

BRASIL TELECOM HOLDING CO  
Form 6-K  
July 19, 2004

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**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**THROUGH JULY 19, 2004**

**(Commission File No. 1-14477)**

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**BRASIL TELECOM PARTICIPAÇÕES S.A.**  
*(Exact name of registrant as specified in its charter)*

**BRAZIL TELECOM HOLDING COMPANY**  
*(Translation of Registrant's name into English)*

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**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B  
Brasília, D.F., 71.215-000  
Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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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 if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7).

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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If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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**Investor Relations**

(55 61) 415-1140

[ri@brasiltelecom.com.br](mailto:ri@brasiltelecom.com.br)

[www.brasiltelecom.com.br/ir/](http://www.brasiltelecom.com.br/ir/)

**Media Relations**

(55 61) 415-1378

[cesarb@brasiltelecom.com.br](mailto:cesarb@brasiltelecom.com.br)

**Standard & Poor's Upgrades Brasil Telecom's National Scale Rating**

**Brasília, Brazil, July 19, 2004** BRASIL TELECOM S.A. (NYSE: BTM; BOVESPA: BRTO3/BRTO4) and BRASIL TELECOM PARTICIPAÇÕES S.A. (NYSE: BRP; BOVESPA: BRTP3/BRTP4) announce that, asserting the strategy implemented by Brasil Telecom, Standard & Poor's (S&P) upgraded to brAA+ from brAA the Brazil National Scale issuer ratings on Brasil Telecom S.A. and on Brasil Telecom Participações S.A. At the same time, S&P assigned its Brazil National Scale issue rating of brAA+ to Brasil Telecom S.A.'s third public debentures issuance. The notes will be issued in one series up to R\$500 million and will mature on July 5, 2009. The outlook on this credit rating is stable. With this rating upgrade, Brasil Telecom is now rated higher than the Federative Republic of Brazil and is the only telecommunications company in the country assigned this rating.

S&P stressed that the ratings reflect the company's dominant market position in the area under concession, allowing solid and stable cash-flow generation, and its strategy of gradually moving to a more diversified and value-added product base. According to S&P, one of the main aspects of the ratings is that the company has been keeping strong liquidity and has been careful in using free cash flow [ ] By doing so, the company has kept indebtedness under control. This partly explains the company's good reputation in the marketplace with ample access to credit lines in the domestic market. S&P still worries about the regulatory risk inherent to all telecommunications companies in Brazil but sees positively the decision by the Brazilian Supreme Court that recognized the tariff adjustment mechanism defined in the concession contracts.

*"The Debentures have not been, and will not be, registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements."*

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: July 19, 2004

**BRASIL TELECOM PARTICIPAÇÕES S.A.**

By:           /s/ Paulo Pedrão Rio Branco

Name: Paulo Pedrão Rio  
Branco  
Title: Financial Executive  
Officer

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