

PORTUGAL TELECOM SGPS SA  
Form 6-K  
May 25, 2006

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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**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, 2006**

**Commission File Number 1-13758**

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**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

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**ANNOUNCEMENT**

Portugal Telecom, SGPS, S.A.

Open Company

Registered Offices: Avenida Fontes Pereira de Melo, 40, Lisbon

Share Capital: Euro 1,467,513,450

Registered in the Conservatory of the Commercial Registry of Lisbon under no. 03602/940706

Collective Person no. 503 215 058

**Qualified Holding**

Pursuant to the terms and for the purposes of article 17 of the Portuguese Securities Code, we hereby announce that JPMorgan Chase & Co., on behalf of itself and its subsidiaries, purchased in the market 2,648,072 ordinary shares of Portugal Telecom, SGPS, S.A. (PT) on 22 May 2006.

Following these transactions, and according to the terms of article 20 of the Portuguese Securities Code, JPMorgan Chase & Co. increased its holding in PT to 23,387,373 shares, representing 2.07% of PT's share capital and voting rights.

Lisbon, 25 May 2006

