

BRASIL TELECOM HOLDING CO
Form 6-K
June 01, 2009

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

THROUGH June, 2009

(Commission File No. 1-14477)

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)

**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)

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):

FEDERAL PUBLIC SERVICE**CVM - COMISSÃO DE VALORES MOBILIÁRIOS (SECURITIES COMMISSION)****DFP.- STANDARDIZED FINANCIAL STATEMENTS
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES****Corporate Law
Reference Date 12/31/2008****REGISTRATION AT THE CVM DOES NOT REQUIRE ANY EVALUATION OF THE COMPANY,
BEING ITS DIRECTOR RESPONSIBLE FOR THE VERACITY OF THIS INFORMATION.****01.01 - IDENTIFICATION**

1 - CVM CODE 01768-0	2 - COMPANY NAME BRASIL TELECOM PARTICIPAÇÕES S.A.	3 - CORPORATE TAXPAYER ID (CNPJ) 02.570.688/0001-70
4 - NIRE 5.330.000.581-8		

01.02 - HEAD OFFICE

1 - COMPLETE ADDRESS: SIA/SUL - ASP LOTE D - BL B - 1º ANDAR		2 - DISTRICT SIA		
3 - ZIP code 71215-000	4 - CITY BRASILIA		5 - STATE DF	
6 - AREA CODE (DDD) 21	7 - TELEPHONE 3131-1332	8 - TELEPHONE -	9 - TELEPHONE -	10 - TELEX -
11 - AREA CODE (DDD) 21	12 - FAX 3131-1155	13 - FAX -	14 - FAX -	
15 - E-MAIL ri@brasiltelecom.com.br				

01.03 - INVESTORS RELATIONS OFFICER (Company Mail Address)

1 - NAME ALEX WALDEMAR ZORNIG				
2 - COMPLETE ADDRESS: SIA/SUL ASP LOTE D - BL A - 2º ANDAR			3 - DISTRICT SIA	
4 - ZIP code 71215-000	5 - CITY BRASILIA		6 - STATE DF	
7 - AREA CODE (DDD) 21	8 - TELEPHONE 3131-1123	9 - TELEPHONE -	10 - TELEPHONE -	11 - TELEX
12 - AREA CODE (DDD) 21	13 - FAX 3131-1155	14 - FAX -	15 - FAX -	
15 - E-MAIL alex.zornig@oi.net.br				

01.04 - REFERENCE /INDEPENDENT AUDITOR

1 - FISCAL YEAR	2 BEGINNING OF THE FISCAL YEAR	3 END OF THE FISCAL YEAR
1 Last	01/01/2008	12/31/2008
2 Penultimate	01/01/2007	12/31/2007
3 Antepenultimate	01/01/2006	12/31/2006
4 - AUDITOR NAME/COMPANY NAME DELOITTE TOUCHE TOHMATSU AUDITORES INDEPENDENTES		5 - CVM CODE 00385-9
6 - NAME OF THE TECHNICAL RESPONSIBLE MARCO ANTONIO BRANDÃO SIMURRO		7 - INDIVIDUAL TAXPAYER ID (CPF) OF THE TECH. RESPONSIBLE TECHNICIAN 755.400.708-44

01.05 - COMPOSITION OF CAPITAL STOCK

Number of Shares (Units)	1 12/31/2008	2 12/31/2007	3 12/31/2006
Issued Capital			
1 - Common shares	134,031,688	134,031,688	134,031,688,203
2 - Preferred shares	229,937,525	229,937,525	229,937,525,684
3 - Total	363,969,213	363,969,213	363,969,213,887
Treasury Shares			
4 - Common shares	1,480,800	1,480,800	1,480,800,000
5 - Preferred shares	0	0	0
6 - Total	1,480,800	1,480,800	1,480,800,000

01.06 - COMPANY S CHARACTERISTICS

1 - COMPANY TYPE Commercial, Industrial and Other Companies
2 SITUATION TYPE Operating
3 - SHAREHOLDING NATURE National Holding
4 - ACTIVITY CODE 1130 - Telecommunications
5 - MAIN ACTIVITY SWITCHED FIXED TELEPHONY SERVICE EXPLOITATION
6 - CONSOLIDATED TYPE Full

01.07 - SUBSIDIARIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM	2 CNPJ	3 - COMPANY NAME

01.08 - DIVIDENDS IN CASH

1 ITEM	2 - EVENT	3 - APPROVAL	4 - TYPE	5-PAYM. START	6 - SHARE TYPE AND CLASS SHARE	7 - INCOME VALUE PER SHARE
01	Mgmt. Meet.	03/31/2008	Interest on Shareholder s Equity		Common	0.4384967748
02	Mgmt. Meet.	03/31/2008	Interest on Shareholder s Equity		Preferred	0.4384967748
03	Mgmt. Meet.	12/29/2008	Interest on Shareholder s Equity		Common	0.1824334175
04	Mgmt. Meet.	12/29/2008	Interest on Shareholder s Equity		Preferred	0.1824334175

01.09 - INVESTOR RELATIONS OFFICER

1 - DATE 02/10/2009	2 - SIGNATURE
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02.01 - BALANCE SHEETS - ASSETS (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 - 12/31/2008	4 - 12/31/2007	5 - 12/31/2006
1	Total assets	6,145,998	6,039,072	5,718,482
1.01	Current assets	1,639,357	1,959,747	1,724,840
1.01.01	Cash, banks and cash equivalents	1,231,247	146,012	129,546
1.01.01.01	Cash and bank	89	702	740
1.01.01.02	Cash equivalents	1,231,158	145,310	128,806
1.01.02	Credits	0	0	0
1.01.02.01	Clients	0	0	0
1.01.02.02	Sundry credits	0	0	0
1.01.03	Inventories	0	0	0
1.01.04	Others	408,110	1,813,735	1,595,294
1.01.04.01	Financial Investments	213,635	1,316,891	1,302,798
1.01.04.02	Loans and financing	0	0	0
1.01.04.03	Derivatives	0	0	0
1.01.04.04	Deferred and recoverable taxes	6,543	13,683	42,915
1.01.04.05	Escrow deposits	40	40	0
1.01.04.07	Dividends receivable	185,427	474,247	241,145
1.01.04.08	Others	2,465	8,874	8,436
1.02	Noncurrent assets	4,506,641	4,079,325	3,993,642
1.02.01	Long-term assets	308,342	346,806	285,534
1.02.01.01	Sundry credits	0	0	0
1.02.01.02	Credit with related parties	0	0	0
1.02.01.02.01	From direct and indirect associates companies	0	0	0
1.02.01.02.02	From subsidiaries	0	0	0
1.02.01.02.03	From other related parties	0	0	0
1.02.01.03	Others	308,342	346,806	285,534
1.02.01.03.01	Loans and financing	0	0	0
1.02.01.03.02	Derivatives	0	0	0
1.02.01.03.03	Deferred and recoverable taxes	302,610	341,191	279,655
1.02.01.03.04	Fixed-income securities	0	0	0
1.02.01.03.05	Escrow deposits	5,732	5,615	5,284
1.02.01.03.06	Other assets	0	0	595
1.02.02	Permanent assets	4,198,299	3,732,519	3,708,108
1.02.02.01	Investments	4,197,772	3,731,731	3,707,064
1.02.02.01.01	Direct and indirect associates companies	0	0	0
1.02.02.01.02	Direct and indirect associates companies - Goodwill	0	0	0
1.02.02.01.03	Subsidiaries	4,197,772	3,723,727	3,699,515
1.02.02.01.04	Subsidiaries goodwill	0	0	0
1.02.02.01.05	Other investments	0	8,004	7,549
1.02.02.02	Property, plant and equipment	517	778	1,004
1.02.02.03	Intangible assets	10	10	40
1.02.02.04	Deferred charges	0	0	0

