, Maranhão, Mato Grosso, Mato Grosso do Sul, Pará, Rondônia, Roraima and Tocantins, in 5.8 million km2 of territory and 31.2 million inhabitants, representing 18% of the Brazilian population.

Financial and operating information contained in this press release, except where otherwise stated, is presented in accordance with Brazilian Corporate Law on a consolidated basis. Dollar figures are provided for the reader's convenience at the June 30, 2003 exchange rate of R\$ 2.8720 per US dollar. For comparison purposes, we continue to refer to Region I (B Band) and II (A Band) of the Authorization Term of Personal Communication Services (PCS), as Area 8 and Area 7, respectively.

HIGHLIGHTS**Tele Centro Oeste Celular**

| R\$ million | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|--|----------------|----------------|--------------|----------------|--------------|
| Net Operating Revenue | 488.7 | 413.1 | 18.3% | 386.4 | 26.5% |
| Net operating revenues from telecommunication services | 421.2 | 375.7 | 12.1% | 325.7 | 29.3% |
| Net operating revenues from sales of merchandise | 67.6 | 37.4 | 80.7% | 60.7 | 11.4% |
| Total Operating Cost | (291.4) | (251.3) | 16.0% | (233.2) | 25.0% |
| EBITDA | 197.3 | 161.8 | 22.0% | 153.2 | 28.8% |
| EBITDA margin (%) | 40.4% | 39.2% | 1.2p.p. | 39.7% | 0.7p.p. |
| EBIT | 148.4 | 115.2 | 28.9% | 115.2 | 28.8% |
| Net income | 119.9 | 92.2 | 30.1% | 89.3 | 34.2% |
| Earnings per 1,000 shares (R\$) | 0.32 | 0.24 | 30.0% | 0.24 | 34.3% |
| Earnings per ADR (R\$) | 0.95 | 0.73 | 30.0% | 0.75 | 34.3% |
| Number of shares (billion) | 379.2 | 379.2 | - | 379.2 | - |
| CAPEX (accumulated) | 70 | 31 | na | 78 | na |
| CAPEX as % of revenues | 8.0% | 7.5% | 0.5p.p. | 10.2% | -2.2p.p. |
| Operating Cash Flow | 158.4 | 130.8 | 21.1% | 117.8 | 34.5% |

| Subscribers (thousand) | 3,330 | 3,178 | 4.8% | 2,700 | 23.3% |
|-------------------------------|--------------|--------------|---------------|--------------|--------------|
| Postpaid | 892 | 860 | 3.7% | 748 | 19.2% |
| Prepaid | 2,438 | 2,318 | 5.2% | 1,952 | 24.9% |
| SAC | 123 | 147 | -16.3% | 104 | 18.3% |

EBITDA = Earnings before interest, taxes, depreciation and amortization.

EBITDA Margin = EBITDA/ Net Operating Revenue.

EBIT = Earning before interest and taxes.

Operating Cash Flow = EBITDA - CAPEX.

SAC = Subscriber Acquisition Cost = (70% marketing expenses + dealers expenses + handset subsidies)/gross additions.

Columns may not add up due to rounding.

Basis of Presentation

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The evaluation method for certain performance indicators has been changed to be compatible with the criteria used by other Vivo operators. Historical information was adjusted accordingly for comparison purposes:

- Churn: will now be calculated as (disconnections / average number of clients in the period). Previously, churn rate was equal to (disconnections / (average number of clients in the beginning of the quarter + gross additions in the quarter)).
- ARPU: adjusted based on the reclassification of FUST and Funttel taxes from the revenue line to operating expenses.
- SAC: marketing expenses percentage has been lowered from 100% to 70% and no longer includes Fistel tax as previously.

In 2Q02, Gross Operating Revenues, Net Operating Revenues and Totaled Cost of Services, R\$ 482.5 million, R\$ 386.4 million and R\$ 69.3 million, respectively (Press Release table 1), do not match the ITR income statement (table 01.01), due to accounting reclassifications.

For comparison purposes the historical information regarding Net Operating Revenue, Operating Expenses and EBITDA margin were adjusted due to the reclassification of FUST and Funttel taxes from deductions of revenues to operating expenses.

Employee profit sharing is now accounted for as an operating expense, which was also reflected in the 2Q02 figures for comparison purposes.

