

TELESP CELLULAR HOLDING CO /ADR/
Form 6-K
October 19, 2004

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 October, 2004

Commission File Number 1-14493

TELESP CELULAR PARTICIPAÇÕES S.A.

(Exact name of registrant as specified in its charter)

Telesp Cellular Holding Company

(Translation of Registrant's name into English)

Av. Roque Petroni Jr., no.1464, 6th floor - part, "B"building
04707-000 - São Paulo, SP
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

TELESP CELULAR PARTICIPAÇÕES S.A.

CNPJ [National Directory of Legal Entities of the Ministry of
Finances] 02.558.074/0001-73

N I R E [Corporate State Registry Number] 35.3.001.587.9-2
Public Company with Authorized Capital

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF TELESP CELULAR PARTICIPAÇÕES S.A.**

1. DATE, TIME, AND PLACE: October 8, 2004, at 6:00 p.m., exceptionally at Praia do Botafogo, 501, 7º andar, Rio de Janeiro , RJ.

2. BOARD: Felix Pablo Ivorra Cano - Chairman of the Meeting; Evandro Luís Pippi Krueel - Secretary.

3 INSTALLATION: Installation of the meeting with the attendance of the members of the Board of Directors subscribing below, with *quorum* under the terms of the By-Laws.

4. AGENDA: The members of the Board of Directors present to the meeting, have resolved upon the following, with unanimity of votes and without any restrictions :

4.1 . Whereas (i) the Company has incurred high financial costs that have impacted negatively its result in the past thirteen (13) quarters; (ii) in accordance with the Notice of Material Fact published on August 25, 2004, the Company commenced, with respect to holders of preferred shares issued by Tele Centro Oeste Celular Participações S.A., a voluntary public tender offer for the acquisition of up to 84,252,534,000 preferred shares (" VTO "), which shall result the increase of the net debt of the Company in up to R\$ 902,000,000.00 (nine hundred and two million Reais), assuming the full financial liquidation of the VTO; (iii) the Company desires to reduce its level of net debt and to obtain financial flexibility and flexibility for its investment program, and , (iv) there are credits in the Company's accounts corresponding to the tax benefit from goodwill effectively realized in year 2003, registered in favor of the shareholder Portelcom Participações S.A., in the amount of R\$53,895,871.47 (fifty-three million, eight hundred ninety-five thousand, eight hundred seventy-one Reais and forty-seven centavos), the Directors present to the meeting resolved to approve the proposal of the Board of Officers of the capital increase within the limit of the authorized capital.

4.2. The capital increase shall observe the following terms and conditions:

(a) the amount of the capital increase shall be of up to R\$2,053,895,871.47 (two billion, fifty-three million, eight hundred ninety-five thousand, eight hundred seventy-one Reais and forty-seven centavos), of which up to R\$2,000,000,000.00 (two billion Reais) shall be paid in cash, and a portion equal to R\$53,895,871.47 (fifty-three million, eight hundred ninety-five thousand, eight hundred seventy-one Reais and forty-seven centavos), corresponding to the tax benefit from goodwill effectively realized in year 2003, shall be subscribed for with credits by the shareholder Portelcom Participações S.A, considering that the Company shall maintain its decision to increase its capital provided that the minimum amount to be defined by the Board of Directors is subscribed, after the determination of the price, under the terms of item (e) below;

(b) new common and preferred shares shall be issued for private subscription at the ratio determined in item 4.3 below;

(c) the preemptive right for subscription of shares in the capital increase shall be extended to the holders of American Depositary Shares (" ADSs ") traded in the North-American market, which may be exercised in the period to be disclosed at the appropriate time, under the terms of North-American legislation;

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.
