

BRASIL TELECOM HOLDING CO  
Form 6-K  
April 26, 2007

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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 April 26, 2007**

**(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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**Brasil Telecom  
Participações S.A.**

*1<sup>st</sup> Quarter 2007 Earnings Release*

## Accomplished Results

	1Q06	1Q07	Δ 12M
<b>Gross revenue (R\$ million)</b>	3,654.9	<b>3,897.1</b>	6.6%
<b>EBITDA (R\$ million)</b>	825.3	<b>952.0</b>	15.4%
<b>EBITDA margin</b>	33.3%	<b>35.4%</b>	2.1 p.p.
<b>Net income (R\$ million)</b>	33.5	<b>169.9</b>	406.4%
<b>Investments (R\$ million)</b>	214.6	<b>152.8</b>	-28.8%
<b>Net debt (R\$ million)</b>	2,468.1	<b>1,143.8</b>	-53.7%
<b>Mobile accesses (thousand)</b>	2,460.9	<b>3,638.1</b>	47.8%
<b>ADSL accesses (thousand)</b>	1,084.1	<b>1,383.5</b>	27.6%

## 1Q07 Highlights

<b>Compared to 1Q06</b>	
<b>Revenue growth</b>	6.6% increase 81.3% growth: mobile operation's revenue
<b>Mobile operation growth</b>	47.8% increase 3.6 million accesses
<b>Profitable Mobile operation</b>	ARPU increased from R\$26.6 to R\$33.4 SAC decreased from R\$136.6 to R\$97.8 Positive EBITDA: R\$ 4.4 million
<b>Growth in ADSL</b>	35% growth in ADSL's revenue 1.4 million accesses
<b>Net Income growth</b>	R\$ 170 million vs. R\$ 34 million in 1Q06

**Gross Revenue**

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- **6.6% growth over 1Q06**
- **Increase of mobile telephony and data revenues share in total revenue**

**Revenue evolution by quarter  
(R\$ million)**

**Revenue breakdown evolution**

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<sup>1</sup> Data Communications and Internet.

**Gross Revenue (cont.)**

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**Δ Revenue (+R\$ 242.2 million)**

**Fixed Telephony**

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- **ARPU increased by 14.1% in comparison to 1Q06**
- **Fixed telephony s gross revenue decreased by 2.4% in the quarter influenced by sazonality**

**Lines in Service (thousand)**

**Gross**



**ADSL**

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**1,383 thousand accesses in service**  
**- 82% market share in Region II <sup>1</sup>**  
**- ADSL penetration reached 16.7% of**  
**LIS (1,479 localities)**

**ADSL ARPU amounted to R\$ 71.3**  
**- 15.3% growth over 1Q06**

**ADSL Accesses (thousand)**

**Gross Revenue (R\$ million)**

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<sup>1</sup> 4Q06 estimative.

<sup>2</sup> Data Communications and Internet.

**Mobile Telephony**

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**3,638 thousand access in service by the end of 1Q07**  
**Market share reached 12.9% (vs. 9.4% in 1Q06)**  
**26.6% of post-paid access**

**ARPU = R\$ 33.4 (vs. R\$ 26.6 in 1Q06)**  
**SAC = R\$ 97.8 (vs. R\$ 136.6 in 1Q06)**

**Mobile Access (thousand)**

**Gross**

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**ARPU - Average Revenue Per User.**

**SAC - Subscriber Acquisition Cost.**

**Better Results**

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• **R\$ 952 million EBITDA:**

- **0.5% increase over 4Q06**

- **15.4% increase over 1Q06**

**EBITDA (R\$ million)**

**EBITDA Margin**

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**EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.**

**EBITDA BrT Móvel**

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- R\$ 4.4 million in 1Q07, representing an EBITDA margin of 1.1%
- BrT Móvel reached positive EBITDA after 30 months of operation

**Evolution of BrT Mobile s quarterly EBITDA (R\$ million)**

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**EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.**

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**Net Income**

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- Net income per thousand shares equivalent to R\$ 0.4667 in 1Q07
- Net income per ADR in BRP equivalent to US\$1.1383 in the quarter

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1 ADR = 5,000 preferred shares  
US\$1.00 = R\$2.0504 (03/30/2007)

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**Investments**

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- R\$ 153 million investments in 1Q07

**Quarterly investments (R\$ million)**

**Investments**

**Indebtedness**

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**Comparison Net Debt vs. Total Debt  
(R\$ million)**

- **Total Debt = R\$ 5,067.7 million**
- **Net Debt/Shareholders Equity = 21.7%**
- **9.5% p.a. cost in 1Q07 (75.7% of Domestic Interbank Rate CDI )**
- **R\$ 3,924 million of Cash, Bank Accounts and High-liquid Investments**
- **Foreign exchange exposure: 7.8%**





**What make us different**

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**Brasil Telecom**

**Leadership in Region II**

**Increasing sh**

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<sup>1</sup> Voice Market share.

<sup>2</sup> 4Q06 estimative.

<sup>3</sup> Broadband Accesses (Turbo) .

**Convergent Bundles    Quadruple Play**

<b>1 EXCLUSIVE OFFER TELEFONE ÚNICO</b>	<b>2 EXCLUSIVE PARTNERSHIP TURBO +</b>	<b>3 NEW SPEEDS TURBO</b>
<p><b>If you are at home, the handset works as a fixed telephone or mobile phone. If you are outside it works as a mobile phone. And in anyplace it is unique.</b></p> <p><b>With this kind of choice, you will save in your calls. Only Brasil Telecom could join two things in one, facilitating your life and helping you to save.</b></p> <p><b>To acquire Telefone Único promotion the client is required to activate the Caller ID Intelligent Service in its fixed line.</b></p>	<p><b>To take advantage of this offer you need to acquire a Turbo Brasil Telecom product and a SKY Combo.</b></p> <p><b>Make your package: Turbo 1. 2. 4 or 8 MEGA + any SKY s Digital Combo 2007.</b></p> <p><b>If you already is a Turbo client, increase your connection speed and join the offer!</b></p>	<p><b>If you already is a Turbo client, increase your connection speed.</b></p> <p><b>New speeds 2. 4 and 8 MEGA!</b></p> <p><b>Without download limit.</b></p>

Note: Convergence advertisement.

**Strategic Directories**

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- *Pro-active action in the development of legislation / regulation*
- *Encourage broadband, which is an important value generator and base for the offer of converging services*
- *Maintain growth of the mobile service in order to improve its economic value and to compensate fixed voice loss*
- *Organize the client sub-segmented approach*
- *Continue to develop actions to reduce fixed line disconnections*
- *Develop expertise to implement new businesses and the national portal models, with focused ISPs*
- *Continue the effort to change OPEX and CAPEX levels*

This presentation contains forward-looking statements. Such statements are not statements of historical fact, and reflect the beliefs and expectations of the Company's management. The words "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "predicts," "projects" and "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties. Accordingly, the actual results of operations of the Company may be different from the Company's current expectations, and the reader should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments.

**Brasil Telecom  
Participações S.A.**

*1<sup>st</sup> Quarter 2007 Earnings Release*

**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: April 26, 2007

**BRASIL TELECOM PARTICIPAÇÕES S.A.**

By: /s/ Paulo Narcélio Simões do Amaral

Name: Paulo Narcélio Simões  
do Amaral  
Title: Chief Financial  
Officer

**FORWARD-LOOKING STATEMENTS**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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