

BRASIL TELECOM HOLDING CO  
Form 6-K  
August 09, 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 AUGUST 9, 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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Free Translation

**Fitch Assigns Rating of AA(bra) to Brasil Telecom S.A.'s 3rd Debentures Issuance**

**Brasília, Brazil, August 09, 2004** BRASIL TELECOM S.A. (NYSE: BTM; BOVESPA: BRTO3/BRTO4) and BRASIL TELECOM PARTICIPAÇÕES S.A. (NYSE: BRP; BOVESPA: BRTP3/BRTP4) announce that Fitch Ratings ( Fitch ) assigned its Long-term National Rating of AA(bra) to the third public debentures issuance of Brasil Telecom S.A. ( Brasil Telecom ), in total nominal value of R\$500 million, to be issued in one series, having a 5-year tenor and final maturity on July 5, 2009. The outlook on the rating is stable.

Fitch also affirmed the national long-term ratings of AA-(bra) assigned to Brasil Telecom Participações S.A. ( Brasil Telecom Participações ) and AA(bra) assigned to Brasil Telecom and its second debentures issuance. In addition, Fitch affirmed the international ratings of BB+ assigned to Brasil Telecom Participações Local Currency debt and the BBB- to Brasil Telecom. The outlook for all ratings is stable.

Fitch highlighted that the ratings reflect the company's solid market position, low volatility of its cash flow and the manageable levels of its debt. According to the agency the ratings also consider the higher competition and the current regulatory risk that Brasil Telecom bears. Fitch also stressed that the liquidity position of Brasil Telecom is solid, due to the cash balance of R\$2.9 billion as of March 31, 2004, [and] strong profitability.

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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: August 9, 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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