02.02 - BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS EQUITY (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - 12/31/2008	4 - 12/31/2007	5 - 12/31/2006
2	Total liabilities	6,145,998	6,039,072	5,718,482
2.01	Current liabilities	366,449	824,149	477,562
2.01.01	Loans and financing	0	0	0
2.01.01.01	Loans and financing	0	0	0
2.01.01.02	Derivatives	0	0	0
2.01.02	Debentures	0	0	0
2.01.03	Suppliers	145	437	140
2.01.04	Taxes, duties and contributions	1	18	165
2.01.04.01	Indirect taxes	1	18	165
2.01.04.02	Taxes on income	0	0	0
2.01.05	Dividends	277,874	725,922	442,681
2.01.06	Provisions	213	15	13
2.01.06.01	Provisions for contingencies	213	15	13
2.01.06.02	Provision for Pension plan	0	0	0
2.01.07	Debits with related parties	0	0	0
2.01.08	Others	88,216	97,757	34,563
2.01.08.01	Payroll, social charges and Benefits	15	21	19
2.01.08.02	Consignment in favor of third Parties	11,719	22,349	34,258
2.01.08.03	Profit sharing	0	0	0
2.01.08.04	Telecom serv. exploitation permit	0	0	0
2.01.08.05	Advances from customers	0	0	0
2.01.08.06	Other liabilities	76,482	75,387	286
2.02	Noncurrent liabilities	15,937	15,797	12,010
2.02.01	Long-term liabilities	15,937	15,797	12,010
2.02.01.01	Loans and financing	0	0	0
2.02.01.01.01	Loans and financing	0	0	0
2.02.01.01.02	Derivatives	0	0	0
2.02.01.02	Debentures	0	0	0
2.02.01.03	Provisions	4,013	5,011	4,247
2.02.01.03.01	Provisions for contingencies	3,733	5,011	4,247
2.02.01.03.02	Provisions for Pension plan	0	0	0
2.02.01.03.03	Provisions for Allowance for losses with associates companies	280	0	0
2.02.01.04	Debits with related parties	0	0	0
2.02.01.05	Advance for future capital increase	0	0	0
2.02.01.06	Others	11,924	10,786	7,763
2.02.01.06.01	Payroll, social charges and Benefits	0	0	0
2.02.01.06.02	Suppliers	0	0	0
2.02.01.06.03	Indirect taxes	4,933	6,560	6,465
2.02.01.06.04	Taxes on income	6,991	4,226	1,298
2.02.01.06.05	Telecom serv. exploitation permit	0	0	0

2.02.01.06.06	Advances from customers	0	0	0
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02.02 - BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS EQUITY (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 -12/31/2008	4 -12/31/2007	5 -12/31/2006
2.02.01.06.07	Other liabilities	0	0	0
2.03	Deferred income	0	0	0
2.05	Shareholders equity	5,763,612	5,199,126	5,228,910
2.05.01	Paid-up capital stock	2,596,272	2,596,272	2,596,272
2.05.02	Capital reserves	309,178	309,178	309,178
2.05.02.01	Goodwill on Share subscription	306,961	306,961	306,961
2.05.02.02	Amortization of goodwill on merger	0	0	0
2.05.02.03	Investment grants	0	0	0
2.05.02.04	Interest on work in progress	0	0	0
2.05.02.05	Special monetary correction Law 8200/91	0	0	0
2.05.02.06	Other capital reserves	2,217	2,217	2,217
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Owned assets	0	0	0
2.05.03.02	Subsidiaries/direct and indirect associates companies	0	0	0
2.05.04	Profit reserves	2,858,162	265,964	306,349
2.05.04.01	Legal	305,966	265,964	232,169
2.05.04.02	Statutory	0	0	0
2.05.04.03	Reserve for contingencies	0	0	0
2.05.04.04	From profits to realize	0	0	74,180
2.05.04.05	Profit retention	2,552,196	0	0
2.05.04.05.01	Reserve for investments	2,552,196	0	0
2.05.04.06	Special reserve for unpaid dividends	0	0	0
2.05.04.07	Other profit reserves	0	0	0
2.05.04.07.01	Equity instruments	0	0	0
2.05.05	Asset valuation adjustments	0	0	0
2.05.05.01	Securities adjustments	0	0	0
2.05.05.02	Conversion accrued adjustments	0	0	0
2.05.05.03	Business combination adjustments	0	0	0
2.05.06	Retained earnings/accumulated losses	0	2,027,712	2,017,111
2.05.07	Advance for future capital increase	0	0	0

03.01 - STATEMENTS OF INCOME (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 01/01/2008 to 12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
3.01	Gross revenue from sales and/or services	0	0	0
3.02	Deductions from gross revenue	0	0	0
3.03	Net revenue from sales and/or services	0	0	0
3.04	Cost of goods and services sold	0	0	0
3.05	Gross profit	0	0	0
3.06	Operating expenses/revenues	574,724	405,805	79,780
3.06.01	Selling expenses	0	0	0
3.06.02	General and administrative expenses	(26,751)	(18,405)	(16,618)
3.06.03	Financial	(143,014)	(109,602)	(204,790)
3.06.03.01	Financial income	200,093	341,366	286,669
3.06.03.02	Financial expenses	(343,107)	(450,968)	(491,459)
3.06.04	Other operating income	63,140	3,363	7,581
3.06.05	Other operating expenses	(9,773)	(2,957)	(1,991)
3.06.06	Equity in subsidiaries	691,122	533,406	295,598
3.07	Operating income	574,724	405,805	79,780
3.08	Nonoperating income	0	0	0
3.08.01	Revenues	0	0	0
3.08.02	Expenses	0	0	0
3.09	Income before taxes and minority interest	574,724	405,805	79,780
3.10	Provision for income tax and social	(39,487)	(64,312)	(11,246)
3.11	Deferred income tax	0	0	0
3.12	Statutory interest/contributions	0	0	0
3.12.01	Interest	0	0	0
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on shareholders equity	264,800	336,300	413,400
3.15	Income (loss) for the period	800,037	677,793	481,934
	NUMBER OF OUTSTANDING SHARES, EX-TREASURY (UNITS)	362,488,413	362,488,413	362,488,413,887
	EARNINGS PER SHARE (REAIS)	2.20707	1.86983	0.00133
	LOSS PER SHARE (REAIS)			

