
NEWS RELEASE

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EMBRATEL REPORTS
SECOND QUARTER 2001 NET REVENUES OF R\$ 1.9 BILLION
Eighteen percent growth year-over-year

Rio de Janeiro, Brazil - July 24, 2001 - Embratel Participações S.A. (Embratel Participações or the "Company") (NYSE: EMT; BOVESPA: EBTP3, EBTP4), the Company that holds 98.8 percent of Empresa Brasileira de Telecomunicações S.A. ("Embratel"), today announced highlights of results for the quarter ending June 30, 2001. (All financial figures are in Reais and based on consolidated financial statements in "Legislação Societária").

Embratel Participações' second quarter 2001 net revenues were R\$1.9 billion as a result of strong growth in voice revenues and corporate data services. EBITDA reached R\$402 million. The net loss for the quarter was R\$39 million arising primarily from the continued devaluation of the Real. On a year-to-date basis, net revenues and net loss were, respectively, R\$3.7 billion and R\$73 million.

Data and Internet Services

Second quarter data revenues rose 9 percent to R\$435 million compared to the same quarter of 2000. Lower data growth was mainly the result of the non-renewal of short-term wholesale leases to carriers. The devaluation of the Real, the slowdown of the economy and additional price reductions also impacted growth.

Wholesale leases represented 7 percent of total data revenues in the second quarter of 2001 compared to 15 percent in the same prior year quarter. We expect revenues from current contracts to decline throughout the year. The entrance of new telecommunications players next year could compensate some of these reductions.

Corporate data services revenue which includes corporate networks, frame relay services and Internet grew 21 percent when compared to the same quarter of the previous year. Core data services such as frame relay continue to show revenue growth and demand for data transmission by satellite remains strong. Internet revenues, which currently represent 30 percent of data revenues, grew more than 70 percent on an year-over-year basis. Data revenue growth has been pressured by price competition on broadband services to corporations in the busiest traffic routes of the country.

On an accumulated basis, data revenues reached R\$894 million representing a 20 percent growth from R\$748 million in the first half of 2000. Data now represents 24 percent of our net revenues.

Due to the decline in wholesale revenues, pricing pressures and the economic uncertainties associated with the energy crisis and the currency devaluation on the Brazilian economy, we now expect data growth to be within the 15-20 percent range.

Domestic Long Distance Voice Services

Domestic long distance revenues rose to R\$1.1 billion in the second quarter of 2001 compared to R\$855 million in the second quarter of 2000, representing a strong 32 percent growth year-over-year. Growth in domestic long distance traffic, traffic mix, the discontinuation of some promotions and new alternative calling plans, which contributed to the increase in the average revenue per minute, were responsible for the increase.

Year-to-date, domestic long distance revenues were R\$2.2 billion, corresponding to a 27 percent increase when compared to the first half of 2000.

International Long Distance Voice Services

International long distance revenues were R\$236 million, a 14 percent decrease compared to R\$274 million in the second quarter of 2000, primarily caused by lower outbound pricing in a more competitive market. Compared to the first quarter of 2001, revenues rose 7 percent as a result of the discontinuation of promotional pricing in the first quarter. International long distance revenues continue to be subject to price pressure and competition from illegal services.

On an accumulated basis, international long distance revenues were R\$456 million compared to R\$493 million in the first half of 2000.

EBITDA

EBITDA reached R\$402 million compared to R\$443 million in the second quarter of 2000. EBITDA margin was 22 percent this quarter compared to 28 percent in the second quarter of 2000. In 2001, the Company absorbed the new regulatory taxes for universalization of services (FUST and FUNTTEL - approximately 1.5 percent of revenues) which were responsible for the increase in other cost of services and SG&A (excluding bad debt) to 22 percent of net revenues

in the second quarter of 2001 from 21 percent in the equivalent quarter of the prior year. Cost control efforts enabled the Company to absorb these new taxes without raising these expenses in the same proportion. Provision for doubtful accounts was R\$160 million, representing 8.6 percent of net revenues (or 6.3 percent of gross revenues).

Year-to-date EBITDA was R\$824 million compared to R\$875 million in the same period a year ago. This decrease was mainly caused by additional taxes and increases in provision for doubtful accounts.

