

SECURITIES SERVICING
DEPOSITORY RECEIPTS

Corporate Action

ATTENTION: International Research, Sales, Trading and Operations Staff

RATIO CHANGE

TELECOMUNICAÇÕES DE SAO PAULO S.A.

	OLD	NEW
Symbol:	TSP	UNCHANGED
CUSIP Number:	87929A102	UNCHANGED
Exchange:	NYSE	UNCHANGED
Ratio:	1 ADR: 1,000 PREFERRED SHARES	1:1

Please be advised that The Bank of New York, as depositary bank for Telecomunicações de São Paulo S.A., will amend the ADR ratio from the current one (1) ADR representing one thousand (1,000) Preferred Shares to one (1) ADR representing one (1) Preferred Share. This change is a result of a simultaneous one thousand (1,000) to 1 (one) reverse-split in the Brazilian Stock Market.

Please note that there will be no change in CUSIP and an exchange of certificates will not be necessary. ADR certificates reflecting the new ratio are being overstamped.

Note that the ratio change will happen as follows:

06/27/05 Effective date for Pricing purposes
06/30/05 Effective date for Issuances and Cancellations

To learn more about ADRs and issuer programs, please call our marketing desks:

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