

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### US WEST INC

CIK: **732718** | IRS No.: **840926774** | State of Incorpor.: **CO** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-08611** | Film No.: **94502150**  
SIC: **4813** Telephone communications (no radiotelephone)

#### Mailing Address

7800 EAST ORCHARD ROAD  
SUITE 480  
ENGLEWOOD CO 80111

#### Business Address

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SUITE 480  
ENGLEWOOD CO 80111  
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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: January 21, 1994

U S WEST, INC.

A Colorado  
Corporation

Commission File  
Number 1-8611

IRS Employer Identification  
No. 84-0926774

7800 East Orchard Road, Englewood, Colorado 80111

Telephone Number (303) 793-6500

## Item 5. Other Events

On January 21, 1994, U S WEST, Inc. (the "Company") released its fourth-quarter earnings results. Such release is attached hereto as Exhibit 99.

## Item 7. Exhibits

- 99a Press Release issued by the Company, dated January 21, 1994.
- 99b.1 Unaudited Consolidated Statements of Income of the Company for quarters ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.
- 99b.2 Unaudited Selected Consolidated Data of the Company for quarters ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.
- 99b.3 Audited Consolidated Statements of Income of the Company for years ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.
- 99b.4 Unaudited Selected Consolidated Data of the Company for years ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.
- 99b.5 Audited Consolidated Balance Sheets of the Company for years ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.
- 99b.6 Audited Consolidated Statements of Cash Flows of the Company for years ended December 31, 1992 and December 31, 1993, filed in connection with the Press Released dated January 21, 1994.
- 99b.7 Unaudited Statement of Income from Operations of U S WEST Communications, Inc. for quarters ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.

99b.8 Unaudited Statement of Income from Operations of U S WEST Communications, Inc. for years ended December 31, 1992 and December 31, 1993, filed in connection with the Press Release dated January 21, 1994.

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 hereunto duly authorized.

U S WEST, Inc.

/s/ STEPHEN E. BRILZ

By \_\_\_\_\_  
Stephen E. Brilz  
Senior Attorney and  
Assistant Secretary

Dated: January 21, 1994

EXHIBIT 99A

RELEASE DATE: JANUARY 20, 1994

CONTACT: LOIS LEACH 303-793-6355  
BLAIR JOHNSON 303-793-6296U S WEST REPORTS RECORD GROWTH IN TELEPHONE LINES AND  
CELLULAR SUBSCRIBERS;  
TAKES BOLD ACTION TO ENSURE SUCCESS IN NEW MARKETS

ENGLEWOOD, Colo. -- U S WEST (NYSE: USW) today reported increased revenues and income from its continuing operations in 1993, before the effects of one-time charges.\* The company also reported record growth in telephone access lines and cellular subscribers.

The number of telephone access lines served by U S WEST Communications, the company's telecommunications subsidiary, grew by 498,000 in 1993 -- a record 3.7 percent increase. In addition, minutes of use, an indicator of long-distance calling volumes, grew by 8.5 percent in 1993.

Meanwhile, U S WEST Cellular added a record 186,000 subscribers in 1993 -- a 45 percent increase over 1992.

U S WEST's revenues grew in 1993 by \$471 million to \$10.29 billion -- a 4.8 percent increase over 1992.

Pre-tax income from continuing operations\*\* increased 11.2 percent over 1992, before the effects of one-time charges. After-tax income, on the same basis, increased 6.0 percent to \$1.14 billion, or \$2.72 per share. By comparison, 1992 income was \$1.08 billion, or \$2.61 per share.

"1993 was a landmark year for U S WEST," said Richard McCormick, U S WEST chairman and chief executive officer. "U S WEST and Time Warner Entertainment forced a strategic alliance, making U S WEST the first major telecommunications company to announce -- and complete -- a partnership with a leading entertainment company to deliver interactive, broadband services outside the phone company's territory. Our partnership with Time Warner Entertainment will combine the expertise of both companies to generate long-term growth in earnings and cash flow.