04.01 STATEMENTS OF CASH FLOWS INDIRECT METHOD (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 01/01/2008 to 12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
4.01	Operating activities cash, net	611,892	414,622	439,253
4.01.01	Cash generated in operating	100,541	140,928	257,777
4.01.01.01	Income before income tax and social	839,524	742,105	493,180
4.01.01.02	Depreciation and amortization	205	256	312
4.01.01.03	Losses on accounts receivable	0	0	0
4.01.01.04	Provisions for contingencies	(954)	1,215	921
4.01.01.05	Provisions for pension plan	0	0	0
4.01.01.06	Expenses on pension plans recovery	0	0	0
4.01.01.08	Taxes recovery	0	(69,758)	0
4.01.01.09	Loss on permanent assets write-off	(46,321)	(454)	(421)
4.01.01.10	Equity in subsidiaries	(691,122)	(533,406)	(295,598)
4.01.01.11	Loss (gain) with investments	(791)	970	(60)
4.01.01.12	Provisioned financial charges	0	0	59,443
4.01.02	Variations in assets and liabilities	37,105	32,549	(25,725)
4.01.02.01	Trade accounts receivable	0	0	0
4.01.02.02	Inventories	0	0	0
4.01.02.03	Payroll, social charges and benefits	(5)	2	(53)
4.01.02.04	Accounts payable and accrued expenses	(10,920)	(11,612)	(19,892)
4.01.02.05	Taxes	39,880	(23,979)	14,666
4.01.02.06	Service exploitation permits	0	0	0
4.01.02.07	Provisions for contingencies	0	(450)	(1,116)
4.01.02.08	Provisions for pension plan	0	0	0
4.01.02.09	Other assets and liabilities accounts	8,150	68,588	(19,330)
4.01.03	Others	474,246	241,145	207,201
4.01.03.01	Financial charges paid	0	0	(13,507)
4.01.03.02	Income tax and social contribution paid	0	0	0
4.01.03.03	Dividends/Interest on shareholders equity received in the year	474,246	241,145	220,708
4.02	Investing activities cash, net	1,124,871	(15,850)	136,161
4.02.01	Investments	1,103,256	(14,093)	124,968
4.02.02	Funds obtained in the sale of permanent	54,381	0	15
4.02.03	Escrow deposits	(32,766)	(372)	11,246
4.02.04	Investments in permanent assets	0	(1,385)	(68)
4.03	Financing activities cash, net	(651,528)	(382,306)	(568,287)
4.03.01	Dividends/interest on shareholders equity paid in the year	(651,528)	(382,306)	(296,098)
4.03.02	Loans and financing	0	0	(272,189)
4.04	Exchange rate changes on cash and cash equivalents	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	1,085,235	16,466	7,127
4.05.01	Cash and cash equivalents at the beginning of year	146,012	129,546	122,419
4.05.02	Cash and cash equivalents at the end of year	1,231,247	146,012	129,546

05.01 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2008 TO 12/31/2008 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VALUATION ADJUSTMENTS TO SHAREHOLDERS' EQUITY
5.01	Opening balance	2,596,272	309,178	0	265,964	2,027,712	
5.02	Prior year adjustments	0	0	0	0	0	
5.03	Adjusted balance	2,596,272	309,178	0	265,964	2,027,712	
5.04	Net income	0	0	0	0	800,037	
5.05	Allocation of net income	0	0	0	2,592,198	(2,856,998)	
5.05.01	Dividends	0	0	0	0	0	
5.05.02	Interest on shareholders' equity	0	0	0	0	(264,800)	
5.05.03	Other allocations	0	0	0	2,592,198	(2,592,198)	
5.06	Realization of profit reserves	0	0	0	0	0	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	
5.07.02	Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	29,249	
5.13	Closing balance	2,596,272	309,178	0	2,858,162	0	

05.02 STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/07 TO 12/31/2007 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VAL ADJUST TO SHAREH EQUITY
5.01	Opening balance	2,596,272	309,178	0	306,349	2,066,385	
5.02	Prior year adjustments	0	0	0	0	(49,274)	
5.02.01	Adjustment for adoption of Law 11638/07	0	0	0	0	(49,274)	
5.03	Adjusted balance	2,596,272	309,178	0	306,349	2,017,111	
5.04	Net income	0	0	0	0	677,793	
5.05	Allocation of net income	0	0	0	33,795	(750,086)	
5.05.01	Dividends	0	0	0	0	(379,991)	
5.05.02	Interest on shareholders' equity	0	0	0	0	(336,300)	
5.05.03	Other allocations	0	0	0	33,795	(33,795)	
5.05.03.01	Constitution of legal reserve	0	0	0	33,795	(33,795)	
5.05.03.02	Transfer to reserves	0	0	0	0	0	
5.06	Realization of profit reserves	0	0	0	(74,180)	74,180	
5.06.01	Reversal of reserves	0	0	0	(74,180)	74,180	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	securities adjustments	0	0	0	0	0	
5.07.02	Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	8,714	
5.12.01	Proposed dividends	0	0	0	0	8,714	
5.12.02	Investment grants	0	0	0	0	0	
5.13	Closing balance	2,596,272	309,178	0	265,964	2,027,712	

05.03 STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2006 TO 12/31/2006 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VAL ADJUST TO SHAREH EQUITY
5.01	Opening balance	2,596,272	309,178	0	282,667	2,061,978	
5.02	Prior year adjustments	0	0	0	0	(57,554)	
5.02.01	Adjustment for adoption of Law 11638/07	0	0	0	0	(57,554)	
5.03	Adjusted balance	2,596,272	309,178	0	282,667	2,004,424	
5.04	Net income	0	0	0	0	481,934	
5.05	Allocation of net income	0	0	0	23,682	(473,654)	
5.05.01	Dividends	0	0	0	0	(36,572)	
5.05.02	Interest on shareholders' equity	0	0	0	0	(413,400)	
5.05.03	Other allocations	0	0	0	23,682	(23,682)	
5.05.03.01	Constitution of legal reserve	0	0	0	23,682	(23,682)	
5.06	Realization of profit reserves	0	0	0	0	0	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	
5.07.02	Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.08.01	Tax benefit amortization premium Incorporated	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	4,407	
5.12.01	Proposed dividends	0	0	0	0	4,407	
5.12.02	Investment grants	0	0	0	0	0	
5.12.03	Unrealized income	0	0	0	0	0	
5.13	Closing balance	2,596,272	309,178	0	306,349	2,017,111	

