

AMERICA MOVIL SA DE CV/
Form 20-F/A
July 23, 2004

As filed with the Securities and Exchange Commission on July 23, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 20-F/A

(Amendment No. 1)

**Annual Report Pursuant to Section 13
of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2003

**Commission file number for securities registered
pursuant to Section 12(b) of the Act: 0-32245**

**Commission file number for securities registered
pursuant to Section 12(g) of the Act: 1-16269**

AMÉRICA MÓVIL, S.A. DE C.V.

(exact name of registrant as specified in its charter)

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America Mobile

(translation of registrant's name into English)

United Mexican States

(jurisdiction of incorporation)

Lago Alberto 366, Colonia Anáhuac, 11320 México, D.F., México

(address of principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

American Depositary Shares, each representing

20 Series L Shares, without par value

Series L Shares, without par value

Name of each exchange on which registered:

New York Stock Exchange

New York Stock Exchange

(for listing purposes only)

Securities registered pursuant to

Section 12(g) of the Act:

American Depositary Shares, each representing 20 Series A Shares, without par value

Series A Shares, without par value

The number of outstanding shares of each of the registrant's classes of capital or common stock as of December 31, 2003:

3,647 million

279 million

8,910 million

AA Shares

A Shares

L Shares

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☒

EXPLANATORY NOTE

This amended annual report on Form 20-F/A dated July 23, 2004 is being filed to:

(1) amend Item 18 Financial Statements to replace the accountants reports with respect to América Central Tel, S.A. for the years ended December 31, 2002 and 2001 and Telecom Americas Ltd. for the year ended December 31, 2001 and the 186-day period ended December 31, 2000 with reports that expressly state that the audits referred to therein were conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States); and

(2) add the inadvertently omitted page references in the cross reference, at the top of page 67 of the annual report on Form 20-F filed on June 30, 2004, which shall read See Item 18 Financial Statements and pages F-1 through F-87.

Other than the foregoing items and conforming changes related thereto, and the correction of certain minor typographical errors and omissions, no part of the annual report on Form 20-F filed on June 30, 2004 is being amended, and the filing of this amended annual report on Form 20-F/A should not be understood to mean that any other statements contained therein are true or complete as of any date subsequent to June 30, 2004.

Item 18. Financial Statements

See pages F-1 through F-87, incorporated herein by reference.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders of América Móvil, S.A. de C.V.

We have audited the accompanying consolidated balance sheets of América Móvil, S.A. de C.V. and subsidiaries as of December 31, 2002 and 2003 and the related consolidated statements of operations, changes in stockholders' equity and changes in financial position for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of América Central Tel, S.A. and subsidiaries, which statements collectively account for 10% of total assets at December 31, 2002, and 10% and 8% of total operating revenues for the years ended December 31, 2001 and 2002, respectively, of the related consolidated amounts, as well as the financial statements of Telecom Américas Ltd, in which the Company's equity in their net loss is stated at P. 3,660,197 in 2001. Those financial statements, presented in accordance with International Accounting Standards and accounting principles generally accepted in the United States of America, respectively, were examined by other independent auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the financial information utilized by Company's management (before conversion to accounting principles generally accepted in Mexico) of such subsidiary and investee in the consolidated financial statements of América Móvil, S.A. de C.V. and subsidiaries, is based solely on the reports of the other independent auditors.

We conducted our audits in accordance with auditing standards generally accepted in Mexico and in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts (including the Company's conversion of the financial statements of América Central Tel, S.A. and Telecom Américas Ltd, to accounting principles generally accepted in Mexico) and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other independent auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of América Móvil, S.A. de C.V. and subsidiaries at December 31, 2002 and 2003, and the consolidated results of their operations and changes in their financial position for each of the three years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in Mexico, which differ in certain respects from those followed in the United States of America. (See Note 23).

Mancera, S.C.

A Member Practice of

Ernst & Young Global

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C.P.C. Francisco Alvarez del Campo

Mexico City, Mexico

February 23, 2004,

(except for Note 23 as to which the date is March 16, 2004)

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and

Shareholders of América Central Tel, S.A.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of América Central Tel, S.A. and subsidiaries at December 31, 2002 and 2001, and the results of their operations and their cash flows for the years then ended, in conformity with International Accounting Standards. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States of America), which require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statements presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As explained in Note 2 to the consolidated financial statements at December 31, 2002, the company prepared these consolidated financial statements for the first time in conformity with International Accounting Standards (IAS), and, as required by provisions issued by the Standing Committee on Interpretations of IAS, it restated both its financial statements and retained earnings as of December 31, 2001. As more fully explained in note 2 to the consolidated financial statements, the effect of the mentioned restatement was charged to retained earnings.