VIVO

The joint venture between Telefónica Móviles and Portugal Telecom unified the operations of Tele Centro Oeste Celular Participações S.A. with those of Telesp Celular Participações S.A., Tele Sudeste Celular Participações S.A., Celular CRT Participações S.A. and Tele Leste Celular Participações S.A. as of April 14, 2003 under the Vivo brand.

HIGHLIGHTS

- TCO has continuously generated positive net income, as evidenced by prudent management of shareholder resources.
- NBT registered net profit of R\$12.1 million in the second quarter 2003.
- Intense commercial activity and strong promotional Mothers Day and Valentines Day campaigns caused TCO's total client base to increase 23.3% compared to 2Q02.

OPERATING PERFORMANCE

Operating Data TCO Area 7

| | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|-------------------------------------|--------------|--------------|-----------------|--------------|-----------------|
| Total subscribers (thousand) | 2,688 | 2,561 | 5.0% | 2,200 | 22.2% |
| Postpaid | 747 | 716 | 4.4% | 625 | 19.5% |
| Prepaid | 1,942 | 1,845 | 5.2% | 1,575 | 23.3% |
| Analog | 46 | 53 | -13.3% | 71 | -35.2% |
| Digital | 2,642 | 2,508 | 5.4% | 2,129 | 24.1% |
| Estimated Market share (%) | 69.7% | 71.7% | -2.0p.p. | 75.8% | -6.1p.p. |
| Net Additions (thousand) | 128 | 92 | 39.0% | 135 | -5.3% |
| Postpaid | 31 | 4 | 737.2% | 36 | -12.1% |
| Prepaid | 96 | 88 | 9.4% | 99 | -2.8% |
| Churn in the quarter (%) | 6.0% | 4.1% | 1.9p.p. | 4.8% | 1.2p.p. |
| ARPU (R\$/month) | 44 | 40 | 9.8% | 43 | 3.6% |
| Postpaid | 93 | 83 | 12.0% | 92 | 1.1% |
| Prepaid | 26 | 23 | 9.0% | 23 | 10.2% |
| Total MOU (minutes) | 105 | 105 | -0.1% | 109 | -3.1% |
| Postpaid | 201 | 197 | 2.3% | 212 | -4.9% |
| Prepaid | 61 | 62 | -3.1% | 66 | -8.6% |
| Employees | 1,239 | 1,213 | 2.1% | 1,136 | 9.1% |
| Client/Employee | 2,170 | 2,111 | 2.8% | 1,936 | 12.0% |

Operating Data NBT Area 8

| | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|-------------------------------------|--------------|--------------|-----------------|--------------|-----------------|
| Total subscribers (thousand) | 642 | 618 | 4.0 | 501 | 28.2% |
| Postpaid | 145 | 144 | 0.6 | 123 | 17.7% |
| Prepaid | 497 | 473 | 5.0 | 377 | 31.7% |
| Estimated Market share (%) | 32.7% | 34.3% | -1.6p.p. | 35.5% | -2.8p.p. |
| Net Additions (thousand) | 25 | 20 | 24.1 | 49 | -50.2% |
| Postpaid | 1 | (4) | n.a. | 12 | -92.7% |
| Prepaid | 24 | 24 | -1.5% | 37 | -36.1% |
| Churn in the quarter (%) | 8.5% | 6.2% | 2.3p.p. | 5.9% | 2.6p.p. |
| ARPU (R\$/month) | 39 | 39 | -0.4% | 37 | 5.2% |
| Postpaid | 95 | 90 | 5.1 | 83 | 13.7% |
| Prepaid | 23 | 23 | -1.6% | 22 | 2.7% |
| Total MOU (minutes) | 105 | 108 | -2.8% | 107 | -2.2% |
| Postpaid | 223 | 224 | -0.5% | 223 | 0.2% |
| Prepaid | 60 | 62 | -3.0% | 69 | -12.9% |
| Employees | 384 | 380 | 1.1 | 348 | 10.3% |
| Client/Employee | 1,672 | 1,626 | 2.9 | 1,439 | 16.2% |