Net Income

The net loss for the second quarter of 2001 was R\$39 million. The loss was created by the effect of the devaluation of the Real vis-a-vis the US dollar (6.6 percent in the quarter) on the Company's foreign currency debt (see Financial Position below).

On an accumulated basis, the net loss reached R\$73 million in the first half of 2001 compared to a net income of R\$273 million in the first half of 2000.

Excluding the effect of the devaluation of the Real and the foreign exchange losses (net of tax benefit), the net income for the second quarter would have been R\$28 million rather than a net loss of R\$ 39 million.

Financial Position

Embratel Participações ended the quarter with a cash position of R\$398 million. Total debt outstanding as of June 30, 2001 was R\$3.2 billion. R\$1.3 billion corresponded to short term debt and current portion of long term debt. At the end of the quarter approximately R\$1.2 billion (notional amount) was hedged to the Real. These hedging transactions cover approximately 70 percent of the debt maturing in one year. The Company's policy is to hedge all new debt with maturity of less than three years. There was no change in the currency profile of the Company's

debt during the quarter. The average interest on this debt is US dollar plus 9.3 percent p.a.. On June 30, 2001, Embratel's debt/equity ratio was 0.53.

Pre-tax negative foreign exchange variation on the Company's foreign exchange exposure was R\$160 million. This was offset by R\$58 million of gains from hedging transactions. Principal and interest maturing in the quarter was of approximately R\$201 million.

Since the beginning of 2001, of the total of R\$287 million (net of the hedge gains) of exchange variation losses arising from the devaluation of the currency R\$51 million was related to short-term debt and current portions of long-term debt. The remaining R\$236 million is related to long-term debt. Principal and interest paid in the past six months were R\$320 million.

Accounts Receivables

The Company's net receivable position on June 30, 2001 was R\$2.6 billion. Gross receivables were R\$3.4 billion in the second quarter of 2001 compared to R\$3.2 billion in the first quarter of 2001. Accumulated provision for doubtful accounts was R\$825 million at the end of the second quarter of 2001.

Several actions taken by the Company to curb customer delinquency were delayed. Some, of the most effective measures, like sending non-payer names to credit scoring agencies, had to be halted due to unfavorable court decisions and reactions from, consumer protection agencies and the regulator. As a result, the Company does not expect to reduce the level of provisioning as fast as planned. Provisions for doubtful accounts will continue to remain at current levels for the remainder of the year. Embratel is following consumer behavior closely in order to detect whether current worsening of economic conditions may further impact delinquency levels.

The Company continues to pursue initiatives to improve the collections process.

Capital Expenditures

During the second quarter, capital expenditures were R\$340 million. The breakout of this expenditure is the following: local infrastructure and access – 40 percent; data and Internet services – 19 percent; network infrastructure – 13 percent and others - 29 percent. The Company is monitoring capital expenditures closely to maintain capital expenditures within the planned amount of R\$ 1.5 billion despite the devaluation of the currency.

Prices

On June 25, 2001, tariff readjustments were authorized by Anatel. Domestic long distance tariffs rose 7 percent on average.

Current Financial Guidance (full-year 2001 growth compared to 2000)

	Previous	Current
Net DLD revenue	10-15 percent	10-15 percent
Net ILD revenue	flat	flat - (5 percent)
Net Data revenue	20-35 percent	15-20 percent (core business 20-30 percent, wholesale decline)
Net Total revenues	10-20 percent	10-20 percent
EBITDA margin	mid twenties	low twenties
Provision for doubtful accounts	5-8 percent	8-9 percent

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Embratel is the premier communications provider in Brazil offering a wide array of advanced communications services over its own state of the art network. It is the leading provider of data and Internet services in the country. Service offerings include: advanced voice, high-speed data

communication services, Internet, satellite data communications and corporate networks.

Embratel is uniquely positioned to be the all-distance telecommunications network of South America. The Company's network is has countrywide coverage with 28,388 km of fiber cables comprising 1,045,617 km of optic fibers.