"In February," McCormick said, "we also were the first regional Bell company to commit to upgrading its phone system to a broadband network so we can offer interactive video services to our current customers. We've already started construction in Omaha for the

largest multimedia trial in the United States, and earlier this month we announced plans to expand our broadband network to Denver, Minneapolis-St. Paul, Portland, Ore., and Boise, Idaho."

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McCormick also noted that U S WEST took two other major steps to prepare for the dramatic changes under way in the local telecommunications business.

"We're 'reengineering' our business practices to improve customer service and reduce costs," he said. "And we've adopted new accounting methods to speed the depreciation of telephone wires and switches."

1993 revenue growth and continued cost controls resulted in a 6.7 percent increase in U S WEST's earnings before interest, taxes, depreciation, amortization and other income, or EBITDA -- excluding the effects of a one-time restructuring charge. EBITDA is a financial tool used to evaluate a company's fundamental operating performance.

Including the effects of previously announced one-time charges, the company reported a 1993 net loss of \$2.81 billion, or \$6.69 per share. (\*See page 4 for more detail on these one-time charges.)

Fourth-quarter 1993 revenues totaled \$2.67 billion -- 5.8 percent more than the same period in 1992.

Fourth quarter income from continuing operations was \$264.1 million in 1993, compared with \$261.9 million in 1992. On a per-share basis, earnings declined slightly to \$0.62 compared with \$0.63 in 1992, reflecting the fourth-quarter sale of 22 million new shares of U S WEST stock.

Other 1993 U S WEST developments include:

- The introduction in September of Mercury One-2-One -- the world's first commercial Personal Communications Network, or PCN. Unveiled in the United Kingdom with Cable & Wireless PLC, Mercury One-2-One is a new generation of wireless telephones priced for the mass market. Customer response to Mercury One-2-One has exceeded expectations.

- Significant customer growth in the United Kingdom, where U S WEST and Tele-Communications Inc. are the largest providers of combined cable TV and telephone service. Operating in 24 franchises, the joint venture ended 1993 with 226,000 cable TV customers -- up markedly from the 143,000 one year ago. The

company also provides about 140,000 telephone access lines, compared to 76,000 at the end of 1992.

- Continued strong growth in U S WEST's international cellular markets. The number of cellular customers served by our joint venture operations in Hungary, the Czech Republic, Slovakia and Russia grew to 63,200 in 1993, compared to 31,500 a year ago.

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U S WEST is in the connections business, helping customers share information, entertainment and communications services in local markets worldwide.

# # #

\* U S WEST's One-Time Charges in 1993

The one-time charges stemmed from several bold steps U S WEST took in 1993 to prepare the company for success in the increasingly competitive marketplace. Following are the effects of these previously announced charges in after-tax dollars. (The per-share amounts were diluted by the sale of 22 million shares of U S WEST's common stock in a fourth-quarter equity offering.)

- A third-quarter restructuring charge of \$610 million, or \$1.46 per share, for costs associated with reengineering U S WEST Communications' customer support operations, streamlining and other initiatives throughout U S WEST;

- Extraordinary charges totaling \$3.2 billion, or \$7.63 per share. Extraordinary charges reflect both a technical accounting change -- from rules designed for regulated utilities to those developed for competitive companies -- that accounts for \$7.45 per share; and refinancing of \$2.7 billion in long-term debt at U S WEST Communications that accounts for \$0.18 per share;

- A second-quarter charge of \$100 million, or \$0.24 per share, for costs associated with exiting the financial services businesses; and

- An adjustment of \$74 million, or \$0.17 per share, to reflect the cumulative tax effect resulting from the 1993 federal tax law changes. (\$54 million, or \$0.13 per share, is reflected in continuing operations; \$20 million, or \$0.04 per share, is reflected in discontinued operations.)