HIGHLIGHTS

- Vivo has been concentrating on the implementation of a CDMA network (1xRTT), selective overlay of the TDMA coverage maintained by TCO, stabilization of capability and coverage of TDMA network, and development of new telecommunications services.
- Vivo has encouraged its operators to adopt commercially aggressive store lay-outs and service plans, as well as unifying the communication of its corporate websites, among other initiatives aimed at capturing synergies.
- TCO has achieved systematic client base growth in its area of operations, specifically in the central west and north of Brazil plus the state of Maranhão at a pace that surpasses the national average.
- In 2Q03, TCO's net additions represented 8.8% of net additions in Brazil as registered by the Brazilian Telecommunications Agency (ANATEL)
- Retention and loyalty campaigns have contributed to the maintenance of TCO's leadership in this new competitive environment, in particular due to the coverage and quality of service relative to the competition.
- TCO, in the second quarter of 2003, expanded its coverage, being present, cumulatively, in 540 municipalities and locations. At the end of 2Q03, TCO provided service to 366 municipalities and locations in its Area 7 operation, and 174 municipalities and locations in Area 8.

Average Revenue per User

Blended ARPU (average net revenue per user) in Area 7 has grown consistently, while ARPU in Area 8 has been stable, reflecting the respective economies in each region that have shown continuous GDP per capita growth mainly due to expansion of the agricultural sector in the central west and mining and exploration in the north of Brazil.

Wireless Penetration

The Company believes that wireless communication services still have plenty of room to grow, considering the advantage of mobility and new added services offered. The estimated wireless penetration rate in TCO's areas of operation reached 25.4 per 100 residents in Area 7, where 3 wireless carriers operate, and 12.1 per 100 residents in Area 8, where 4 wireless carriers operate.

Human Resources

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TCO has been efficient in its operations as measured by the clients per employee indicator that has increased each quarter.

FINANCIAL PERFORMANCE

Operating Revenue

| R\$ Million | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|--|--------------|--------------|--------------|--------------|--------------|
| Subscription fees | 36.0 | 33.7 | 6.9% | 26.9 | 34.0% |
| Usage charges | 291.7 | 263.5 | 10.7% | 217.7 | 34.0% |
| National charges | 278.1 | 250.5 | 11.0% | 208.1 | 33.7% |
| Addition per call | 9.3 | 5.7 | 64.2% | 5.8 | 60.4% |
| DSL | 4.3 | 7.3 | -40.9% | 3.8 | 12.2% |
| Network Usage charge | 198.4 | 174.1 | 14.0% | 159.1 | 24.7% |
| Other | 6.1 | 5.3 | 15.5% | 3.6 | 71.1% |
| Operating Revenue from service | 532.2 | 476.5 | 11.7% | 407.2 | 30.7% |
| Handset Sales | 85.4 | 48.4 | 76.6% | 75.2 | 13.5% |
| Gross Operating Revenue | 617.6 | 524.9 | 17.7% | 482.5 | 28.0% |
| Net Operating Revenue | 488.7 | 413.1 | 18.3% | 386.4 | 26.5% |
| Net operating revenues from telecommunication services | 421.2 | 375.7 | 12.1% | 325.7 | 29.3% |
| Net operating revenues from sales of merchandise | 67.6 | 37.4 | 80.7% | 60.7 | 11.4% |

Revenue Performance TCO's Net Operating Revenue from Services grew 12.1% when compared to 1Q03 and 29.3% when compared to 2Q02. This performance is due to client base expansion and to increased revenue from interconnection, since the tariff readjustment in February 2003 had a full impact on 2Q03 -and only a partial impact in 1Q03.

Net Operating Revenue from Sales of Merchandise increased 80.7% in relation to 1Q03, a result of a higher sales volume in 2Q03 primarily following promotional Mother's Day and Valentine's Day campaigns and of the higher sales price of handsets due to a strategic repositioning that reduced subsidies.

