

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 (Date of earliest event reported) JANUARY 21, 2004

WESTELL TECHNOLOGIES, INC.

(Exact name of registrant as specified in charter)

DELAWARE 0-27266 36-3154957

(State of other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

750 NORTH COMMONS DRIVE, AURORA, ILLINOIS 60504

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (630) 898-2500

N/A

(Former name or former address, if changed since last report)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Exhibit No.

99.1 Press Release dated January 21, 2004
announcing earnings results for the quarter
ended December 31, 2003.

ITEM 12. DISCLOSURE OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On January 21, 2004, Westell Technologies, Inc., issued a press release setting forth its earnings for the quarter ended December 31, 2003. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Form 8-K is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Form 8-K shall not be incorporated by reference in any other filing under the Securities Exchange Act of 1934 or Securities Act of 1933 except as shall be expressly set forth by specific reference to this Form 8-K in such filing.

SIGNATURES

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 thereunto duly authorized.

WESTELL TECHNOLOGIES, INC.

Date: January 21, 2004

By: /s/ Nicholas C. Hindman

Nicholas C. Hindman
Senior Vice President and
Chief Financial Officer

News Release: FOR IMMEDIATE RELEASE

For Additional Information, contact:

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WESTELL TECHNOLOGIES REPORTS 3RD QUARTER FISCAL 2004 RESULTS
REVENUE FROM NETWORKING EQUIPMENT INCREASES 36% YEAR OVER YEAR
CONSOLIDATED NET INCOME INCREASES 155%

AURORA, IL, JANUARY 21, 2004 - - Westell Technologies, Inc. (NASDAQ: WSTL), a leading provider of broadband access solutions, today announced the results for its fiscal 2004 third quarter ending December 31, 2003.

Net income for the quarter was \$5.8 million or \$0.08 per diluted share, compared with net income of \$2.3 million or \$0.03 per diluted share for the comparable quarter last year, an increase of 155%. Total revenues for the quarter increased 22% to \$60.0 million from \$49.2 million in the third quarter of last year. Customer Networking Equipment revenue grew to \$35.8 million compared to \$26.4 million in the comparable quarter of last year, a 36% increase.

"Our revenue growth was once again primarily attributable to increased demand for our Customer Networking Equipment products. Our service provider customers continue to aggressively pursue the consumer broadband market place," said Van Cullens, President and CEO. " However, both ConferencePlus and our Network Service Access equipment businesses also contributed to our growth, both showing improved revenue from the comparable quarter of last year, " Cullens said.

Gross margins on equipment sales expanded to 32.6% from 28.0% in the comparable quarter of last year due primarily to product cost reductions. Margins at ConferencePlus declined to 28.6% from 34.8 % in the comparable quarter of last year due to a previously announced one-time charge taken during the quarter related to the early termination of a long distance contract. Margins at ConferencePlus are expected to return to historical levels in the Company's fourth quarter.

Net cash provided by operating activities totaled \$ 9.2 million for the quarter ended December 31, 2003 compared to \$8.7 million in the September quarter. During the quarter total debt decreased to \$ 6.4 million from \$15.2 million. This reduction of debt was funded by cash generated from operations and cash received from the exercise of stock options. "We expect to be debt free and have more than adequate cash on the balance sheet by the end of the June 2004 quarter," Nicholas Hindman, Westell's Senior Vice President and CFO, said. " We are developing the flexibility to make more strategic investments such as the recent acquisition of VoIP technology (voice over internet protocol) from Hughes Electronics Corporation," he added.

OUTLOOK

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Mr. Cullens continued, "We are very encouraged by the continued growth and market acceptance of broadband over DSL. It is now very clear that our service provider customers are dedicated to leadership in the delivery of broadband service in both the near and long terms. Their growth will be fueled by technology advancements in home networking, WiFi, VoIP and FTTP (fiber-to-the-premise) and the delivery of ancillary services. We believe Westell is building a solid foundation of solutions to help equip our customers to successfully compete in these emerging opportunities. Our new products announced yesterday; UltraLine(TM), VersaLink(TM) and EnVoy(TM), address home

networking, WiFi, FTTP and service management. We believe these new products, and those to come, will maintain Westell's traditional position as a technology leader in the DSL broadband space," Cullens added.

Westell provided guidance for the fourth fiscal quarter, ending March 31, 2004. The Company expects revenue to be in the range of \$60 - \$61 million and EPS to be \$0.09 per share.

Westell will host its earnings call on Thursday, January 22nd, at 9:30 AM Eastern Time for analysts, shareholders, investors and the public.

The live earnings call will be available to the public. Participants can join for the voice portion of the call by following the instructions below. Participants must separately register for the call.

1. All participants must pre-register by dialing 1-888-690-4420, International 1-402-220-3749.
2. Leave your name and the company whom you represent.
3. To participate in the call on the 22nd, please dial ConferencePlus at 1-800-559-1203 no later than 9:15 AM, Eastern Time and ask for the "Westell Technologies Analyst Call". International participants may dial 630-691-2762.

The Company's earnings press release and any related earnings information to be discussed on the earnings call will be posted on the Investor Relations section of the Company's web site at <http://www.westell.com>. Digital Audio Replay of this call will be available one hour following the conclusion of the call by dialing 1-888-843-8996 or 630-652-3044 and entering 8246022#.

ABOUT WESTELL

Westell Technologies, Inc., headquartered in Aurora, Illinois, is a Tier-1 provider of intelligent, carrier-class broadband access equipment, manufactured using a TL 9000 registered quality management system. Westell offers high-speed broadband/DSL technology products for carriers, service providers and business enterprises around the world. Additional information can be obtained by visiting Westell's Web site at www.westell.com.