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Note: Except for the historical information contained herein, this news release may be deemed to include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risk and uncertainty, including financial, regulatory environment and trend projections. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. The important factors that could cause actual results to differ materially from those in the forward-looking statements herein include, without limitation, the Company's degree of financial leverage, risks associated with debt service requirements and interest rate fluctuations, risks associated with any possible acquisitions and the integration thereof, risks of international business, including currency risk, dependence on availability of interconnection facilities, regulation risks, contingent liabilities, collection risks, and the impact of competitive services and pricing, as well as other risks referred in the Company's filings with the CVM and SEC. The Company does not undertake any obligation to release publicly any revisions to its forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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Embratel Participações SA								
Corporate Law								
Consolidated Income Statement								
R\$ Thousands	Quarter ending						% change	
	Jun 30, 2001	%	June 30, 2000	%	Mar 31, 2001	%	Y-o-Y	Q-o-Q
Revenues								
Gross revenues	2.532.799		2.121.007		2.481.005		19,4%	2,1%
Taxes & other deductions	(672.319)		(540.652)		(638.279)		24,4%	5,3%
Net revenues	1.860.480	100,0%	1.580.355	100,0%	1.842.726	100,0%	17,7%	1,0%
Net Domestic long distance	1.131.682	60,8%	855.378	54,1%	1.107.993	60,1%	32,3%	2,1%
Net International long distance	235.828	12,7%	274.026	17,3%	220.086	11,9%	-13,9%	7,2%
Net Data communications	434.780	23,4%	397.295	25,1%	459.652	24,9%	9,4%	-5,4%
Net Other services	58.190	3,1%	53.655	3,4%	54.995	3,0%	8,5%	5,8%
Net revenues	1.860.480	100,0%	1.580.355	100,0%	1.842.726	100,0%	17,7%	1,0%
Lines costs (incl. interconnection & facilities)	(891.326)	-47,9%	(755.711)	-47,8%	(875.311)	-47,5%	17,9%	1,8%
Other cost of services (excl. depreciation)	(122.372)	-6,6%	(97.393)	-6,2%	(111.732)	-6,1%	25,6%	9,5%
Selling, general and administrative expenses (excl. depreciation)	(448.005)	-24,1%	(287.420)	-18,2%	(444.504)	-24,1%	55,9%	0,8%
Other operating income/(expense)	2.986	0,2%	3.182	0,2%	10.996	0,6%	-6,1%	-72,8%
EBITDA	401.765	21,6%	443.013	28,0%	422.175	22,9%	-9,3%	-4,8%
Depreciation and amortization	(259.848)	-14,0%	(211.854)	-13,4%	(249.808)	-13,6%	22,7%	4,0%
Operating income (EBIT)	141.917	7,6%	231.159	14,6%	172.367	9,4%	-38,6%	-17,7%
Financial income (including monetary and exchange variation)	(13.198)	-0,7%	62.153	3,9%	48.706	2,6%	-121,2%	-127,1%
Interest income	20.866	1,1%	50.453	3,2%	17.645	1,0%	-58,6%	18,3%
Monetary variation	(141)	0,0%	2.901	0,2%	280	0,0%	-104,9%	-150,4%
Exchange variation	(33.923)	-1,8%	8.799	0,6%	30.781	1,7%	-485,5%	-210,2%
Financial expense (including monetary and exchange variation)	(147.115)	-7,9%	(98.052)	-6,2%	(249.820)	-13,6%	50,0%	-41,1%
Interest expense	(72.029)	-3,9%	(52.899)	-3,3%	(64.828)	-3,5%	36,2%	11,1%
Monetary variation	(7.121)	-0,4%	(7.572)	-0,5%	(4.880)	-0,3%	-6,0%	45,9%
Exchange variation	(67.965)	-3,7%	(37.581)	-2,4%	(180.112)	-9,8%	80,8%	-62,3%
Other non-operating income/(expense)	(7.630)	-0,4%	(244)	0,0%	451	0,0%	3027,0%	-1791,8%
Net income before tax, employee profit sharing and minority interest	(26.026)	-1,4%	195.016	12,3%	(28.296)	-1,5%	-113,3%	-8,0%
Income tax and social contribution	765	0,0%	(62.267)	-3,9%	8.094	0,4%	-101,2%	-90,5%
Employee profit sharing	(11.559)	-0,6%	(7.710)	-0,5%	(11.556)	-0,6%	49,9%	0,0%
Minority interest	(2.009)	-0,1%	(1.551)	-0,1%	(1.989)	-0,1%	29,5%	1,0%
Net income	(38.829)	-2,1%	123.488	7,8%	(33.747)	-1,8%	-131,4%	15,1%
End of period shares outstanding (000)	332.932.361		332.915.828		332.932.361			
Earnings per 1000 shares	(0,12)		0,37		(0,10)			

