

PORTUGAL TELECOM SGPS SA
Form 424B3
May 31, 2007

The Bank of New York
101 Barclay Street, 22W
New York, NY 10286
USA

May 30, 2007

Securities & Exchange Commission
450 Fifth Street, NW
Washington, DC 20549

Attn.: Document Control

RE:American Depositary Shares evidenced by
American Depositary Receipts, each
representing one-fifth of an Ordinary Share of
Portugal Telecom,SGPS, S.A.
(Form F-6 File No 333-81394)

Ladies and Gentlemen:

Pursuant to Rule 424(b)(3) under the Securities
Act of 1933, as amended, on behalf of The Bank
of New York, as Depositary for securities
against which American Depositary Receipts are
to be issued, we attach a copy of the new
prospectus (Prospectus) reflecting the par value
change of Portugal Telecom, SGPS, S.A., to
EUR 0.03 per ordinary share, effective May 22,
2007.

As required by Rule 424(e), the upper right hand
corner of the Prospectus cover page has a
reference to Rule 424(b)(3) and to the file
number of the registration statement to which
the Prospectus relates.

Pursuant to Section III. B. of the General
Instructions to the Form F-6 Registration
Statement, the Prospectus consists of the ADR
certificate with revised par value of EUR0.35 for
Portugal Telecom, SGPS, S.A.. The Prospectus
has been revised to reflect the new par value by
addition of the following notation:

Effective May 22, 2007, the par value is
EUR 0.03 per Ordinary Share.

Please contact me with any questions or
comments at 212 815-4831.

Sincerely,

Monica Vieira

Assistant Vice President