Operating Cost

| R\$ Million | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|--|----------------|----------------|---------------|----------------|--------------|
| Personnel | (26.1) | (22.7) | 14.9% | (19.3) | 35.4% |
| Cost of services | (90.7) | (88.4) | 2.7% | (69.3) | 31.0% |
| Leased lines | (9.7) | (8.6) | 13.5% | (9.0) | 7.9% |
| Network Usage Charges | (49.1) | (48.1) | 2.0% | (34.4) | 42.8% |
| Rent / Insurance / condominium fees | (3.4) | (2.6) | 29.9% | (2.9) | 15.6% |
| Others | (28.6) | (29.1) | -1.8% | (23.0) | 24.3% |
| Cost of goods sold | (92.9) | (60.7) | 53.1% | (79.8) | 16.5% |
| Sales Expenses | (59.4) | (52.1) | 14.0% | (43.4) | 36.8% |
| Allowance for doubtful account | (14.9) | (9.5) | 57.2% | (10.7) | 39.7% |
| Marketing expenses | (11.5) | (9.8) | 17.7% | (8.7) | 31.9% |
| Commissions expenses | (13.4) | (10.5) | 28.1% | (9.1) | 47.4% |
| Third party services | (12.9) | (14.2) | -9.2% | (12.7) | 1.2% |
| Others | (6.7) | (8.2) | -18.6% | (2.2) | 206.0% |
| General and Administrative expenses | (28.3) | (29.3) | -3.3% | (19.5) | 45.5% |
| Other operating revenue (expense) | 6.0 | 1.9 | 215.5% | (2.0) | na |
| Total Operating Cost | (291.4) | (251.3) | 16.0% | (233.2) | 25.0% |

Cost Performance Cost of goods sold increased 53.1% when compared to 1Q03, growing less than revenue from sales of handsets (80.7%), as a result of a higher sales volume in 2Q03 primarily following Mother's Day and Valentine's Day

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campaigns. SAC decreased 16.4% in relation to 1Q03.

The 14.0% increase in sales expenses compared to 1Q03 is a result of higher marketing expenses due to the launch of the Vivo brand (non-recurring expenses) and of increased payment of sales commissions, linked to the higher sales volume in the quarter.

Bad Debt

Past due accounts represented 2.4% of gross revenues, flat when compared to the second quarter of 2002, due to the efforts to improve the postpaid client base and also to tighter credit control policies for dealers and corporate clients.

EBITDA

Strong EBITDA performance confirms the effective implementation of TCO's strategic initiatives. Excluding the effect of handset sales, EBITDA in the second quarter of 2003 was R\$ 222.6 million with an EBITDA margin of 52.9%, attractive when considering the increase in regional competition.

Depreciation

Depreciation and amortization amounted to R\$ 48.9 million in the quarter. Depreciation is calculated based on the linear basis method, considering the useful life of assets.

Financial Results

| R\$ Million | 2Q03 | 1Q03 | Δ% | 2Q02 | Δ% |
|---|--------------|-------------|--------------|---------------|---------------|
| Financial Revenue | 113.7 | 77.9 | 46.0% | 53.5 | 112.5 |
| Exchange variation | 55.9 | 22.2 | 151.8% | (5.5) | n.d. |
| Other Financial Revenue | 63.3 | 59.7 | 6.0% | 61.0 | 3.8 |
| (-) PIS / Cofins over Financial Revenue | (5.6) | (4.0) | 40.0% | (2.0) | 180.0 |
| Financial Expense | 74.4 | 50.6 | 47.0% | 99.4 | -25.2% |
| Exchange Variation* | (2.1) | - | - | 53.1 | n.d. |
| Other Financial Expense | 19.5 | 25.6 | -23.8% | 61.8 | -68.4% |
| Gains (Losses) on derivatives | 57.0 | 25.0 | 128.0% | (15.4) | n.d. |
| Net Financial Revenue (expense) | 39.3 | 27.3 | 44.0% | (45.9) | n.d. |

*Exchange variation on foreign currency debt that includes the Brazilian Development Bank (BNDES) operation that is linked to a basket of currencies. UMBNDES.

Financial Results

TCO's net financial results mainly reflect the rise of the Real exchange rate against the US dollar. On June 30, 2003, TCO held an amount of US\$ 93.5 million in exchange rate derivatives to hedge its foreign exchange denominated obligations. The effect of the Real appreciation on the derivatives also increase taxes on financial revenues.

