

PORTUGAL TELECOM SGPS SA
Form 6-K
August 26, 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 August, 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

RELEASE

**Portugal Telecom announces the execution
of Lusomundo Serviços sale**

Lisbon, Portugal, 25 August 2005 Portugal Telecom, SGPS, S.A. (PT) announces that PT Multimedia Serviços de Telecomunicações e Multimedia, SGPS, S.A. (PT Multimedia) has executed today the sale of Lusomundo Serviços, SGPS, S.A. shares, including 80.91% of Lusomundo Media, SGPS, S.A., to Olivedesportos Publicidade, Televisão e Media, S.A., a company 100% owned by Controlinveste, SGPS, S.A.

The sale now executed was announced on 28 February 2005 and was pending Competition Authority decision of non-opposition which was obtained on 10 August 2005.

The proceeds for PT Multimedia are of Euro 173.8 million, Euro 10.1 million of which were paid to Portugal Telecom, SGPS , S.A. for the acquisition of the 5.94% direct shareholding in Lusomundo Media, SGPS , S.A.

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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 PTCO.IN and PT and on Bloomberg under the symbol PTC PL.