ABOUT CONFERENCEPLUS

ConferencePlus, a Westell Technologies, Inc. (NASDAQ: WSTL) subsidiary, is a leading global provider of audio, web, video and IP conferencing services. ConferencePlus is dedicated to providing high quality, innovative conferencing solutions to its domestic and international clients and telecommunications resellers. ConferencePlus is recognized for outstanding customer service and support to help clients meet their business objectives. The company is headquartered in Schaumburg, Illinois with an international headquarters in Dublin, Ireland. Additional information can be obtained by visiting the ConferencePlus web site at www.conferenceplus.com.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT 1995:

Certain statements contained herein including, without limitation, statements containing the words "believe," "goal," "predict," "on track," "appears," "anticipate," "committed" "expectation," "expect," "estimate", "await," "continue," "intend," "may," "will," "should," and similar expressions are forward looking statements that involve risks and uncertainties. These risks include, but are not limited to, product demand and market acceptance risks, need for financing, the economic downturn in the U.S. economy and telecom market, the impact of competitive products or technologies, competitive pricing pressures, product development, excess and obsolete inventory due to new product development, commercialization and technological delays or difficulties (including delays or difficulties in developing, producing, testing and selling new products and technologies), the effect of Westell's accounting policies, the

need for additional capital, the effect of economic conditions and trade, legal social and economic risks (such as import, licensing and trade restrictions) and other risks more fully described in Westell's Annual Report on Form 10-K for the fiscal year ended March 31, 2003 under the section "Risk Factors". Westell

undertakes no obligation to release publicly the result of any revisions to these forward looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Financial Tables to Follow:

Westell Technologies, Inc.
Financial Results

(Dollars in thousands except per share amounts)

	Three Months ended			Nine Months ended		
	Dec. 31, 2003	% 2002	Change	Dec. 31, 2003	% 2002	Change
Revenues						
NSA	\$13,442	\$12,771	5%	\$42,025	\$44,588	-6%
CNE	35,761	26,350	36%	97,805	79,798 (1)	23%
Services	10,775	10,082	7%	33,810	30,793	10%
Total revenues	59,978	49,203	22%	173,640	155,179	12%
Gross profit						
Equipment	16,036	10,940		45,834 (2)	34,531 (3)	
Services	3,082(4)	3,505		12,579 (4)	10,394	
Total gross profit	19,118	14,445	32%	58,413	44,925	30%
Gross margin						
Equipment	32.6%	28.0%		32.8% (2)	27.8% (3)	
Services	28.6%(4)	34.8%		37.2% (4)	33.8%	
Total gross margin	31.9%	29.4%		33.6%	29.0%	
Operating expenses						
Sales & marketing						
Expense to revenue	4,647	3,535	31%	14,857	12,483	19%
	7.7%	7.2%		8.6%	8.0%	
General & administrative						
Expense to revenue	4,545	3,486	30%	14,014	12,263	14%
	7.6%	7.1%		8.1%	7.9%	
Research & development						
Expense to revenue	3,874	4,097	-5%	12,630	11,721	8%
	6.5%	8.3%		7.3%	7.6%	
Restructuring						
Expense to revenue	-	180(5)		-	1,922 (5)	
	0.0%	0.4%		0.0%	1.2%	
Intangibles amortization(6)						
Expense to revenue	364	389		1,091	1,167	
	0.6%	0.8%		0.6%	0.8%	
Total operating expenses	13,430	11,687	15%	42,592	39,556	8%
Expense to revenue	22.4%	23.8%		24.5%	25.5%	

Operating income	5,688	2,758	106%	15,821	5,369	195%
Other income (expense)	189	17	1012%	147	128	
Interest expense	127	517	-75%	683	1,984	-66%

Income before taxes	5,750	2,258	155%	15,285	3,513	335%

Income taxes (7)	-	-	-	-	-	-
Effective tax rate	0.0%	0.0%		0.0%	0.0%	

Net income	\$5,750	\$2,258		\$15,285	\$3,513	
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Income per common share:

Basic	0.09	0.03		0.23	0.05

Diluted	0.08	0.03		0.22	0.05

Average number of common shares outstanding:

Basic	67,373	64,921		66,569	64,921
Diluted	70,897	64,979		70,502	64,972

Footnotes:

- (1) The Company earned \$1.7 million in the three months ended June 30, 2002 from customer for product royalties.
- (2) Includes \$1.2 million to settle a customer contract obligation which arose in the quarter ended September 30, 2003.
- (3) The Company reversed approximately \$2 million of reserves in the quarter ended September 30, 2002 primarily related to excess and obsolete modem inventory.
- (4) Includes a \$775,000 one time early contract termination penalty of a long distance contract at the Company's Conference Plus, Inc. subsidiary.
- (5) Restructuring charge primarily for the Company's Conference Plus, Inc. subsidiary.
- (6) Teltrend product technology intangible amortization.
- (7) Valuation allowances were utilized to reduce taxable income.

Westell Technologies, Inc.
Financial Results (continued)
(Dollars in thousands)

	Dec. 31, 2003	Sept. 30, 2003	

Cash and Short term Investments		10,678	10,722
Receivables	22,351	23,594	
Inventory	12,437	11,345	
Total current assets	50,521	49,512	
Goodwill and intangibles	14,308	14,671	
Total assets	105,974	105,677	
Total current liabilities	35,761	36,441	
Revolving Promissory note payable		-	6,000
Other notes payable	6,391	9,213	
Total liabilities	40,358	47,089	

Shareholders' Equity	65,616	58,588
Days Sales Outstanding	34	36