Loan and Financing

| R\$ million | June 30, 2003 | |
|------------------------|--|-------------------------------|
| | Denominated In foreign currency | Denominated In R\$ |
| Financial Institutions | 324.7 | 194.4 |
| Total | 324.7 | 194.4 |

| R\$ million | June 30 2003 | March 31, 2003 | June 30, 2002 |
|--------------------|---------------------|-----------------------|----------------------|
| Short term | 262.7 | 317 | 191.3 |
| Long term | 256.4 | 290 | 272.5 |

| | | | |
|---------------------------|----------------|--------------|----------------|
| Total Indebtedness | 519.1 | 608 | 463.8 |
| Cash and Derivatives | (932.0) | (973) | (653.3) |
| Net Debt | (412.9) | (365) | (189.5) |

Long Term Debt Payments Timetable

| R\$ million | Denominated In foreign currency | Denominated In R\$ |
|--------------------|--|-------------------------------|
| 2004 | 19.7 | 24.5 |
| 2005 | 39.3 | 49.0 |
| After 2005 | 39.3 | 84.6 |
| Total | 98.3 | 158.1 |

Net Debt On June 30, 2003, TCO had total debt of R\$ 519.1 million (R\$ 608.0 million on March 31, 2003) of which 62.5% was denominated in foreign currency (59.15% denominated in US Dollars and 3.4% indexed to a currency basket - an index used by the BNDES - Brazilian Development Bank). Derivative instruments hedged 87.1% of the debt denominated in US Dollars at the end of the quarter. Derivative instruments covered 82.4% of foreign currency debt. TCO held cash (R\$ 53.2 million), financial investments (R\$ 669.7 million), marketable securities (R\$ 223.5 million), and assets and liabilities from derivative operations (R\$ 14.4 million payable), resulting in a net cash position of R\$ 412.9 million, characterizing a solid financial position.

Capital Expenditures In the year to date, R\$ 70.0 million was invested mainly in projects to expand the capacity of our services, to provide new services and to develop proprietary transmission routes.

TCO Awards

- Best Brazilian Communication Company - InfoExame Magazine,
- Best Brazilian Telecommunication Company - Forbes Brazil Magazine,
- Best Brazilian Company in Social Responsibility Category - InfoExame Magazine,
- Wireless service operator of the year - Telecom Yearbook,
- TOP 10 - iBEST.

Corporate News On April 10, 2003 Brazilian Telecommunications Agency - ANATEL- approved the transfer of interest ownership, owned by BID S.A., in the Capital Stock of Tele Centro Oeste Celular Participações S.A. to Telesp Celular Participações S.A.; On April 25, 2003, Tele Centro Oeste Celular Participações S.A. was informed by its controlling shareholder that the closing of the operation of exchange of controlling interest from the Company to Telesp Celular Participações S.A., according to the terms of the Preliminary Purchase and Sale Agreement of Shares and Purchase and Sale Agreement of Shares. The operation and the purchase by Telesp Celular Participações S.A. of shares representing a controlling interest in the Company have now been completed.

Subsequent Events On July 6, 2003, the wireless operators implemented the Carriers Selection Code on national (VC2 and VC3) and international long distance calls, according to SMP rules. Vivo's operators no longer receive VC2 and VC3 revenues instead they receive interconnection revenues for the usage of their networks on such calls.

Tables to follow:

Table 1: TCO Consolidated Income Statement

Table 2: TCO Consolidated Balance Sheet

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This press release contains forward-looking statements. Such statements are not statements of historical fact, and reflect the beliefs and expectations of the company's management. The words "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "predicts," "projects" and "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties. Accordingly, the actual results of TCO operations may be different from the Company's current expectations, and the reader should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date they are made, and TCO does not undertake any obligation to update them in light of new information or future developments.

TABLE 1: TCO CONSOLIDATED INCOME STATEMENT
(Corporate Law)