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06.01 STATEMENTS OF VALUE ADDED (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 01/01/2008 to 12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
6.01	Revenues	53,378	1,900	4,826
6.01.01	Sales of goods and services	0	0	0
6.01.02	Other revenues	53,378	1,900	4,826
6.01.03	Revenue referring to constr. own assets	0	0	0
6.01.04	Allowance (reversal) for doubtful receivables	0	0	0
6.02	Inputs purchased from third parties	(3,976)	(6,426)	(7,294)
6.02.01	Cost of goods and services sold	(3,781)	(6,208)	(7,030)
6.02.02	Material, power, outside services and other	(3)	0	0
6.02.03	Loss/recovery of receivables	0	0	0
6.02.04	Others	(192)	(218)	(264)
6.03	Gross value added	49,402	(4,526)	(2,468)
6.04	Retentions	749	(1,471)	(1,233)
6.04.01	Depreciation, amortization and depletion	(205)	(256)	(312)
6.04.02	Others	954	(1,215)	(921)
6.05	Wealth created	50,151	(5,997)	(3,701)
6.06	Value added received in transfer	890,730	875,101	582,270
6.06.01	Equity in subsidiaries	691,122	533,406	295,598
6.06.02	Financial income	199,606	341,366	286,669
6.06.03	Others	2	329	3
6.07	Wealth for Distribution	940,881	869,104	578,569
6.08	Distribution of wealth	940,881	869,104	578,569
6.08.01	Employees	13,950	4,422	4,288
6.08.01.01	Direct compensation	13,945	4,422	4,286
6.08.01.02	Benefits	5	0	2
6.08.01.03	Severance pay fund (FGTS)	0	0	0
6.08.01.04	Others	0	0	0
6.08.02	Taxes, duties and contributions	64,949	90,350	35,421
6.08.02.01	Federal	64,876	90,228	35,203
6.08.02.02	State	57	6	0
6.08.02.03	Local	16	116	218
6.08.03	Lenders	61,940	96,539	56,916
6.08.03.01	Interest	53,365	89,266	52,171
6.08.03.02	Leasing	8,575	7,273	4,745
6.08.03.03	Others	0	0	0
6.08.04	Shareholders	800,037	677,793	481,934
6.08.04.01	Interest on shareholders' equity	264,800	336,300	413,400
6.08.04.02	Dividends	0	379,991	36,572

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6.08.04.03	Retained earnings/accumulated losses	535,237	(38,498)	31,962
6.08.05	Others	5	0	10
6.08.05.01	Donations and sponsoring	5	0	10

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07.01 CONSOLIDATED BALANCE SHEETS - ASSETS(In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 12/31/2008	4 12/31/2007	5 12/31/2006
1	Total assets	19,437,435	17,388,451	17,766,615
1.01	Current assets	7,591,486	7,462,192	7,536,194
1.01.01	Cash, banks and cash equivalents	2,709,805	730,004	422,736
1.01.01.01	Cash and banks	167,927	315,032	127,900
1.01.01.02	Cash equivalents	2,541,878	414,972	294,836
1.01.02	Credits	2,210,090	2,189,701	2,127,654
1.01.02.01	Clients	2,210,090	2,189,701	2,127,654
1.01.02.02	Sundry credits	0	0	0
1.01.03	Inventories	54,048	32,711	64,164
1.01.04	Others	2,617,543	4,509,776	4,921,640
1.01.04.01	Investments	775,502	3,163,487	3,640,640
1.01.04.02	Loans and financing	1,758	1,797	5,557
1.01.04.03	Derivatives	29,179	0	0
1.01.04.04	Deferred and recoverable taxes	973,963	834,615	982,196
1.01.04.05	Escrow deposits	679,012	329,396	119,058
1.01.04.06	Dividends receivable	0	0	0
1.01.04.07	Others	158,129	180,481	174,189
1.02	Noncurrent assets	11,845,949	9,926,259	10,230,421
1.02.01	Long-term assets	4,301,280	2,953,685	2,129,293
1.02.01.01	Sundry credits	0	0	0
1.02.01.02	Credit with related parties	0	0	0
1.02.01.02.01	From direct and indirect associates companies	0	0	0
1.02.01.02.02	From subsidiaries	0	0	0
1.02.01.02.03	From other related parties	0	0	0
1.02.01.03	Others	4,301,280	2,953,685	2,129,293
1.02.01.03.01	Loans and financing	5,110	6,176	2,852
1.02.01.03.02	Derivatives	0	6,218	0
1.02.01.03.03	Deferred and recoverable taxes	1,924,930	1,794,488	1,650,399
1.02.01.03.04	Fixed-income securities	0	0	3,280
1.02.01.03.05	Escrow deposits	2,230,724	1,069,127	429,925
1.02.01.03.06	Other assets	140,516	77,676	42,837
1.02.02	Permanent assets	7,544,669	6,972,574	8,101,128
1.02.02.01	Investment	3,744	32,222	69,222
1.02.02.01.01	Direct and indirect associates companies	4	4	4
1.02.02.01.02	Subsidiaries	0	0	0
1.02.02.01.03	Other investments	3,740	32,218	69,218
1.02.02.02	Property, plant and equipment	5,902,640	5,691,212	6,579,052
1.02.02.03	Intangible assets	1,638,285	1,249,140	1,452,854
1.02.02.04	Deferred charges	0	0	0

07.02 - CONSOLIDATED BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS EQUITY (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 12/31/2008	4 12/31/2007	5 12/31/2006
2	Total liabilities	19,437,435	17,388,451	17,766,615
2.01	Current liabilities	4,971,033	4,761,837	4,872,706
2.01.01	Loans and financing	748,721	509,027	1,083,542
2.01.01.01	Loans and financing	658,801	390,275	970,878
2.01.01.02	Derivatives	89,920	118,752	112,664
2.01.02	Debentures	11,906	8,956	45,939
2.01.03	Suppliers	1,889,688	1,496,446	1,474,667
2.01.04	Taxes, duties and contributions	736,157	820,941	888,835
2.01.04.01	Indirect taxes	669,437	746,234	851,399
2.01.04.02	Taxes on income	66,720	74,707	37,436
2.01.05	Dividends	433,232	1,016,516	614,411
2.01.06	Provisions	366,902	298,939	218,841
2.01.06.01	Provisions for contingencies	218,510	197,472	175,603
2.01.06.02	Provisions for pension plan	148,392	101,467	43,238
2.01.07	Debits with related parties	0	0	0
2.01.08	Others	784,427	611,012	546,471
2.01.08.01	Payroll, social charges and benefits	110,173	103,571	78,580
2.01.08.02	Consignments in favor of third parties	182,591	140,742	138,423
2.01.08.03	Profit sharing	83,237	81,328	76,334
2.01.08.04	Telecom serv. exploitation permits	160,074	78,844	135,848
2.01.08.05	Advances from customers	79,227	62,957	52,643
2.01.08.06	Other liabilities	169,125	143,570	64,643
2.02	Noncurrent liabilities	6,658,902	5,624,764	5,878,455
2.02.01	Long-term liabilities	6,658,902	5,624,764	5,878,455
2.02.01.01	Loans and financing	3,045,351	2,810,395	2,710,476
2.02.01.01.01	Loans and financing	2,913,198	2,522,633	2,369,642
2.02.01.01.02	Derivatives	132,153	287,762	340,834
2.02.01.02	Debentures	1,080,000	1,080,000	1,580,000
2.02.01.03	Provisions	1,321,514	1,286,517	1,163,161
2.02.01.03.01	Provisions for contingencies	714,114	700,239	557,186
2.02.01.03.02	Provisions for pension plan	607,400	586,278	605,975
2.02.01.03.03	Allowances for losses with associates companies	0	0	0
2.02.01.04	Debits with related parties	0	0	0
2.02.01.05	Advance for future capital increase	0	0	0
2.02.01.06	Others	1,212,037	447,852	424,818
2.02.01.06.01	Payroll, social charges and benefits	11,483	0	0

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2.02.01.06.02	Suppliers	0	13,456	6,709
2.02.01.06.03	Indirect taxes	262,060	104,243	62,266
2.02.01.06.04	Taxes on Income	109,084	66,877	52,389
2.02.01.06.05	Telecom serv. exploitation permits	623,585	174,632	219,533
2.02.01.06.06	Advances from customers	189,172	72,133	70,665

