

PORTUGAL TELECOM SGPS SA
Form 6-K
July 30, 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 July, 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 ABN AMRO Bank N. V. (ABN AMRO Bank) notified Portugal Telecom, SGPS, S.A. (PT) that:

1. Following an acquisition made on regulated market, on 25 June 2007, aimed at hedging the risk resulting from a swap transaction, it acquired a total of 9,000,000 shares representing 0.80% of the share capital and voting rights in PT.

As a result of this acquisition, ABN AMRO Bank held 23,448,765 shares representing 2.08% of the share capital and voting rights in PT.

2. The shares acquired as described above were sold by ABN AMRO Bank on regulated market, on 24 July 2007. Therefore, ABN AMRO Bank now holds 14,442,078 shares representing 1.28% of the share capital and voting rights in PT.

The voting rights corresponding to ABN AMRO Bank's interest in PT are attributed to ABN AMRO Bank Holding N. V., with head offices in The Netherlands, at Gustav Mahlerlaan 10, Amsterdam, which directly holds 100% of the share capital and voting rights in ABN AMRO Bank.

Lisbon, 30 July 2007