Embratel Participações SA					
Corporate Law					
Consolidated Income Statement					
R\$ Thousands	Half year ending				% change
	Jun 30, 2001	%	June 30, 2000	%	Y-o-Y
Revenues					
Gross revenues	5.013.804		4.140.354		21,1%
Taxes & other deductions	(1.310.598)		(1.029.221)		27,3%
Net revenues	3.703.206	100,0%	3.111.133	100,0%	19,0%
Net Domestic long distance	2.239.675	60,5%	1.757.737	56,5%	27,4%
Net International long distance	455.914	12,3%	492.963	15,8%	-7,5%
Net Data communications	894.432	24,2%	748.004	24,0%	19,6%
Net Other services	113.185	3,1%	112.429	3,6%	0,7%
Net revenues	3.703.206	100,0%	3.111.133	100,0%	19,0%
Lines costs (incl. interconnection & facilities)	(1.766.637)	-47,7%	(1.507.983)	-48,5%	17,2%
Other cost of services (excl. depreciation)	(234.104)	-6,3%	(185.434)	-6,0%	26,2%
Selling, general and administrative expenses (excl. depreciation)	(892.509)	-24,1%	(529.737)	-17,0%	68,5%
Other operating income/(expense)	13.982	0,4%	(13.508)	-0,4%	-203,5%
EBITDA	823.940	22,2%	874.471	28,1%	-5,8%
Depreciation and amortization	(509.656)	-13,8%	(413.712)	-13,3%	23,2%
Operating income (EBIT)	314.284	8,5%	460.759	14,8%	-31,8%
Financial income (including monetary and exchange variation)	35.508	1,0%	66.455	2,1%	-46,6%
Interest income	38.511	1,0%	67.103	2,2%	-42,6%
Monetary variation	139	0,0%	568	0,0%	-75,5%
Exchange variation	(3.142)	-0,1%	(1.216)	0,0%	158,4%
Financial expense (including monetary and exchange variation)	(396.935)	-10,7%	(91.128)	-2,9%	335,6%
Interest expense	(136.857)	-3,7%	(75.350)	-2,4%	81,6%
Monetary variation	(12.001)	-0,3%	(20.137)	-0,6%	-40,4%
Exchange variation	(248.077)	-6,7%	4.359	0,1%	-5791,1%
Other non-operating income/(expense)	(7.179)	-0,2%	11.885	0,4%	-160,4%
Net income before tax, employee profit sharing and minority interest	(54.322)	-1,5%	447.971	14,4%	-112,1%
Income tax and social contribution	8.859	0,2%	(155.644)	-5,0%	-105,7%
Employee profit sharing	(23.115)	-0,6%	(15.420)	-0,5%	49,9%
Minority interest	(3.998)	-0,1%	(3.436)	-0,1%	16,4%
Net income	(72.576)	-2,0%	273.471	8,8%	-126,5%
End of period shares outstanding (000)	332.932.361		332.915.828		
Earnings per 1000 shares	(0,22)		0,82		