| In R\$ million | 2Q03 | 1Q03 | 2Q02 | Total jun-03 | jun-02 |
|---|----------------|----------------|----------------|-----------------|----------------|
| Total gross operating revenues | 617.6 | 524.9 | 482.5 | 1,142.5 | 896.9 |
| Deductions from gross operating revenues | (128.9) | (111.8) | (96.1) | (240.7) | (180.5) |
| Net operating revenues from telecommunication services | 421.2 | 375.7 | 325.7 | 796.8 | 622.6 |
| Net operating revenues from sales of equipment | 67.6 | 37.4 | 60.7 | 104.9 | 93.8 |
| Total net operating revenues | 488.7 | 413.1 | 386.4 | 901.8 | 716.4 |
| Operating Costs | (291.4) | (251.3) | (233.2) | (542.7) | (415.5) |
| Personnel | (26.1) | (22.7) | (19.3) | (48.8) | (38.0) |
| Cost of services | (90.7) | (88.4) | (69.3) | (179.1) | (128.5) |
| Cost of equipment sold | (92.9) | (60.7) | (79.8) | (153.6) | (122.4) |
| Selling expenses | (59.4) | (52.1) | (43.4) | (111.5) | (84.1) |
| General and administrative expenses | (28.3) | (29.3) | (19.5) | (57.6) | (40.4) |
| Other operating income (expenses) net | 6.0 | 1.9 | (2.0) | 7.9 | (2.1) |
| Earnings before interest, tax, depreciation amort. and equity - EBITDA | 197.3 | 161.8 | 153.2 | 359.1 | 300.8 |
| Depreciation and amortization | (48.9) | (46.6) | (38.0) | (95.5) | (75.5) |
| Operating income before interest, tax and equity consolidation - EBIT | 148.4 | 115.2 | 115.2 | 263.6 | 225.4 |
| Net interest income (loss) | 39.3 | 27.3 | (43.9) | (66.6) | (36.7) |
| Operating income | 187.7 | 142.5 | 71.4 | 330.2 | 188.7 |
| Net non-operating income / expenses | (4.9) | (5.0) | (5.2) | (9.9) | (11.0) |
| Income before taxation | 182.8 | 137.5 | 66.2 | 320.3 | 177.7 |
| Income and social contribution taxes | (60.8) | (43.5) | (19.4) | (104.3) | (54.3) |
| Participation of minority shareholders | (2.1) | (1.8) | 1.8 | (3.9) | (3.0) |
| Reversal of interest on own shareholders' equity | -- | -- | 40.7 | -- | 40.7 |
| Net income (loss) for the period | 119.9 | 92.2 | 89.3 | 212.1 | 161.2 |

TABLE 2: TCO CONSOLIDATED BALANCE SHEET
(Corporate Law)

(In R\$ millions)

| | Corporate Law | |
|------------------------------------|----------------------|------------------|
| | 30-Jun-03 | 31-Dec-02 |
| ASSETS | | |
| Current Assets | 1,390 | 1,313 |
| Cash and cash equivalents | 723 | 159 |
| Net accounts receivable | 279 | 228 |
| Debentures | 224 | 712 |
| Inventory | 35 | 48 |
| Taxes deferred and receivable | 115 | 111 |
| Prepaid expenses | 5 | 5 |
| Operations with derivatives | -- | 38 |
| Other assets | 9 | 12 |
| Non Current Assets | 89 | 120 |
| Credit with affiliate company | 42 | 40 |
| Taxes deferred and receivable | 29 | 48 |
| Operations with derivatives | 1 | 15 |
| Judicial deposits | 13 | 13 |
| Other assets | 4 | 4 |
| Permanent Assets | 903 | 931 |
| Investments | 5 | 8 |
| Property, plant and equipment, net | 869 | 891 |
| Deferred assets | 29 | 32 |
| Total Assets | 2,382 | 2,365 |

TABLE 2: TCO CONSOLIDATED BALANCE SHEET
(Corporate Law)

(In R\$ millions)

| | Corporate Law | |
|---|----------------------|------------------|
| | 30-Jun-03 | 31-Dec-02 |
| LIABILITIES | | |
| Current Liabilities | 558 | 715 |
| Payroll and related accruals | 11 | 9 |
| Accounts payable | 131 | 154 |
| Taxes and contributions payable | 101 | 108 |
| Interest on net worth and dividends payable | 22 | 103 |
| Loans and financing | 263 | 325 |
| Operations with derivatives | 12 | 2 |
| Other liabilities | 18 | 14 |
| Non Current Liabilities | 368 | 407 |
| Loans and financing | 256 | 303 |
| Provision for contingencies | 101 | 99 |
| Taxes and contributions payable | 6 | 4 |
| Operations with derivatives | 4 | -- |
| Other liabilities | 1 | 1 |
| Minority Shareholders | 23 | 24 |
| Shareholders Equity | 1,433 | 1,219 |
| Share capital | 570 | 534 |
| Goodwill special reserve | 863 | 685 |
| Total Liabilities | 2,382 | 2,365 |

SIGNATURE

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.

Date: July 25, 2003

TELE CENTRO OESTE CELLULAR HOLDING
COMPANY

By: /s/ Luis Andrés Carpintero Blanco

Luis Andrés Carpintero Blanco
Director of Investor Relations

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