\*\* Continuing Operations vs. Discontinued Operations

Continuing operations represent company results minus the contributions of U S WEST's financial services businesses, which the company is exiting. These businesses are being treated as discontinued operations for accounting purposes.

###

&lt;TABLE&gt;

CONSOLIDATED STATEMENTS OF  
INCOME (UNAUDITED)  
<CAPTION>

U S WEST, Inc.

Dollars in millions, except per share amounts	Quarter Ended		% Change
	December 31, 1993	December 31, 1992	
<S>	<C>	<C>	<C>
SALES AND OTHER REVENUES	\$2,666.0	\$2,519.0	5.8
EXPENSES			
Employee-related costs	941.0	968.0	(2.8)
Other operating expenses	562.3	486.5	15.6
Taxes other than income taxes	100.0	77.6	28.9
Depreciation and amortization	489.2	473.8	3.3
Interest expense	125.1	109.2	14.6
Other income (expense) - net	(54.3)	(34.6)	56.9
Income from continuing operations before income taxes	394.1	369.3	6.7
Provision for income taxes	130.0	107.4	21.0
Income from continuing operations	264.1	261.9	0.8
Discontinued operations	-	41.7	-
NET INCOME	\$264.1	\$303.6	(13.0)
Earnings per share:			
Continuing operations	\$0.62	\$0.63	(1.6)
Discontinued operations	-	0.10	-
EARNINGS PER SHARE	\$0.62	\$0.73	(15.1)

&lt;FN&gt;

Note: Certain reclassifications within the financial statements have been made to conform to the current year presentation.

&lt;/TABLE&gt;



&lt;TABLE&gt;

## SELECTED CONSOLIDATED DATA (UNAUDITED)

U S WEST, Inc.

&lt;CAPTION&gt;

Dollars in millions, except per share amounts	Quarter Ended December 31,		% Change
	1993	1992	
<S>	<C>	<C>	<C>
Dividends per share	\$0.535	\$0.53	0.9
Book value per share	\$13.29	\$19.95	-
Capital expenditures	\$879.9	\$906.2	(2.9)
Return on shareowners' equity	19.9%	14.7%	-
Debt-to-capital ratio (Note 1)	55.1%	39.6%	-
Average shares outstanding (thousands)	429,196	413,836	3.7
Shares outstanding (thousands)	441,140	414,462	6.4
Employees	60,778	63,707	(4.6)

## TELEPHONE COMPANY STATISTICS

## Access lines (thousands):

Business	3,899	3,712	5.0
Consumer	9,944	9,633	3.2
Total access lines	13,843	13,345	3.7

## Billed access minutes of use (millions):

Interstate	10,492	9,647	8.8
Intrastate	1,978	1,782	11.0
Total access minutes of use	12,470	11,429	9.1

Debt-to-capital ratio	63.0%	43.6%	-
Capital expenditures	\$779.4	\$822.8	(5.3)
Employees	49,668	52,423	(5.3)

## SELECTED CELLULAR AND PAGING DATA

## REVENUES

Cellular service (Note 2)	\$124.3	\$95.4	30.3
Cellular equipment (Note 2)	24.0	12.8	87.5
Paging sales and service	14.3	12.6	13.5

## SELECTED STATISTICS

Cellular subscribers (Note 3)	601,000	415,000	44.8
Total adjusted POPs (millions)	18.2	17.9	1.1

Pagers in service

285,000

247,000

15.4

<FN>

Note 1: 1993 and 1992 debt-to-capital ratio including discontinued operations is 59.7% and 51.7%.

Note 2: Restated to include RSA markets and reclassification of first payment defaults and intraLATA toll revenue.

Note 3: Cellular subscribers have been restated to include MSA, RSA and wholesale subscribers.

</TABLE>

## CONSOLIDATED STATEMENTS OF INCOME

U S WEST, Inc.