Embratel Participações SA		
Corporate Law - Consolidated Balance Sheet		
R\$ Thousands	June 30, 2001	March 31, 2001
Assets		
Cash and cash equivalents	398.066	390.739
Account receivables, net	2.587.443	2.497.936
Deferred and recoverable taxes	593.958	456.524
Other current assets	193.927	190.409
Current assets	3.773.394	3.535.608
Deferred and recoverable taxes	251.547	300.555
Legal deposits	342.198	321.239
Other non-current assets	56.645	48.837
Non-current assets	650.390	670.631
Investments	351.862	351.886
Net property, plant & equipment	7.551.336	7.464.310
Permanent assets	7.903.198	7.816.196
Total assets	12.326.982	12.022.435
Liabilities		
Personnel, charges and social benefits	126.092	108.576
Accounts payable and accrued expenses	1.334.020	1.313.525
Taxes and contributions	529.907	567.189
Dividends and interest on capital payable	17.378	140.130
Proposed dividends and interest on capital	6.411	66.373
Short term debt and current portion of long term debt	1.293.689	1.184.301
Provisions for contingencies	17.342	23.843
Pension plan -Telos	69.320	61.948
Employee's profit sharing	27.572	39.865
Subsidiaries and associated companies	21.186	10.083
Other current liabilities	187.611	150.662
Current liabilities	3.630.528	3.666.495
Taxes and contributions	216.828	197.163
Long term debt	1.880.412	1.527.522
Pension plan - Telos	190.293	201.218
Other non-current liabilities	915	915
Non-current liabilities	2.288.448	1.926.818
Deferred income	137.199	121.495
Minority interest	251.991	249.982
Paid in capital	2.273.913	2.134.427
Income reserves	1.912.114	1.921.028
Treasury stock	(41.101)	(41.101)
Retained earnings	1.873.890	2.043.291
Shareholders' equity	6.018.816	6.057.645
Total liabilities and shareholders' equity	12.326.982	12.022.435
Total borrowed funds	3.174.101	2.711.823
Net debt	2.776.035	2.321.084
TBF/Shareholders equity	0,53	0,45

Embratel Participações SA (millions of minutes)	Quarter ending		
	Jun 30, 2001	Jun 30, 2000	Mar 31, 2001
Domestic Long Distance *	5.475,9	4.682,6	5.128,8
Q-o-Q	6,8%	-2,5%	2,7%
Y-o-Y	16,9%	21,0%	6,8%
International Long Distance			
Outbound**	154,5	160,1	167,7
Q-o-Q	-7,9%	-1,2%	0,9%
Y-o-Y	-3,5%	10,6%	3,4%
Inbound	280,1	281,9	277,2
Q-o-Q	1,0%	5,4%	2,8%
Y-o-Y	-0,6%	40,6%	3,6%

* This minute series includes domestic long distance traffic, domestic long distance fixed-to-cellular traffic, cellular-to-fixed and cellular-to-cellular traffic, and advanced telephony traffic

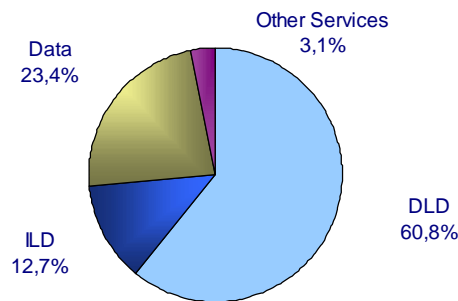
** This minutes series includes outbound international long distance traffic, international fixed- to- cellular and advanced voice services traffic

Financial Performance... REVENUES

	1999	2000	2Q00	1Q01	2Q01
DLD	3.012.638	3.921.377	855.378	1.107.993	1.131.682
ILD	888.268	971.921	274.026	220.086	235.828
Voice	3.900.906	4.893.298	1.129.404	1.328.079	1.367.510
	-----	25,44%	0,72%	-1,31%	2,97%
Data	1.042.103	1.605.563	397.295	459.652	434.780
	-----	54,07%	13,28%	3,52%	-5,41%
Total Core	4.943.009	6.498.861	1.526.699	1.787.731	1.802.290
Other Services	240.918	215.647	53.655	54.995	58.190
Gross Revenues	5.183.927	6.714.508	1.580.355	1.842.726	1.860.480
	-----	29,53%	3,24%	0,06%	0,96%

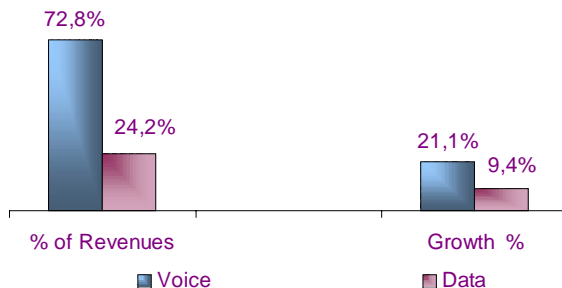
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Revenues 2Q 2001



