

**Rating Action: [Brasil Telecom S.A.](#)**

**Moody's Upgrades Brasil Telecom's Structured Notes to Baa3**

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New York, May 30, 2008 -- Moody's has upgraded the global foreign currency rating of Brasil Telecom S.A.'s US \$200 million 9.375 % Structured Notes due 2014 to Baa3 from Ba1. This rating action concludes the review initiated on March 28, 2008. The upgrade of the notes is a direct result of the upgrade of the global scale senior unsecured rating of Brasil Telecom S.A. to Baa3 from Ba1.

The rating assigned to the structured notes is linked to the fundamental credit quality of Brasil Telecom S.A., as reflected by its global scale senior unsecured rating. As a result of this linkage, any further change in that rating may also result in a change in the rating of the structured notes.

Brasil Telecom S.A., headquartered in Brasília, is an integrated telecommunications company operating in nine states in the southern, middle-western and northern regions of Brazil. In 2007 Brasil Telecom reported consolidated net revenues of BRL 11,059 million (USD 5,671 million).

The complete rating action is as follows:

Issuer: Brasil Telecom S.A.

US \$200 million 9.375 % Structured Notes, global foreign currency rating upgraded to Baa3 from Ba1.

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