&lt;CAPTION&gt;

Dollars in millions, except per share amounts	Year Ended December 31,		%
-----	1993	1992	Change
<S>	<C>	<C>	<C>
SALES AND OTHER REVENUES	\$10,293.6	\$9,822.6	4.8
EXPENSES			
Employee-related costs	3,630.7	3,521.1	3.1
Other operating expenses	2,018.7	1,960.9	2.9
Taxes other than income taxes	417.0	377.6	10.4
Depreciation and amortization	1,954.5	1,880.5	3.9
Restructuring charge	1,000.0	-	-
Interest expense	439.3	453.5	(3.1)
Other income (expense) - net	(88.7)	(59.8)	48.3
-----			
Income from continuing operations before income taxes	744.7	1,569.2	(52.5)
Provision for income taxes	268.8	493.4	(45.5)
-----			
Income from continuing operations	475.9	1,075.8	(55.8)
Discontinued operations:			
Income to June 1, 1993, net of tax*	38.5	103.6	(62.8)
Estimated loss from June 1, 1993 through disposal, net of tax	(100.0)	-	-
Income tax rate change	(20.0)	-	-
-----			
Income before extraordinary items and cumulative effect of change in accounting principles	394.4	1,179.4	(66.6)
Extraordinary items:			
Discontinuance of SFAS No. 71, net of tax	(3,123.0)	-	-
Early extinguishment of debt, net of tax	(77.2)	-	-

Cumulative effect of change in accounting principles related to postretirement and postemployment benefits, net of tax

- (1,793.4) -

NET LOSS

-----  
 (\$2,805.8) (\$614.0) -  
 =====

<FN>

\* For 1992 through December 31

Note: Certain reclassifications within the financial statements have been made to conform to the current year presentation.

</TABLE>

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<TABLE>

CONSOLIDATED STATEMENTS OF INCOME

U S WEST, Inc.

<CAPTION>

	Year Ended		%
	December 31,	1992	Change
	1993		
-----	-----	-----	-----
<S>	<C>	<C>	<C>
Earnings (loss) per share:			
Continuing operations	\$1.13	\$2.61	(56.7)
Discontinued operations:			
Income to June 1, 1993*	0.09	0.25	(64.0)
Estimated loss from June 1, 1993 through disposal, net of tax	(0.24)	-	-
Income tax rate change	(0.04)	-	-
Extraordinary items:			
Discontinuance of SFAS No. 71, net of tax	(7.45)	-	-
Early extinguishment of debt, net of tax	(0.18)	-	-
Cumulative effect of change in accounting principles	-	(4.35)	-
LOSS PER SHARE	----- (\$6.69)	----- (\$1.49)	----- -
	=====	=====	=====

<FN>

\* For 1992 through December 31

Note: Certain reclassifications within the financial

statements have been made to conform to the current year presentation.

</TABLE>



&lt;TABLE&gt;

## SELECTED CONSOLIDATED DATA (UNAUDITED)

U S WEST, Inc.

&lt;CAPTION&gt;

Dollars in millions, except per share amounts	Year Ended		% Change
	1993	December 31, 1992	
<S>	<C>	<C>	<C>
Dividends per share	\$2.14	\$2.12	0.9
Book value per share	\$13.29	\$19.95	-
Capital expenditures	\$2,441.2	\$2,554.2	(4.4)
Return on shareowners' equity (Note 1)	*	14.4%	-
Debt-to-capital ratio (Note 2)	55.1%	39.6%	-
Average shares outstanding (thousands)	419,365	412,518	1.7
Shares outstanding (thousands)	441,140	414,462	6.4
Employees	60,778	63,707	(4.6)

## TELEPHONE COMPANY STATISTICS

## Access lines (thousands):

Business	3,899	3,712	5.0
Consumer	9,944	9,633	3.2
Total access lines	13,843	13,345	3.7

## Billed access minutes of use (millions):

Interstate	40,594	37,413	8.5
Intrastate	7,529	6,956	8.2
Total access minutes of use	48,123	44,369	8.5

