

PORTUGAL TELECOM SGPS SA
Form SC14D9C
February 21, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14D-9

**SOLICITATION/RECOMMENDATION STATEMENT UNDER
SECTION 14(D)(4) OF THE SECURITIES EXCHANGE ACT OF 1934**

PORTUGAL TELECOM, SGPS, S.A.

(Name of Subject Company)

PORTUGAL TELECOM, SGPS, S.A.

(Name of Person(s) Filing Statement)

Ordinary shares, nominal value 1 each

American Depositary Shares, each representing one ordinary share, nominal value 1 per share

(Title of Class of Securities)

Ordinary Shares (ISIN: PTPTC0AM0009)

American Depositary Shares (CUSIP: 737273102)

(CUSIP Number of Class of Securities)

Nuno Prego

Investor Relations Director

Portugal Telecom, SGPS, S.A.

Av. Fontes Pereira de Melo, 40

1069-300 Lisboa

Portugal

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(Name, Address and Telephone Number of Person Authorized to Receive Notices

and Communications on Behalf of the Person(s) Filing Statement)

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

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1. Press Release of Portugal Telecom, SGPS, S.A., dated February 20, 2006, entitled Portugal Telecom Informs about Recent News

IMPORTANT NOTICES

The attached communication has been made public by Portugal Telecom, SGPS, S.A. (the Company). Investors are urged to read the Company's Solicitation/Recommendation Statement on Schedule 14D-9 when it is filed by the Company with the U.S. Securities and Exchange Commission (the SEC), as it will contain important information. The Solicitation/Recommendation Statement and other public filings made from time to time by the Company with the SEC are available without charge from the SEC's website at www.sec.gov and at the Company's principal executive offices in Lisbon, Portugal.

These materials may contain forward-looking statements based on management's current expectations or beliefs. These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forwarding-looking statements. Forward-looking statements may be identified by words such as believes, expects, anticipates, projects, intends, should, seeks, estimates, future or similar expressions. These statements reflect our current expectations. In light of the many risks and uncertainties surrounding the offer, you should understand that we cannot assure you that the forward-looking statements contained in these materials will be realized. You are cautioned not to put undue reliance on any forward-looking information.

R E L E A S E

Portugal Telecom informs about recent news

Lisbon, Portugal, 20 February 2006 Portugal Telecom denies the news disclosed today in the media according to which PT would have engaged financial institutions for the purpose of advising PT in the sale of PT Multimedia. PT clarifies that it is negotiating with financial institutions the rendering of assistance within the context of the tender offer preliminarily announced on 6 February 2006, especially concerning the analysis of the opportunity and conditions of the respective offer.

This information is also available on PT's IR website <http://ir.telecom.pt>.

Contact: Nuno Prego, Investor Relations Director

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Portugal Telecom

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Portugal Telecom is listed on the Euronext and New York Stock Exchanges. Information may be accessed on the Reuters 2000 Service under the symbols PTC.LS and PT and on Bloomberg under the symbol PTC.PL.
