

PORTUGAL TELECOM SGPS SA
Form 6-K
February 11, 2004

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 February, 2004

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

CANCELLATION OF TREASURY SHARES

Lisbon, Portugal, February 11, 2004 - Portugal Telecom, SGPS, S.A. (PT) (Euronext: PTCO.IN; NYSE: PT) announces that its Board of Directors will submit to shareholder approval, at the AGM called for April 2, 2004, a reduction of the Company's share capital of up to Euro 125,428,500.

The share capital reduction to be done under the share buyback programme would take place through the cancellation of up to 125,428,500 treasury shares, representing 10% of the Company's share capital, and requiring the approval of the corresponding amendment to the articles of association.

Recently, PT announced that it had a total of 37,860,108 treasury shares, in the context of the previously announced share buyback programme, at an average price of Euro 7.62 per share, and representing 3.02% of the Company's share capital.

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

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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.
