

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 13, 2003

CELLULAR TECHNICAL SERVICES COMPANY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware (State or Other Jurisdiction of Incorporation)	0-19437 (Commission File No.)	11-2962080 (IRS Employer Identification No.)
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2815 Second Avenue, Suite 100, Seattle, Washington	98121
----- (Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (206) 443-6400

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Exhibits

99.1 Press Release dated August 13, 2003

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Cellular Technical Services Company, Inc., announced its second quarter financial results for 2003 on August 13, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 18, 2003

CELLULAR TECHNICAL SERVICES COMPANY, INC.

By: /s/ Bruce York

Name: Bruce York
Title: Vice President and Chief
Financial Officer

EXHIBIT INDEX

EXHIBIT NO.

DESCRIPTION

99.1

Press Release dated August 13, 2003

CELLULAR TECHNICAL SERVICES REPORTS 2003 SECOND-QUARTER RESULTS

Seattle, August 13, 2003 - Cellular Technical Services Company, Inc. (OTC Symbol: CTSC.OB) ("CTS"), today reported its second quarter financial results for 2003.

(IN 000'S EXCEPT PER SHARE AMOUNTS)	THREE MONTHS ENDED JUNE 30, 2003	THREE MONTHS ENDED JUNE 30, 2002	SIX MONTHS ENDED JUNE 30, 2003	SIX MONTHS ENDED JUNE 30, 2002
Revenue	\$13	\$3,331	\$171	\$5,689
Net Loss	(\$ 305)	(\$ 998)	(\$ 680)	(\$ 1,981)
Net Loss Per Share (basic and diluted)	(\$0.13)	(\$0.44)	(\$0.30)	(\$0.86)

Revenue decreased to \$171,000 in the first half of 2003 from \$5.7 million in the first half of 2002. CTS reported a quarterly net loss of \$305,000 compared to \$998,000 in the second quarter of 2002. The \$0.7 million reduction in the net loss for the second quarter of 2003 is primarily due to across-the-board operating expense reductions resulting from the cessation of expenses related to prior Neumobility R&D efforts and ISIS phonecard operations, both of which were closed in late 2002.

Steve Katz, CTS Chairman and CEO noted, "At June 30, 2003 we had \$2.7 million in working capital and no debt. We are continuing to evaluate business alternatives including several investment opportunities. Today we have one full-time employee remaining. For the remaining six months of 2003, we forecast incurring a total of approximately \$0.5 million in expenses including remaining non-cancelable office leases, depreciation, compensation, costs of maintaining the business as a public entity and insurance. We anticipate that approximately one-third of the remaining expenses will be non-cash expenses (prepaid prior to Q3 or depreciation) and also anticipate approximately \$0.2 million in cash receipts on our outstanding note from GTS Prepaid."

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS: This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties that could cause actual results for CTS or its affiliates to differ materially from those expressed or implied in the applicable statements. These risks and uncertainties include but are not limited to: CTS' ability to acquire or develop future business operations; the uncertainty of its ability to gain acceptance of any new products or services, if such are acquired or developed; the competition for business opportunities and the ability of competitors who are larger or better financed than CTS to acquire such opportunities in lieu of CTS; vulnerability to specific factors such as technological obsolescence, limited customer base and manufacturing difficulties, all of which may be dependent upon the nature of any specific acquisition or development by CTS; dependence on key personnel; the availability of financing; and other risks described in CTS' filings with the Securities and Exchange Commission.

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CELLULAR TECHNICAL SERVICES COMPANY, INC.

SELECTED CONSOLIDATED BALANCE SHEET DATA

	(in 000's)	
	June 30, 2003	December 31, 2002
Cash	\$2,498	\$3,315
Accounts Receivable, net	5	525
Due from GTS Prepaid, Inc.	278	--
Inventories, net	--	95
Total Assets	2,974	4,144
Working Capital	2,676	3,252
Stockholders' Equity	2,742	3,403

CELLULAR TECHNICAL SERVICES COMPANY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in 000's, except per share amounts)
(unaudited)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2003	2002	2003	2002
REVENUES				
Phonecards	\$ 13	\$ 3,331	\$ 171	\$ 5,689
COSTS AND EXPENSES				
Cost of phonecards	14	3,346	217	5,617
Sales and marketing	--	246	28	537
General and administrative	330	343	661	650
Research and development	--	411	--	815
Total Costs and Expenses	344	4,346	906	7,619
LOSS FROM OPERATIONS	(331)	(1,015)	(735)	(1,930)
OTHER INCOME, net	3	2	19	5
INTEREST INCOME, net	23	22	36	51
LOSS BEFORE INCOME TAXES	\$ (305)	(991)	(680)	\$ (1,874)
PROVISION FOR INCOME TAXES	--	7	--	7
LOSS BEFORE THE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	(305)	(998)	(680)	(1,881)
CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	--	--	--	(100)
NET LOSS	\$ (305)	(998)	(680)	\$ (1,981)
BASIC AND DILUTED SHARE DATA:				
Basic:				
Loss before the effect of a change in accounting principle	\$ (0.13)	\$ (0.44)	\$ (0.30)	\$ (0.82)
Cumulative effect of a change in accounting principle	--	--	--	(0.04)
Loss per share	\$ (0.13)	\$ (0.44)	\$ (0.30)	\$ (0.86)
Diluted:				
Loss before the effect of a change in accounting principle	\$ (0.13)	\$ (0.44)	\$ (0.30)	\$ (0.82)
Cumulative effect of a change in accounting principle	--	--	--	(0.04)
Loss per share	\$ (0.13)	\$ (0.44)	\$ (0.30)	\$ (0.86)
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic	2,292	2,292	2,292	2,292
Diluted	2,298	2,292	2,296	2,292