07.02 - CONSOLIDATED BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS EQUITY (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 -12/31/2008	4 -12/31/2007	5 -12/31/2006
2.02.01.06.07	Other liabilities	16,653	16,511	13,256
2.03	Deferred income	0	0	0
2.04	Minority interest	2,043,888	1,802,724	1,787,126
2.05	Shareholders equity	5,763,612	5,199,126	5,228,328
2.05.01	Paid-up capital stock	2,596,272	2,596,272	2,596,272
2.05.02	Capital reserves	309,178	309,178	309,178
2.05.02.01	Goodwill on share subscription	306,961	306,961	306,961
2.05.02.02	Amortization of goodwill on merger	0	0	0
2.05.02.03	Investment grants	0	0	0
2.05.02.04	Interest on works in progress	0	0	0
2.05.02.05	Special monetary correction - Law 8200/91	0	0	0
2.05.02.06	Other capital reserves	2,217	2,217	2,217
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Owned assets	0	0	0
2.05.03.02	Subsidiaries/direct and indirect associates companies	0	0	0
2.05.04	Profits reserves	2,858,162	265,964	306,349
2.05.04.01	Legal	305,966	265,964	232,169
2.05.04.02	Statutory	0	0	0
2.05.04.03	For contingencies	0	0	0
2.05.04.04	From profits to realize	0	0	74,180
2.05.04.05	Profit retention	2,552,196	0	0
2.05.04.05.01	Reserve for investments	2,552,196	0	0
2.05.04.06	Special reserve for unpaid dividends	0	0	0
2.05.04.07	Other profit reserves	0	0	0
2.05.04.07.01	Equity instruments	0	0	0
2.05.05	Asset valuation adjustments	0	0	0
2.05.05.01	Securities adjustments	0	0	0
2.05.05.02	Conversion eccrued adjustments	0	0	0
2.05.05.03	Business combination adjustments	0	0	0
2.05.06	Retained earnings/accumulated losses	0	2,027,712	2,016,529
2.05.07	Advance for future capital increase	0	0	0

08.01 - CONSOLIDATED STATEMENTS OF INCOME (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 01/01/2008 to12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
3.01	Gross revenue from sales and/or services	17,007,142	15,997,388	15,111,318
3.02	Deductions from gross revenue	(5,710,307)	(4,938,842)	(4,814,659)
3.03	Net revenue from sales and/or services	11,296,835	11,058,546	10,296,659
3.04	Cost of sales and services	(6,209,418)	(6,382,201)	(6,459,929)
3.05	Gross profit	5,087,417	4,676,345	3,836,730
3.06	Operating expenses/revenues	(3,748,062)	(3,833,209)	(3,626,401)
3.06.01	Selling expenses	(1,364,223)	(1,485,352)	(1,470,632)
3.06.02	General and administrative expenses	(1,428,101)	(1,336,866)	(1,290,399)
3.06.03	Financial	(524,551)	(500,982)	(632,786)
3.06.03.01	Financial income	887,590	773,796	803,387
3.06.03.02	Financial expenses	(1,412,141)	(1,274,778)	(1,436,173)
3.06.04	Other operating income	946,877	676,789	671,069
3.06.05	Other operating expenses	(1,378,064)	(1,186,798)	(903,653)
3.06.06	Equity in subsidiaries	0	0	0
3.07	Operating income	1,339,355	843,136	210,329
3.08	Nonoperating income (expenses)	0	0	0
3.08.01	Revenues	0	0	0
3.08.02	Expenses	0	0	0
3.09	Income before taxes and minority interest	1,339,355	843,136	210,329
3.10	Provision for income tax and social contribution	(590,955)	(359,340)	(114,476)
3.11	Deferred income tax	0	0	0
3.12	Statutory interest/contributions	0	0	0
3.12.01	Interests	0	0	0
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on shareholders' equity	370,951	450,954	527,571
3.14	Minority interest	(337,145)	(261,573)	(145,011)
3.15	Income (loss) for the period	782,206	673,177	478,413
	NUMBER OF OUTSTANDING SHARES, EX-TREASURY (UNITS)	362,488,413	362,488,413	362,488,413,887
	EARNINGS PER SHARE (REAIS)	2.15788	1.85710	0.00132
	LOSS PER SHARE (REAIS)			

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09.01 CONSOLIDATED STATEMENTS OF CASH FLOWS INDIRECT METHOD (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 01/01/2008 to 12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
4.01	Operating activities cash, net	3,192,801	3,306,886	2,661,914
4.01.01	Cash generated in operating	5,511,570	5,114,729	4,762,613
4.01.01.01	Income before income tax and social contribution	1,710,306	1,294,089	737,900
4.01.01.02	Depreciation and amortization	2,072,756	2,441,731	2,691,502
4.01.01.03	Losses on accounts receivable	370,242	348,001	384,320
4.01.01.04	Provisions for contingencies	710,531	650,898	488,078
4.01.01.05	Provisions for pension plan	81,324	89,675	28,709
4.01.01.06	Expenses on pension plans recovery	(61,104)	(81,209)	0
4.01.01.08	Taxes recovery	0	(69,758)	0
4.01.01.09	Loss on write-off of permanent assets	(38,895)	19,398	(37,455)
4.01.01.10	Loss (gain) with investments	43,415	974	(99)
4.01.01.11	Provisioned financial charges	622,995	420,930	469,658
4.01.02	Variations in assets and liabilities	(1,173,378)	(863,560)	(1,557,314)
4.01.02.01	Trade accounts receivable	(390,631)	(410,050)	(359,161)
4.01.02.02	Inventories	(21,338)	31,453	18,871
4.01.02.03	Payroll, social charges and benefits	18,086	24,991	642
4.01.02.04	Accounts payable and accrued expenses	(378,700)	(50,806)	(346,089)
4.01.02.05	Taxes	(135,737)	61,272	(250,564)
4.01.02.06	Service exploitation permits	90,773	(101,905)	47,591
4.01.02.07	Provisions for contingencies	(451,050)	(469,624)	(483,379)
4.01.02.08	Provisions for pension plan	(13,278)	(51,143)	(107,585)
4.01.02.09	Other assets and liabilities	108,497	102,252	(77,640)
4.01.03	Others	(1,145,391)	(944,283)	(543,385)
4.01.03.01	Financial charges paid	(525,468)	(585,267)	(494,313)
4.01.03.02	Income tax and social contribution paid	(619,923)	(359,016)	(49,072)
4.02	Investing activities cash, net	(729,109)	(1,664,751)	(3,054,833)
4.02.01	Investments	2,386,698	477,060	(1,287,650)
4.02.02	Funds obtained in the sale of permanent assets	78,604	47,708	15,272
4.02.03	Escrow deposits	(1,755,969)	(871,807)	(277,552)
4.02.04	Investments in permanent assets	(1,438,442)	(1,317,712)	(1,504,903)
4.03	Financing activities cash, net	(483,891)	(1,334,867)	453,565
4.03.01	Dividends/interest on shareholders' equity paid in the year	(861,891)	(493,180)	(399,872)
4.03.02	Loans and financing	378,000	(841,687)	853,437