Debt-to-capital ratio	63.0%	43.6%	-
Capital expenditures	\$2,181.9	\$2,356.6	(7.4)
Employees	49,668	52,423	(5.3)

## SELECTED CELLULAR AND PAGING DATA

## REVENUES

Cellular service (Note 3)	\$442.9	\$350.2	26.5
Cellular equipment (Note 3)	63.5	45.0	41.1
Paging sales and service	54.4	47.2	15.3

## SELECTED STATISTICS

Cellular subscribers (Note 4)	601,000	415,000	44.8
Total adjusted POPs (millions)	18.2	17.9	1.1
Pagers in service	285,000	247,000	15.4

<FN>

\* See fourth quarter

Note 1: 1992 return on shareowners' equity is based on income before cumulative effect of change in accounting principles.

Note 2: 1993 and 1992 debt-to-capital ratio including discontinued operations is 59.7% and 51.7%.

Note 3: Restated to include RSA markets and reclassification of first payment defaults and intraLATA toll revenue.

Note 4: Cellular subscribers have been restated to include MSA, RSA and wholesale subscribers.

</TABLE>

## EXHIBIT 99B.5

&lt;TABLE&gt;

## CONSOLIDATED BALANCE SHEETS

U S WEST, Inc.

&lt;CAPTION&gt;

In millions	December 31,	
	1993	1992
<S>	<C>	<C>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$128.2	\$158.9
Accounts and notes receivable	1,570.1	1,498.6
Inventories and supplies	192.7	196.6
Prepaid and other	608.8	354.7
Total current assets	2,499.8	2,208.8
Property, plant and equipment - net	13,231.8	17,946.4
Investment in Time Warner Entertainment	2,552.4	-
Other assets	1,841.2	2,419.6
Net assets of discontinued operations	554.5	885.9
Total assets	\$20,679.7	\$23,460.7
<b>LIABILITIES AND SHAREOWNERS' EQUITY</b>		
Current liabilities		
Short-term debt	\$1,776.2	\$582.5
Accounts payable	977.0	960.5
Employee compensation	386.3	392.4
Other	1,842.0	1,238.5
Total current liabilities	4,981.5	3,173.9
Long-term debt	5,422.7	4,847.4
Postretirement and other postemployment benefit obligations	2,698.6	2,825.0
Deferred taxes and credits	1,715.7	4,346.5
Shareowners' equity		
Common shares	6,996.6	5,770.2
Retained earnings (deficit)	(892.4)	2,792.1
LESOP guarantee	(243.0)	(294.4)
Total shareowners' equity	5,861.2	8,267.9
Total liabilities and		

shareowners' equity

\$20,679.7    \$23,460.7

=====

<FN>

Note 1: All assets and liabilities associated with discontinued operations are presented in the line item "Net assets of discontinued operations".

Note 2: Certain reclassifications within the financial statements have been made to conform to the current year presentation.

</TABLE>

## EXHIBIT 99B.6

&lt;TABLE&gt;

## CONSOLIDATED STATEMENTS OF CASH FLOWS

U S WEST, Inc.

&lt;CAPTION&gt;

