

PORTUGAL TELECOM SGPS SA
Form 6-K
June 27, 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 June, 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

ANNOUNCEMENT

Portugal Telecom, SGPS, S.A.
Open Company
Registered Offices: Avenida Fontes Pereira de Melo, 40, Lisbon
Share Capital: Euro 1,166,485,050
Registered in the Conservatory of the Commercial Registry of Lisbon under no. 03602/940706
Collective Person no. 503 215 058

Qualified Holding

Pursuant to the terms of article 17 of the Portuguese Securities Code, we inform that ING Bank NV, a subsidiary of ING Groep NV, decreased its holding in Portugal Telecom, SGPS, S.A.'s (PT) share capital to 0.61%, through an OTC sale operation of 11,500,000 PT shares settled on 16 June 2005.

Before this sale, ING Bank NV held 18,625,719 PT shares, representing 1.60% of PT's share capital and 1.65% of PT's voting rights.

As of 16 June 2005, and according to the terms of article 20 of the Portuguese Securities Code, ING Bank NV holds a total of 7,125,719 PT shares, equivalent to 0.61% of PT's share capital and 0.63% of PT's voting rights.

Additionally, other subsidiaries and holdings within ING Groep NV hold 0.88% of PT's share capital (that corresponds to 0.91% of the voting rights), and as a result the total holding of ING Groep NV in PT, previously of 2.48% of the share capital and 2.56% of the voting rights, currently amounts to 1.49% of the share capital and 1.54% of the voting rights.

Lisbon, 27 June 2005

