

PORTUGAL TELECOM SGPS SA
Form 6-K
November 25, 2005

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 November, 2005

Commission File Number 1-13758

PORTUGAL TELECOM, SGPS, S.A.

(Exact name of registrant as specified in its charter)

Av. Fontes Pereira de Melo, 40

1069 - 300 Lisboa, Portugal

(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

RELEASE

Portugal Telecom announces the execution of PrimeSys sale

Lisbon, Portugal, 25 November 2005 - Portugal Telecom announced today that it has concluded the sale of its 100% stake in PrimeSys in Brazil to Embratel for R\$ 251 million. The total consideration for PT amounted to R\$ 261 million (Euro 100 million), reflecting primarily the cash in from a share capital reduction in PrimeSys.

In 2004, PrimeSys operating revenues and EBITDA amounted to R\$ 253 million (Euro 70 million) and R\$ 35 million (Euro 10 million) respectively. The impact for PT of PrimeSys costs with operating leases amounted to R\$ 78 million (Euro 21 million).

The sale now executed was announced on 5 August 2005 and was pending approval by the Brazilian telecoms regulator, which was obtained on 17 October 2005.

This information is also available on PT's IR website <http://ir.telecom.pt>.

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Portugal Telecom is listed on the Euronext and New York Stock Exchanges. Information may be accessed on Reuters under the symbols PTC.LS and PT and on Bloomberg under the symbol PTC PL.