In millions	Year Ended Dec. 31, 1993	1992
<S>	<C>	<C>
<b>OPERATING ACTIVITIES</b>		
Net loss	(\$2,805.8)	(\$614.0)
Adjustments to loss:		
Depreciation and amortization	1,954.5	1,880.5
Discontinuance of SFAS No. 71, net of tax	3,123.0	-
Discontinued operations	81.5	(103.6)
Cumulative effect of change in accounting principles, net of tax	-	1,793.4
Deferred income taxes and amortization of investment tax credits	(225.1)	4.3
Restructuring charge	1,000.0	-
Changes in operating assets and liabilities:		
Accounts and notes receivable	(90.1)	44.1
Inventories, supplies and other	(55.9)	(24.5)
Accounts payable and accrued liabilities	198.7	65.4
Other - net	157.0	211.7
<b>Cash provided by operating activities</b>	<b>3,337.8</b>	<b>3,257.3</b>
<b>INVESTING ACTIVITIES</b>		
Expenditures for property, plant and equipment	(2,449.2)	(2,249.6)
Investment in Time Warner Entertainment	(1,556.9)	-
Proceeds from disposals of property, plant and equipment	44.8	75.3
Other - net	(240.0)	(82.2)
<b>Cash (used) for investing activities</b>	<b>(4,201.3)</b>	<b>(2,256.5)</b>
<b>FINANCING ACTIVITIES</b>		
Net proceeds from short-term debt	687.4	25.2
Proceeds from issuance of long-term debt	2,281.7	344.1
Repayments of long-term debt	(3,085.0)	(769.9)
Dividends paid	(812.0)	(796.0)
Proceeds from issuance of common stock	1,150.1	91.3
<b>Cash provided by (used for) financing activities</b>	<b>222.2</b>	<b>(1,105.3)</b>
<b>Cash (used for) continuing operations</b>	<b>(641.3)</b>	<b>(104.5)</b>
<b>Cash provided by (used for) discontinued</b>		

operations	610.6	(237.5)
-----		
CASH AND CASH EQUIVALENTS		
Decrease	(30.7)	(342.0)
Beginning balance	158.9	500.9
-----		
Ending balance	\$128.2	\$158.9
=====		

<FN>  
Note: Certain reclassifications within the financial statements have been made to conform to the current year presentation.  
</TABLE>

EXHIBIT 99B.7

&lt;TABLE&gt;

INCOME FROM OPERATIONS  
(UNAUDITED)

U S WEST COMMUNICATIONS, Inc

&lt;CAPTION&gt;

Dollars in millions	Quarter Ended		% Change
	1993	1992	
<S>	<C>	<C>	<C>
OPERATING REVENUES			
Local service	\$987.1	\$934.4	5.6
Access charges - interstate	554.3	515.6	7.5
Access charges - intrastate	169.5	171.4	(1.1)
Long distance network service	358.9	355.5	1.0
Miscellaneous	145.8	128.7	13.3
Total operating revenues	2,215.6	2,105.6	5.2
OPERATING EXPENSES			
Employee-related costs	757.5	773.6	(2.1)
Other operating expenses	412.4	366.8	12.4
Taxes other than income taxes	89.5	70.1	27.7
Depreciation and amortization	451.9	436.4	3.6
Total operating expenses	1,711.3	1,646.9	3.9
INCOME FROM OPERATIONS	\$504.3	\$458.7	9.9

&lt;FN&gt;

Note: Certain reclassifications within the financial statements have been made to conform to the current year presentation.

&lt;/TABLE&gt;

EXHIBIT 99B.8

&lt;TABLE&gt;

INCOME FROM OPERATIONS

U S WEST COMMUNICATIONS, Inc.

&lt;CAPTION&gt;

Dollars in millions	Year Ended		% Change
	1993	December 31, 1992	
<S>	<C>	<C>	<C>
OPERATING REVENUES			
Local service	\$3,829.1	\$3,674.3	4.2
Access charges - interstate	2,146.9	2,046.9	4.9
Access charges - intrastate	682.0	672.8	1.4
Long distance network service	1,441.5	1,419.7	1.5
Miscellaneous	556.4	510.0	9.1
Total operating revenues	8,655.9	8,323.7	4.0
OPERATING EXPENSES			
Employee-related costs	2,916.6	2,862.6	1.9
Other operating expenses	1,599.4	1,556.2	2.8
Taxes other than income taxes	379.8	348.1	9.1
Depreciation and amortization	1,806.5	1,735.4	4.1
Restructuring charge	880.0	-	-
Total operating expenses	7,582.3	6,502.3	16.6
INCOME FROM OPERATIONS	\$1,073.6	\$1,821.4	(41.1)

&lt;FN&gt;

Note: Certain reclassifications within the financial statements have been made to conform to the current year presentation.

&lt;/TABLE&gt;



