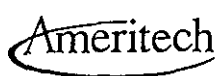


TW Ex. #16

93-487-TP-ALT



Second Quarter Report, 1994

Dear fellow shareowner:

July 20, 1994

It was our strongest quarter ever. Our business growth during the second quarter set new records for revenues, profits and earnings per share:

- Revenues rose 6.6 percent to a record \$3.15 billion, up from \$2.95 billion a year ago.
- Profits grew 14.6 percent to a record \$446.6 million, up from \$389.6 million a year ago.
- Earnings per share increased 12.5 percent to a record 81 cents per share, up from 72 cents per share in the second quarter of 1993. These figures reflect our December 1993 stock split.

Our sharp focus on customers is paying off for shareowners. In the past year, our cellular customer base has grown 48.9 percent, as we added more than 340,000 customers. We welcomed our millionth cellular customer during May. At the end of the second quarter, we had 1,039,000 cellular customers.

Our customer access lines grew at a record 3.5 percent pace over the past 12 months. We have added more than 600,000 customer lines since the second quarter of 1993, bringing the total to 17.9 million. Much of our growth in customer lines stems from successful marketing of additional lines to consumers and businesses.

Ameritech has one of the best regulatory environments in our industry. And it's getting better. Policymakers in Wisconsin and Indiana removed limits on Ameritech's profits during the second quarter. The two states will regulate prices instead of profits, as Michigan already does. Today we have no profit caps on 50 percent, or about \$4 billion, of our intrastate revenues.

New rules in Wisconsin and Indiana give us more flexibility to compete and assure ongoing universal service. Regulators in Illinois and Ohio are considering similar changes, and I am optimistic that we will make further progress on regulatory reform by year-end.

Changes on the Ameritech board of directors. It is my sad duty to report that Ameritech director Weston Christopherson died on May 29. Wes, who was retired chairman of Northern Trust Corporation, had served on our board since Ameritech became an independent company in 1983. We will miss Wes and his valuable insights.

As announced earlier, Louis J. Rutigliano retired from his posts as Ameritech vice chairman and director on July 1. Lou gave us 29 great years at Ameritech, and we wish him well.

With these changes, the board now stands at 11 directors.

Looking ahead. I'm proud of the results that Ameritech employees achieved for you during the second quarter. And I'm confident that we will keep our revenues and profits growing, by staying focused on our customers and delivering the services that best meet their needs.

Richard C. Notebaert
Chairman of the Board and Chief Executive Officer

Dollars in millions, except per share amounts		Three months ended June 30	1994	1993	Percent change
Second Quarter	Revenues		\$ 3,146.4	\$ 2,950.8	6.6%
Highlights	Costs and expenses		2,475.6	2,392.8	3.5%
	Income taxes		224.2	168.4	33.1%
	Net income		446.6	389.6	14.6%
	Earnings per share		0.81	0.72	12.5%
	Dividends declared per share		0.48	0.46	4.3%
	Return to equity (annualized)		22.2%	21.0%	N/A
Second Quarter	High				\$ 43 1/8
Trading Information	Low				36 1/4
	Close (June 30)				38 1/8

Note: Quarterly results are unaudited. Per share amounts reflect a two-for-one stock split effective December 31, 1993.

Dollars in millions,
except per share amounts

Six months ended June 30

		1994	1993
Condensed Consolidated	Revenues	\$ 6,136.8	\$ 5,747.3
Statements of Income	Costs and expenses	5,397.4	4,734.1
(Unaudited)	Income taxes	249.0	323.6
	Net income*	490.4	689.6
	Earnings per common share*	0.89	1.27

June 30, 1994 December 31, 1993

Condensed Consolidated	Assets		
Balance Sheets and	Current assets	\$ 2,642.9	\$ 2,626.7
Selected Financial and	Property, plant and equipment, net	17,170.0	17,366.1
Operating Data	Other assets and deferred charges	3,679.2	3,434.9
(Unaudited)		\$ 23,492.1	\$ 23,427.7

Liabilities and Shareowners' Equity

Current liabilities	\$ 5,403.9	\$ 5,685.3
Long-term debt	4,492.2	4,090.4
Deferred credits and other		
long-term liabilities	5,594.7	5,807.4
Shareowners' equity	8,001.3	7,844.6
	\$ 23,492.1	\$ 23,427.7

Debt ratio	45.7%	46.0%
Network access lines (in thousands)	17,875	17,560
Employees	66,593	67,192
Network access lines per telephone company employee	309	295

*Results for the first six months of 1994 include a first-quarter \$332.8 million after-tax charge (or 61 cents per share) for a work force restructuring. Results for the first six months of 1993 include a first-quarter \$37.3 million after-tax charge (or 7 cents per share) for restructuring at Telecom Corporation of New Zealand. Per share amounts reflect a two-for-one stock split effective December 31, 1993.

Ameritech
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Chicago, Illinois 60606
312 750-5000

Ameritech Stock Ticker symbol: AIT.
Newspaper listing: Ameritech or Amrtch.

Second Quarter Dividends Ameritech's second quarter dividend of 48 cents per share is being paid August 1, 1994, to shareowners of record June 30, 1994.

Shareowner Assistance or Information We are here to help you Monday through Friday from 9 a.m. to 6 p.m. (Eastern Time). For faster service, please have your Social Security number and/or your Ameritech account number ready.

1 800 233-1342

For inquiries regarding stock-related matters, including dividend payments, direct deposit of dividends, stock transfers and the Ameritech Dividend Reinvestment and Stock Purchase Plan, call toll free: 1 800 233-1342. From outside the United States, call collect: 201 324-0308. Or write to: Ameritech, c/o First Chicago Trust Company of New York, P.O. Box 2558, Jersey City, New Jersey 07303-2558.

For the Hearing Impaired Contact Ameritech Shareowner Services by using a TDD/TTY teletypewriter and typing 1 800 822-2794.



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