

PORTUGAL TELECOM SGPS SA
Form 6-K
May 31, 2007

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 May, 2007

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

Qualified Holding

Pursuant to the terms and for the purposes of article 17 of the Portuguese Securities Code, we hereby inform that Grupo Visabeira SGPS, S.A., (Visabeira Group), with registered office at Repeses, in Viseu, with a share capital of Euro 90,000,000.00, registered in the Commercial Registry Office of Viseu and Corporation no. 502263628, notified Portugal Telecom, SGPS, S.A. (PT) of the following:

- Visabeira Group acquired a total of 11,523,213 PT ordinary shares, representing 1.02% of the share capital and voting rights in PT;
- As a result of the acquisition by Visabeira Investimentos Financeiros, SGPS, S.A., with registered office at Repeses, in Viseu, with a share capital of Euro 20,000,000.00, registered in the Commercial Registry Office of Viseu and Corporation no. 508152488, of 250,000 PT ordinary shares on 31 May 2007, a total of 11,144,260 ordinary shares representing 0.99% of the share capital and voting rights in PT is now attributed to such company;
- Visabeira Investimentos Financeiros, SGPS, S.A. is 100% owned by Visabeira Estudos e Investimentos, S.A., which is 100% owned by Visabeira Serviços, SGPS, S.A., which in turn is 100% owned by the Visabeira Group.
- Therefore, a total of 22,667,473 ordinary shares representing 2.01% of the share capital and voting rights in PT is now attributed to the Visabeira Group.

Lisbon, 31 May 2007

SIGNATURE

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.

Date: May 31, 2007

PORTUGAL TELECOM, SGPS, S.A.

By: /s/ Nuno Prego

Nuno Prego
Investor Relations Director

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