% Revenues	1999	2000	2Q00	1Q01	2Q01
DLD	58,1%	58,4%	54,1%	60,1%	60,8%
ILD	17,1%	14,5%	17,3%	11,9%	12,7%
Voice	75,3%	72,9%	71,5%	72,1%	73,5%
Data	20,1%	23,9%	25,1%	24,9%	23,4%
Total Core	95,4%	96,8%	96,6%	97,0%	96,9%
Other Services	4,6%	3,2%	3,4%	3,0%	3,1%
Gross Revenues	100,0%	100,0%	100,0%	100,0%	100,0%

Data and Voice Comparison



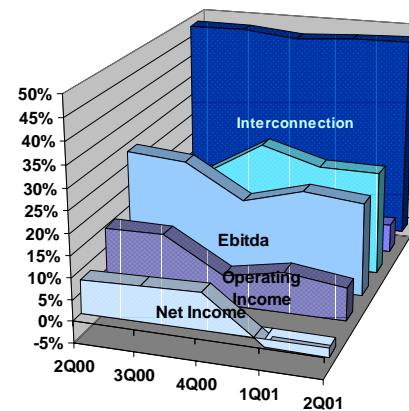
	Total 2Q00 to 2Q01	% of Revenues	Growth %
DLD	5.258.693	59,2%	9,4%
ILD	1.208.898	13,6%	-13,9%
Voice	6.467.591	72,8%	21,1%
Data	2.149.286	24,2%	9,4%
Total Core	8.616.877	97,0%	18,1%
Other Services	270.059	3,0%	8,5%
Total	8.886.937	100,0%	17,7%

Financial Performance... RESULTS and INVESTMENT

	1999	2000	2Q00	1Q01	2Q01
Revenues	5.183.927	6.714.508	1.580.355	1.842.726	1.860.480
Interconnection	2.563.959	3.210.104	755.711	875.311	891.326
Cost of Service	349.558	391.650	97.393	111.732	122.372
SG&A	782.404	1.396.893	287.420	444.504	448.005
Others	-40.566	12.250	-3.182	-10.996	-2.986
Ebitda	1.528.572	1.703.611	443.013	422.175	401.765
Dep & Amort	733.341	856.802	211.854	249.808	259.848
Operating Income	795.231	846.809	231.159	172.367	141.917
Net Income	411.631	577.090	123.488	(33.747)	(38.829)

R\$

	1999	2000	2Q00	1Q01	2Q01
Revenues	100,0%	100,0%	100,0%	100,0%	100,0%
Interconnection	49,5%	47,8%	47,8%	47,5%	47,9%
Cost of Service	6,7%	5,8%	6,2%	6,1%	6,6%
SG&A	15,1%	20,8%	18,2%	24,1%	24,1%
Others	-0,8%	0,2%	-0,2%	-0,6%	-0,2%
Ebitda	29,5%	25,4%	28,0%	22,9%	21,6%
Dep & Amort	14,1%	12,8%	13,4%	13,6%	14,0%
Operating Income	15,3%	12,6%	14,6%	9,4%	7,6%
Net Income	7,9%	8,6%	7,8%	-1,8%	-2,1%



Employees	1998	1999	2Q00	1Q01	2Q01
Embratel SA	8.220	8.033	7.699	7.662	7.586
StarOne (Satellite)		87	96	114	136
BrasilCenter (Call Center)		2.124	4.357	4.467	4.752
Total	8.220	10.244	12.152	12.243	12.474

	1998	1999	2000
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CAPEX	1.203	1.652	1.428
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R\$

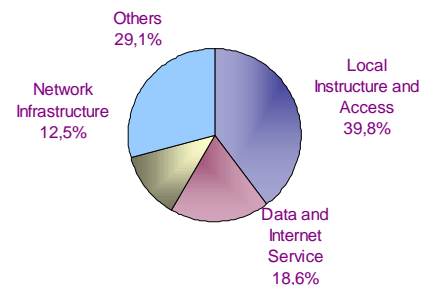
	1Q00	1Q01	2Q01
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CAPEX	323	243	340
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R\$

	1999	2000	1Q01	2Q01
Local Instructure and Access	14,1%	21,1%	26,7%	39,8%
Data and Internet Service	9,4%	18,2%	19,8%	18,6%
Network Infrastructure	47,6%	32,0%	10,1%	12,5%
Others	29,0%	28,7%	43,4%	29,1%
Total	100,0%	100,0%	100,0%	100,0%