4.04	Exchange rate changes on cash and cash	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	1,979,801	307,268	60,646
4.05.01	Cash and cash equivalents at beginning of	730,004	422,736	362,090
4.05.02	Cash and cash equivalents at end of year	2,709,805	730,004	422,736

10.01 CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2008 TO 12/31/2008 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VALU ADJUSTM TO SHAR EQUITY
5.01	Opening balance	2,596,272	309,178	0	265,964	2,027,712	
5.02	Prior year adjustments	0	0	0	0	0	
5.03	Adjusted balance	2,596,272	309,178	0	265,964	2,027,712	
5.04	Net income	0	0	0	0	782,206	
5.05	Allocation of net income	0	0	0	2,592,198	(2,856,998)	
5.05.01	Dividends	0	0	0	0	0	
5.05.02	Interest on shareholders' equity	0	0	0	0	(264,800)	
5.05.03	Other allocations	0	0	0	2,592,198	(2,592,198)	
5.06	Realization of profit reserves	0	0	0	0	0	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	
5.07.02	Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	47,080	
5.13	Closing balance	2,596,272	309,178	0	2,858,162	0	

10.02 CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2007 TO 12/31/2007 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VAL ADJUST TO SHAR EQUITY
5.01	Opening balance	2,596,272	309,178	0	306,349	2,066,385	
5.02	Prior year adjustments	0	0	0	0	(49,274)	
5.02.01	Adjustment for adoption of Law 11638/07	0	0	0	0	(49,274)	
5.03	Adjusted balance	2,596,272	309,178	0	306,349	2,017,111	
5.04	Net income	0	0	0	0	673,177	
5.05	Allocation of net income	0	0	0	33,795	(750,086)	
5.05.01	Dividends	0	0	0	0	(379,991)	
5.05.02	Interest on shareholders' equity	0	0	0	0	(336,300)	
5.05.03	Other allocations	0	0	0	33,795	(33,795)	
5.05.03.01	Constitution of legal reserve	0	0	0	33,795	(33,795)	
5.05.03.02	Transfer to reserves	0	0	0	0	0	
5.05.03.03	Stock option plan	0	0	0	0	0	
5.06	Realization of profit reserves	0	0	0	(74,180)	74,180	
5.06.01	Reversal of reserves	0	0	0	(74,180)	74,180	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	
5.07.02	Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	13,330	
5.12.01	Proposed dividends	0	0	0	0	8,714	
5.12.02	Investment grants	0	0	0	0	0	
5.12.03	Unearned income	0	0	0	0	(582)	
5.12.04	Shareholders equity less expired dividends	0	0	0	0	5,198	

5.13	Closing balance	2,596,272	309,178	0	265,964	2,027,712
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10.03 CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2006 TO 12/31/2006 (In thousand of Brazilian reais - R\$)

1 - CODE	2 DESCRIPTION	3 - CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNING/ ACCUMULATED LOSSES	8 VAL ADJUST TO SHAR EQUITY
5.01	Opening balance	2,596,272	309,178	0	282,667	2,061,978	
5.02	Prior year adjustments	0	0	0	0	(57,554)	
5.02.01	Adjustment for adoption of Law 11638/07	0	0	0	0	(57,554)	
5.03	Adjusted balance	2,596,272	309,178	0	282,667	2,004,424	
5.04	Net income	0	0	0	0	478,413	
5.05	Allocation of net income	0	0	0	23,682	(473,654)	
5.05.01	Dividends	0	0	0	0	(36,572)	
5.05.02	Interest on shareholder's equity	0	0	0	0	(413,400)	
5.05.03	Other allocations	0	0	0	23,682	(23,682)	
5.05.03.01	Constitution of legal reserve	0	0	0	23,682	(23,682)	
5.06	Realization of profit reserves	0	0	0	0	0	
5.07	Asset valuation adjustments	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	
5.07.02	Accumulated Conversion accrued adjustments	0	0	0	0	0	
5.07.03	Business combination adjustments	0	0	0	0	0	
5.08	Capital increase/reduction	0	0	0	0	0	
5.08.01	Tax benefit incorporated premium Amortization	0	0	0	0	0	
5.09	Recognition/realization of capital reserves	0	0	0	0	0	
5.10	Treasury shares	0	0	0	0	0	
5.11	Other capital transactions	0	0	0	0	0	
5.12	Others	0	0	0	0	7,928	
5.12.01	Expired dividends parent company	0	0	0	0	4,407	
5.12.02	Investment grants	0	0	0	0	0	
5.12.03	Unearned income	0	0	0	0	(3,493)	
5.12.04		0	0	0	0	6,779	

	Shareholders equity less expired dividends						
5.12.05	Stock option plan	0	0	0	0	235	
5.13	Closing balance	2,596,272	309,178	0	306,349	2,017,111	

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11.01 CONSOLIDATED STATEMENTS OF VALUE ADDED (In thousand of Brazilian reais - R\$)

1 CODE	2 - DESCRIPTION	3 01/01/2008 to 12/31/2008	4 01/01/2007 to 12/31/2007	5 01/01/2006 to 12/31/2006
6.01	Revenues	15,823,894	15,432,778	14,528,845
6.01.01	Sales of goods and services	15,686,375	15,412,354	14,582,612
6.01.02	Other revenues	507,761	368,425	330,553
6.01.03	Revenue referring to constr. own assets	0	0	0
6.01.04	Allowance (reversal) for doubtful	(370,242)	(348,001)	(384,320)
6.02	Inputs purchased from third parties	(5,223,683)	(5,454,016)	(5,193,252)
6.02.01	Cost of goods and services sold	(4,734,619)	(4,951,888)	(4,681,795)
6.02.02	Material, power, outside services and	(395,235)	(380,219)	(412,016)
6.02.03	Loss/recovery of receivables	0	0	0
6.02.04	Others	(93,829)	(121,909)	(99,441)
6.02.04.01	Other transfers from third parties	(93,829)	(121,909)	(99,441)
6.03	Gross value added	10,600,211	9,978,762	9,335,593
6.04	Retentions	(2,783,287)	(3,092,629)	(3,179,580)
6.04.01	Depreciation, amortization and depletion	(2,072,756)	(2,441,731)	(2,691,502)
6.04.02	Others	(710,531)	(650,898)	(488,078)
6.04.02.01	Provision for contingencies	(710,531)	(650,898)	(488,078)
6.05	Wealth created	7,816,924	6,886,133	6,156,013
6.06	Value added received in transfer	977,582	861,947	882,448
6.06.01	Equity in subsidiaries	0	0	0
6.06.02	Financial income	887,590	773,796	803,387
6.06.03	Others	89,992	88,151	79,061
6.06.03.01	Lease income	86,975	87,439	78,796
6.06.03.02	Dividends (cost of investment	3,017	712	265
6.07	Wealth for distribution	8,794,506	7,748,080	7,038,461
6.08	Distribution of wealth	8,794,506	7,748,080	7,038,461
6.08.01	Employees	892,545	670,635	614,455
6.08.01.01	Direct compensation	423,729	310,404	311,232
6.08.01.02	Benefits	337,807	237,495	224,325
6.08.01.03	Severance pay fund (FGTS)	49,685	33,061	50,189
6.08.01.04	Others	81,324	89,675	28,709
6.08.01.04.01	Pension plan reserves	81,324	89,675	28,709
6.08.02	Taxes, duties and contributions	5,352,699	5,055,943	4,658,096
6.08.02.01	Federal	1,824,533	1,532,130	1,180,900
6.08.02.02	State	3,493,493	3,498,145	3,454,122
6.08.02.03	Local	34,673	25,668	23,074

