



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

August 31, 2012

Via E-mail:

Mr. Luis Pacheco de Melo
Chief Financial Officer
Portugal Telecom, SGPS, S.A.
Av. Fontes Pereira de Melo, 40, 1069-300
Lisboa, Portugal

Re: Portugal Telecom, SGPS, S.A.
Form 20-F for the fiscal year ended December 31, 2011
Filed April 30, 2012
File No. 1-13758

Dear Mr. Pacheco de Melo:

We have completed our review of your filings. We remind you that our comments or changes to disclosure in response to our comments do not foreclose the Commission from taking any action with respect to the company or the filings and the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States. We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings to be certain that the filings include the information the Securities Exchange Act of 1934 and all applicable rules require.

Sincerely,

/s/ Terry French for

Larry Spigel
Assistant Director

Via E-mail

cc: John C. Ericson, Simpson Thacher & Bartlett LLP