2Q01 Capex



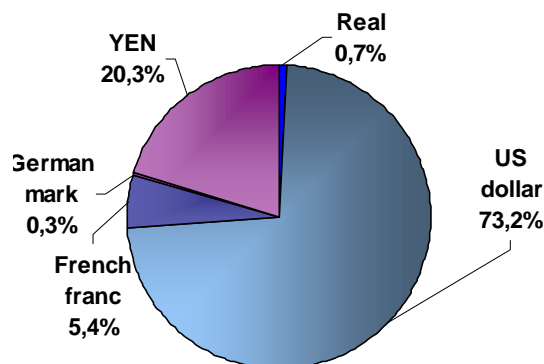
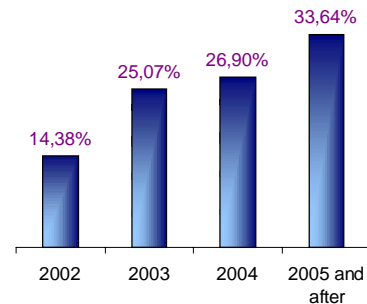
Financial Performance... CAPITALIZATION

	1998	1999	2000	2Q00	1Q01	2Q01
Short Term Debt and Current Maturing Long Term Debt	155.088	602.235	881.899	791.577	1.184.301	1.293.689
Long Term Debt	511.085	878.661	1.364.390	1.376.983	1.527.522	1.880.412
Shareholders' Equity	5.510.581	5.717.988	6.082.170	5.989.419	6.057.645	6.018.816
Minority Interest	69.881	72.657	211.878	74.670	249.982	251.991
Total Capitalization	6.246.635	7.271.541	8.540.337	8.232.649	9.019.450	9.444.908
Total Borrowed Funds	666.173	1.480.896	2.246.289	2.168.560	2.711.823	3.174.101
Cash	833.357	357.404	422.614	325.048	390.739	398.066
Net Debt	-167.184	1.123.492	1.823.675	1.843.512	2.321.084	2.776.035
Interest Income	245.854	326.956	275.181	57.780	48.706	253.031
Interest Expenses	177.124	630.417	463.497	93.679	249.820	413.344
Financial Result	68.730	-303.461	-188.316	-35.899	-201.114	-160.313
Ebitda	761.648	1.528.572	1.703.611	443.013	422.175	401.765
Total Debt/Shareholders' Equity	12,09%	25,90%	36,93%	36,21%	44,77%	52,74%
Total Debt/Ebitda	0,87	0,97	1,32	1,27	1,60	-6,05
Net Debt/Ebitda	0,22	0,73	1,07	1,08	1,37	-5,29
Ebitda/Interest	4,30	2,42	3,68	4,73	1,69	0,97
Ebitda/Net Interest	11,08	5,04	9,05	12,34	2,10	2,51
Total Debt/Market Capitalization	0,12	0,10	0,20	0,15	0,40	0,54
Net Debt/Market Capitalization	0,03	0,07	0,16	0,13	0,34	0,47

R\$

Payment Schedule	1999	2000	2Q00	1Q01	2Q01
2000	-	-	-	-	-
2001	175.597	-	197.210	-	-
2002	172.665	539.381	485.237	333.698	270.296
2003	145.948	236.570	204.970	305.939	471.178
2004	384.451	224.140	195.003	292.115	505.576
2005 and after	-	364.299	294.563	595.770	632.279
Total	878.661	1.364.390	1.376.983	1.527.522	1.879.329

R\$



Composition by Foreign Currency	1999	2000	2Q00	1Q01	2Q01
Real	184.438	28.631	28.078	25.180	23.498
US dollar	1.127.898	1.718.922	1.645.533	2.179.884	2.322.135
French franc	152.367	172.561	172.059	181.004	171.057
German mark	12.172	10.947	311.994	11.468	10.891
YEN	4.021	315.229	10.896	314.287	644.223
Total	1.480.896	2.246.290	2.168.560	2.711.823	3.171.804

R\$

Stock Performance...

