

RELEASE



Portugal Telecom, SGPS, S.A.

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Public Company
Registered Offices: Avenida Fontes Pereira de Melo, 40, Lisboa
Share Capital: Euro 33,865,695
Registered in the Commercial Registry Office of Lisbon
and Corporation no. 503 215 058

Filing of Annual Report on Form 20-F

Lisbon, Portugal, 29 June 2007 – Portugal Telecom, SGPS S.A. ("PT") filed today its Annual Report on Form 20-F for the year ended December 31, 2006 with the U.S. Securities and Exchange Commission (the "SEC").

In compliance with SEC regulations, the Form 20-F will be available on our website at <http://ir.telecom.pt>. In addition, all shareholders of PT may request, free of charge, a hard copy of our complete audited financial statements filed with the SEC.

To request a hard copy of PT's audited financial statements, shareholders should contact Nuno Prego, Investor Relations Director, whose contact information is below.

Contact: Nuno Prego, Investor Relations Director
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Portugal Telecom is listed on the Euronext and New York Stock Exchanges. Information may be accessed on the Reuters under the symbols PTC.LS and PT and on Bloomberg under the symbol PTC PL.