International Accounting Standards (IAS) vary in certain significant respects from accounting principles generally accepted in the United States. The application of the latter would have affected the determination of consolidated net income expressed in Guatemalan Quetzales for the years ended December 31, 2002 and 2001 and the determination of consolidated stockholders' equity and consolidated cash flows also expressed in Guatemalan Quetzales at December 31, 2002 and 2001 to the extent summarized in Note 17 to the consolidated financial statements.

February 20, 2003, except for Note 17, which is dated March 4, 2003.

AMÉRICA MÓVIL, S.A. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands of Constant Mexican Pesos as of December 31, 2003, except for earnings per share)

	Year ended December 31,			Million of U.S. dollars
	2001	2002	2003	2003
Operating revenues:				
Services:				
Usage charges	P. 28,223,945	P. 32,855,080	P. 48,849,771	\$ 4,348
Monthly rent	5,594,442	10,764,349	11,639,345	1,036
Long-distance	4,232,224	4,951,114	7,385,984	657
Other services	3,429,410	3,976,896	5,996,308	534
Sales of handsets and accessories	3,977,383	7,195,157	12,069,564	1,074
	<u>45,457,404</u>	<u>59,742,596</u>	<u>85,940,972</u>	<u>7,649</u>
Operating costs and expenses:				
Cost of sales	15,675,640	21,744,132	33,572,259	2,988
Cost of sales and services with related parties (Note 17)	3,821,476	3,637,594	3,902,024	347
Commercial, administrative and general	11,869,136	12,076,188	16,099,680	1,433
Commercial, administrative and general with related parties (Note 17)	363,824	657,215	529,053	47
Impairment of investments in affiliates (Note 10)	2,132,600	40,793		
Depreciation and amortization (Notes 7 to 10) (includes P. 3,690,186, P. 6,006,324 and P.10,295,050 for the years ended December 31 2001, 2002 and 2003, respectively not included in cost of sales)	4,920,248	8,606,263	13,877,861	1,235
	<u>38,782,924</u>	<u>46,762,185</u>	<u>67,980,877</u>	<u>6,050</u>
Operating income	<u>6,674,480</u>	<u>12,980,411</u>	<u>17,960,095</u>	<u>1,599</u>
Comprehensive financing (cost) income:				
Interest income	884,160	1,401,503	2,382,557	212
Interest expense	(1,138,433)	(2,439,159)	(3,780,072)	(336)
Interest (expense) income with related parties, net (Note 17)	(6,588)	(57,215)	4,706	
Exchange (loss) gain, net	(382,034)	(1,526,419)	1,354,786	121
Monetary (loss) gain	(817,611)	2,871,978	2,350,798	209
Other financing income (cost), net	795,609	(1,273,744)	(189,395)	(17)
	<u>(664,897)</u>	<u>(1,023,056)</u>	<u>2,123,380</u>	<u>189</u>

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Other income (loss), net	423,211	270,064	(1,044,944)	(93)
Income before income tax and employee profit sharing	6,432,794	12,227,419	19,038,531	1,695
Provisions for:				
Income tax (Note 19)	3,290,281	3,211,308	3,277,526	292
Employee profit sharing	209,677	202,304	247,938	22
	3,499,958	3,413,612	3,525,464	314
Income before equity in results of affiliates	2,932,836	8,813,807	15,513,067	1,381
Equity in net results of affiliates	(4,066,886)	(4,169,755)	(129,582)	(11)
Net (loss) income	P. (1,134,050)	P. 4,644,052	P. 15,383,485	\$ 1,370
Distribution of net (loss) income				
Majority interest	P. (910,023)	P. 4,783,697	P. 15,031,636	\$ 1,338
Minority interest	(224,027)	(139,645)	351,849	32
Net (loss) income	P. (1,134,050)	P. 4,644,052	P. 15,383,485	\$ 1,370
Weighted average of common shares outstanding (in million)	13,199	13,123	12,912	12,912
Net (loss) income earnings per share	P. (0.07)	P. 0.36	P. 1.16	\$ 0.10

See accompanying notes.

AMÉRICA MÓVIL, S.A. DE C.V. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of Constant Mexican Pesos as of December 31, 2003)

	December 31,		Million of
	2002	2003	U.S. dollars
			2003
ASSETS			
Current assets:			
Cash and cash equivalents	P. 9,512,980	P. 9,287,162	\$ 826
Marketable securities (Note 3)	1,510,101	794,873	71
Accounts receivable, net (Note 4)	6,522,689	11,414,686	1,016
Related parties (Note 17)	609,398	647,805	58
Inventories, net (Note 5)	3,127,193	5,229,256	465
Prepaid expenses (Note 6)		184,797	16
Other current assets	925,554	1,994,831	178
Total current assets	22,207,915	29,553,410	2,630
Investments in affiliates and others (Note 10)	3,290,815	2,548,599	227
Plant, property and equipment, net (Note 7)	62,993,999	71,161,642	6,333
Prepaid expenses (Note 6)		2,696,527	240
Licenses, net (Note 8)	15,984,487	25,807,951	2,297
Trademarks (Note 9)			