

PORTUGAL TELECOM SGPS SA
Form 6-K
April 16, 2003

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 April, 2003

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

PORTUGAL TELECOM, SGPS, S.A.

Public Company

Head Offices: Av. Fontes Pereira de Melo, 40 1069-300 LISBOA

Company Registration number 503 215 058

Share Capital: Euro 1,254,285,000

**Registered in the Conservatory of the Commercial Registry
of Lisbon under number** 03602/940706, Section 4

DIVIDEND S PAYMENT FOR 2002

Pursuant to the terms of sub paragraph e) of no. 2 and no. 3 of article 2 of the Portuguese Securities Market Commission's Regulation no. 11/2000 and the decision of the Shareholders Meeting of April 4, 2003, Shareholders are hereby informed that the following 2002 dividends shall be paid on May 2, 2003, as set out below:

1. Privatized ordinary shares:

Resident Shareholders

Gross dividend	Euro 0.160
Withholding Tax (IRS/IRC) (7.5%) (a)	Euro 0.012
Inheritance and Gift Tax (5%)	Euro 0.008
Net Dividend	Euro 0.140

Non-Resident Shareholders

Gross dividend	Euro 0.160
Withholding Tax (IRS/IRC) (12.5%) (a)	Euro 0.020
Inheritance and Gift Tax (5%)	Euro 0.008
Net Dividend	Euro 0.132

(a) Resulting from the application of the fiscal benefit referred to in article 59 of the Statute of Fiscal Benefits.

2. A Shares owned by the Portuguese State and which have still not been privatized:

Gross dividend	Euro 0.160
Withholding Tax (IRS/IRC) (15%)	Euro 0.024
Net Dividend	Euro 0.136

Payment shall be made through the Securities Clearing House pursuant to the terms of article 53 of the Regulation no. 3/2000 and Circular no. 1/2000 of Interbolsa. Shareholders entitled to an exemption or legally dispensed from withholding tax should provide the company with evidence thereof, up to 5 working days prior to the date upon which the dividend is payable.

As of April 28, 2003 (ex-date), the trading of PT shares on the Stock Exchanges will not grant dividend rights. Record date: April 30, 2003.

Lisbon, April 16, 2003

PORTUGAL TELECOM, SGPS, S.A.