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6.08.03	Lenders	1,406,900	1,075,257	1,132,583
6.08.03.01	Interest	996,969	726,975	812,723
6.08.03.02	Leasing	409,931	348,282	319,860
6.08.03.03	Other	0	0	0
6.08.04	Shareholders	1,119,351	934,746	623,425
6.08.04.01	Interest on shareholders' equity	370,951	450,954	527,571

11.01 CONSOLIDATED STATEMENTS OF VALUE ADDED (In thousand of Brazilian reais - R\$)

1 - CODE	2 - DESCRIPTION	3 01/01/2008 to 12/31/2008	4 -01/01/2007 to 12/31/2007	5 -01/01/2006 to 12/31/2006
6.08.04.02	Dividends	0	379,991	36,572
6.08.04.03	Retained earnings/accumulated losses	517,406	(43,114)	28,442
6.08.04.04	Minority interest in retained earnings	230,994	146,915	30,840
6.08.05	Other	23,011	11,499	9,902
6.08.05.01	Donations and sponsoring	23,011	11,499	9,902

12.01 INDEPENDENT AUDITORS REPORT

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITORS REPORT

To the Shareholders and Management of
Brasil Telecom Participações S.A.
Brasília - DF

1. We have audited the accompanying individual (Company) and consolidated balance sheets of Brasil Telecom Participações S.A. and subsidiaries as of December 31, 2008 and 2007, and the related statements of income, changes in shareholders' equity (Company), cash flows, and value added for the years then ended, all expressed in Brazilian reais and prepared under the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements.
2. Our audits were conducted in accordance with auditing standards in Brazil and comprised: (a) planning of the work, taking into consideration the significance of the balances, volume of transactions, and the accounting and internal control systems of the Company and its subsidiaries; (b) checking, on a test basis, the evidence and records that support the amounts and accounting information disclosed; and (c) evaluating the significant accounting practices and estimates adopted by the Company's Management, as well as the presentation of the financial statements taken as a whole.
3. In our opinion, the financial statements referred to in paragraph 1 present fairly, in all material respects, the individual and consolidated financial positions of Brasil Telecom Participações S.A. and subsidiaries as of December 31, 2008 and 2007, and the results of their operations, the changes in their shareholders' equity (Company), their cash flows, and the value added in operations for the years then ended, in conformity with Brazilian accounting practices.
4. As mentioned in note 2, in view of the changes in Brazilian accounting practices in 2008, the financial statements for the prior year, presented for comparative purposes, have been adjusted and are being restated as set forth in NPC 12 - Accounting Policies, Changes in Accounting Estimates and Errors.
5. As mentioned in note 5.m, there are plans for the merger of the Company into the subsidiary Brasil Telecom S.A.
6. The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Brasília, February 10, 2009

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Marco Antonio Brandão Simurro
Engagement Partner

13.01 MANAGEMENT REPORT

MANAGEMENT REPORT

Dear Shareholders:

In compliance with current legal and statutory provisions, the management of Brasil Telecom Participações S.A. submits this Management Report, the Consolidated Financial Statements, and the Independent Auditors' Report, for the fiscal year ended December 31, 2008.

1. CHANGE IN THE COMPANY'S CONTROL (2009)

On January 8, 2009, Telemar Norte Leste S.A. acquired through its direct subsidiary, Copart 1 Participações S.A., the share control of Brasil Telecom Participações S.A. and of Brasil Telecom S.A.

As a result of the acquisition upon payment of R\$5,371,098,527.04 equivalent to R\$77.04 per share, Telemar Norte Leste S.A. became the indirect holder of 81,092,986 common shares issued by Brasil Telecom Participações S.A., representing 61.2% of Brasil Telecom Participações S.A.'s voting shares.

The acquisition of Brasil Telecom Participações S.A. and Brasil Telecom S.A.'s control by Telemar Norte Leste S.A. was conducted in accordance with the Previous Agreement of the Brazilian National Telecommunications Agency (ANATEL) granted by means of Act no. 7,828, issued on December 19, 2008.

2. CORPORATE PROFILE

Brasil Telecom Participações S.A. is the parent company of Brasil Telecom S.A., which is its only asset. The Company's shares are traded on the São Paulo Stock Exchange (Bovespa), under the ticker symbols BRTP3 and BRTP4, and on the New York Stock Exchange, under the ticker symbol BRP.

Brasil Telecom S.A. provides local fixed-line and regional long-distance telephony services in its concession area, called Region II in the General Concession Plan (PGO), which comprises the Federal District and the states of Acre, Rondônia, Tocantins, Mato Grosso, Goiás, Mato Grosso do Sul, Paraná, Santa Catarina, and Rio Grande do Sul. The Company also provides telecommunication services to corporate customers, in addition to supplying international connections to carriers of other countries. Its shares are traded on the São Paulo Stock Exchange (Bovespa) under the ticker symbols BRT03 and BRT04 and on the New York Stock Exchange under the ticker symbol BTM.

In order to cater to a diverse group of customers, the Company offers a wide array of services like fixed-line and mobile telephony, data solutions, internet, video and data center. Brasil Telecom is characterized by constant technological innovation that allows it to always provide state-of-the-art services to its customers.

Leader in fixed-line telephony in Region II (25% of the Brazilian population);

15.5 million Revenue Generating Units (UGR) with 8.1 million fixed lines in service, 5.6 million mobile lines and 1.8 million broadband subscribers;

13.3 million unique residential visitors to its portal; and

22,000 km long-distance international network connecting Brazil, the United States, Bermuda and Venezuela.

Brasil Telecom's main subsidiaries are:

Internet Group composed of iG, iBest and BrTurbo, provides access to the world wide web and has 1.3 million broadband customers;

Brasil Telecom Cabos Submarinos (Globenet) its 22,000 km of undersea cables connect Brazil to Venezuela, Bermuda and North America, with landing points in Rio de Janeiro, Fortaleza, Caracas, Miami, Bermuda, Cucuta (Colombia) and New York;

Brasil Telecom Multimídia focusing primarily on the corporate market. It also operates outside the concession region of the Company's other segments, in locations like Belo Horizonte, Rio de Janeiro and São Paulo; and

Brasil Telecom Call Center established at the end of 2007, it is responsible for the management of all the customer relationship processes.

3. HIGHLIGHTS OF THE YEAR

Total Gross Revenue of R\$17.0 billion in 2008, growing 6.3% over the previous year;

Net Income of R\$782.2 million, once again a record figure;

15.2% increase in the number of asymmetric digital subscriber line (ADSL) connections;

31.5% increase in the number of mobile telephone lines, whereas the national average was 24.5%;

Strong discipline in financial resources management, with low indebtedness and application of available resources in prime securities;

Maintenance of the AA+ credit rating assigned by three international rating agencies, consolidating Brasil Telecom's position as one of Brazil's most solid companies;

Launch of 3G operations;

Expansion of operations abroad with the opening of the Colombian subsidiary;

Opening of Espaço Brasil Telecom in the Federal District, with a permanent schedule of concerts, plays, literary activities and an interactive multimedia area;

Start of the first *Projeto Educação Digital* (Digital Education Project) workshops, which will benefit more than 20,000 students and 1,000 teachers in Brasil Telecom's concession region by the end of 2009;

Partnership with the Ayrton Senna Institute in educational projects, an initiative that will benefit 1.5 million children and teenagers studying in Brazilian schools; and

Launch of the first in-company executive MBA in Service Management, to be offered to 37 employees in a partnership with IBMEC.