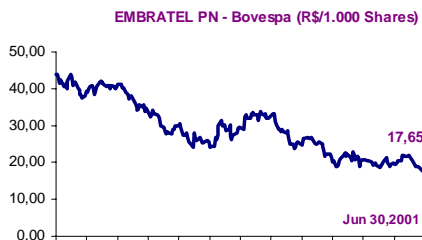
ADR	High	Low	Price Change
			%
2Q01	10,55	7,45	-0,53%
YTD	17,50	7,45	-49,93%
Last 12 months	24,44	7,45	-69,32%

US\$



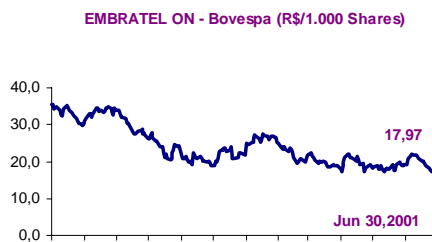
PN	High	Low	Price Change
			%
2Q01	22,80	17,30	-7,11%
YTD	33,80	17,30	-38,89%
Last 12 months	44,00	17,30	-59,89%

R\$

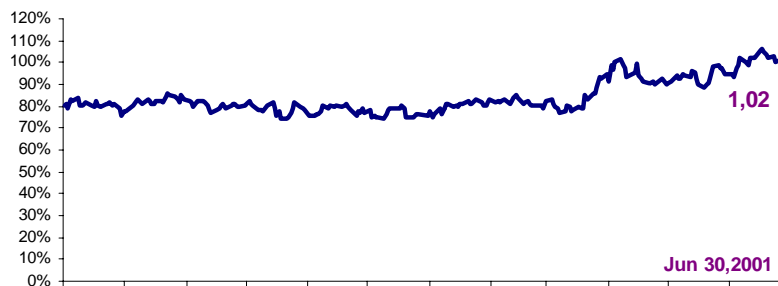


ON	High	Low	Price Change
			%
2Q01	22,20	17,35	-0,11%
YTD	27,39	17,35	-17,61%
Last 12 months	35,55	17,35	-49,45%

R\$



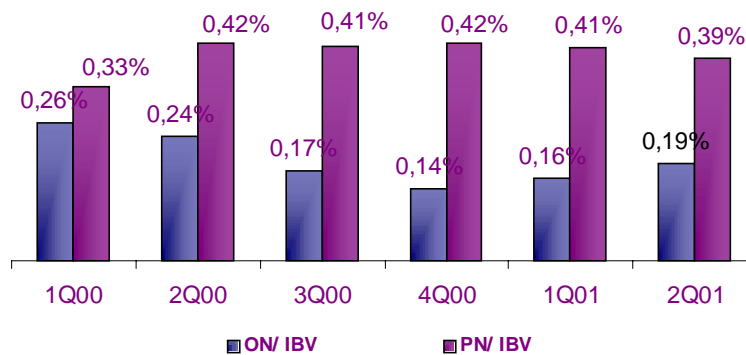
Discount (EMBRATEL ON/PN - Bovespa)



Stock Performance... VOLUME

	ON		PN		IBOV	
1Q00	210.593.548	-11%	265.285.484	41%	79.781.480.000	16%
2Q00	318.104.839	51%	554.495.161	109%	132.969.117.452	67%
3Q00	231.751.563	-27%	547.118.750	-1%	133.589.013.563	0,5%
4Q00	228.801.667	-1%	683.988.333	25%	164.595.207.200	23%
1Q01	312.373.770	37%	812.427.869	19%	198.921.797.115	21%
2Q01	406.762.903	30%	850.937.097	5%	218.916.968.968	10%

ADTV per as a percentage of Bovespa's ADTV



	ON		PN + ADR	
1Q00	13.056.800.000	21,77%	84.284.200.000	40,13%
2Q00	19.722.500.000	32,89%	89.453.700.000	42,89%
3Q00	14.832.100.000	24,74%	86.943.100.000	41,69%
4Q00	13.728.100.000	22,89%	96.489.000.000	46,26%
1Q01	19.054.800.000	31,78%	121.392.200.000	58,20%
2Q01	25.219.300.000	42,06%	115.042.300.000	55,16%
Float	59.963.879.407		208.563.330.389	

