



Rio de Janeiro, Brazil – December 4, 2003

Embratel Participações S.A.
NYSE: EMT; BOVESPA: EBTP3, EBTP4

The Company holds 98.8 percent of
Empresa Brasileira de Telecomunicações S.A.
("Embratel").

EMBRATEL CLOSSES GUARANTEED NOTES OFFERING

Embratel Participações S.A. ("Embrapar") announced today that its subsidiary, Empresa Brasileira de Telecomunicações S.A. ("Embratel") placed US\$200 million guaranteed notes due in 2008 at 11 percent per annum. The notes were placed under Rule 144A, and pursuant to Regulation S, under the Securities Act of 1933, as amended (the "Securities Act"). The securities were not sold in Brazil.

This issue marks Embratel's entry into the debt capital markets. "We were pleased our first notes issue were so well accepted," said Jorge Rodriguez, Embratel's President. "It evidences Embratel's operating and financial independence as well as our improving operating performance are clearly recognized by the investment community".

Embratel will use the net proceeds from the offering to repay existing indebtedness, and to the extent remaining, for general corporate purposes. "This issue is one of the steps taken by Embratel to increase the average term of its outstanding debt" said Norbert Glatt Embratel's CFO. "We intend to substitute existing short-term debt replacing it with the longer term maturity bonds". Reducing total outstanding debt and increasing the maturities of this debt, while maintaining adequate levels of investment, are some of Embratel's financial objectives.

Embratel is the premium telecommunications provider in Brazil and offers and ample variety of telecom services –local and long distance telephony, advanced voice, high-speed data transmission, Internet, satellite data communications, and corporate networks. The company is a leader in the country for data services and Internet, and is highly qualified to be an all-distance network carrier in Latin America. Embratel's network spreads countrywide, with almost 29 thousand kms of optic cables, which represents about one million sixty-nine thousand km of fiber optics.

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The information contained in this 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 business, financial, regulatory environment, strategy, trends and other 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 the announced potential disposition of MCI ownership interest in the Company, and with any 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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