4. CORPORATE GOVERNANCE

Brasil Telecom's corporate governance practices have placed it among the best Brazilian companies with respect to corporate governance, helping increase the organization's credibility with its shareholders and market agents.

Over the last three years, Brasil Telecom has continuously improved its corporate governance practices with procedures prioritizing transparency, equality in dealing with shareholders and ethics. As a result, the decision-making process has been significantly strengthened, with the purpose of generating value for both the Company's shareholders and other stakeholders.

4.1. Organizational Structure

The Board of Directors is composed of six members and their respective alternates and is responsible for the Company's top management, generally meeting once a month. Its operations are governed by an internal control system. The Board of Directors is assisted by two committees: the Compensation and People Development Committee, and the Processes and Risks Committee.

The Fiscal Council is composed of four sitting members and their respective alternates. It meets monthly, an operational feature that attests to this organ's active presence within the Company. The Fiscal Council performs the duties of the Audit Committee as the organ responsible for overseeing the Company's management.

Brasil Telecom's Board of Executive Officers is in charge of implementing the business strategy established by the Board of Directors. The joint decision-making process encourages the full involvement of all Executive Officers, increases the diversity of viewpoints during discussions, reduces the level of risk and contributes to the transparency of decisions. The Board of Executive Officers' decision-making responsibilities are defined by the Bylaws and the Board of Directors, by means of a responsibility matrix reviewed at least once a year. The Board of Executive Officers is assisted by four committees composed of members from the Board and other executives: the Investment and Purchases Committee, the Ethics Committee, the Corporate Sustainability Committee and the Corporate Risks Committee.

4.2. Code of Ethics

Brasil Telecom has a Code of Ethics that formalizes the standards set by the Management to be followed by the Company's employees, seeking to mitigate any conflicts of values that may occur in the performance of their duties.

4.3. Manual for disclosure, use of information and trading securities

In order to comply with the rules of the Brazilian Securities and Exchange Commission (CVM) regarding the disclosure of information, Brasil Telecom has consolidated the best practices concerning the issue in a manual to be distributed among managers and employees and to be faithfully followed by all.

This manual expresses the Company's commitment to the quality and consistency of information, as well as to responding to investor queries quickly and clearly, with due regard for the legal requirements.

4.4. Governance of the supplementary pension foundations

Brasil Telecom systematically supervises the supplementary pension foundations it sponsors. This supervision, in addition to respecting legal provisions, contributes to the implementation of the best governance practices in these entities. The Company has a Supervision Committee, composed of appointed members with the purpose of fostering the exchange of information between the foundations and the sponsor.

5. ECONOMIC SCENARIO

Despite the global financial crisis that worsened during the last quarter of 2008, the Brazilian economy recorded yet another year of significant economic growth. Brazilian GDP has increased steadily over the past years: 3.6% in 2006, 5.4% in 2007 and 4.8% in 2008¹. Up to the third quarter of last year the Brazilian economy was experiencing an important moment, reaping the benefits of a pragmatic economic policy, the maturing of institutional reforms carried out in the second half of the 1990s and the commodities boom that benefited the economies of several emerging economies, mainly those in Latin America. Several Brazilian productive sectors pushed the country's growth as a result of solid economic foundations. The abundance of available credit was once again a major economic driving force, reaching the historic mark of 41.3% of GDP at the end of 2008, boosting demand and sustaining growth throughout the past years.

This extremely positive Brazilian economic scenario was affected by the international environment, contaminated, particularly during the last quarter of 2008, by the North American financial system crisis that will halt the global economic expansion cycle that began in 2002. The Brazilian monetary authorities were forced to react by deciding, among other measures, to maintain a high basic interest rate (SELIC), closing the year at 13.75%.

Prior to the crisis, the real had been appreciating against the dollar as a result of the trade surplus and the influx of foreign investment into Brazil. However, as the North American financial crisis worsened during the second half of last year, this trend was reversed and the dollar closed 2008 at R\$2.34.

Taking this new reality into account, prospects for 2009 are not as positive due to the deepening of the crisis in international financial markets and the global economic slowdown. The effects in the Brazilian real economy began to be felt as early as the last months of 2008. This will mean a macroeconomic slowdown in Brazil, with a decrease in Brazilian GDP growth and possible inflationary pressures from costlier imports. This scenario, however, becomes more optimistic when the improvement of the macroeconomic fundamentals of the Brazilian economy in recent years is considered.

In April 2008, the American risk ratings agency Standard & Poor's declared Brazil investment-grade. The Brazilian sovereign debt rating went up from BB+ to BBB-. This upgrade took into account the maturity of Brazilian institutions and its political scenario as evidenced by the decrease in the Brazilian budget deficit and foreign debt as well as better growth prospects. Brazil's rating may be considered an acknowledgment of the solidity and diversification of its economy.

Indices source: Tendências Consultoria

¹ Estimated amount. Source: FOCUS report from the Brazilian Central Bank (BACEN) - September/2008.

6. CORPORATE STRATEGY

6.1. Regulatory Framework

The current regulatory framework, conceived and introduced in the mid-1990s, was a major factor responsible for the post-privatization development of the telecommunications sector. Attesting to this fact is the sector's share in the Brazilian GDP, which is currently above 6%; before privatization, this share was below 1%.

However, the current framework is in need of adjustments to accommodate the great technological transformations that have taken place in recent years and the new adaptations of the market and its players in search of scale and scope gains. Without the necessary adjustments, the Brazilian government will not encourage a new investment cycle, indispensable to ensure the sector's permanent development.

With this in mind, ANATEL approved the General Plan for Updating Telecommunications Regulations in Brazil (PGR), which sets forth a timeframe for the review of the regulatory framework, dividing the actions into Short-, Medium- and Long-Term. Below are the main short-term actions in Resolution 516 of October 30, 2008, to be concluded within two years:

Update of the *General Concession Plan* (PGO) to focus on groups that control a local Switched Fixed Telephone Service (STFC) concessionaire (already implemented);

Review of the *General Plan for Quality Targets* (PGMQ) to adopt standards for improving the quality perceived by telecommunication services users, responding to complaints and improving monitoring;

Review of concession agreements with an assessment of the conditions of premium television services provided by groups that control local concessionaires in their concession areas in compliance with the legislation effective at the time;

Assessment of the adequacy of STFC regulations in the new scenario of telecommunications convergence;

Preparation of the *General Plan for Competition Targets* (PGMC);

Review of the general plan for Personal Mobile Service (SMP) authorizations in order to adapt it to the new telecommunications scenario in accordance with the Group concept;

Making more radio frequencies available to greatly increase fixed-line and mobile broadband connections (offering more bands, among which are 450MHz, 2.5GHz, 3.5GHz and SMP leftovers);

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Regulation of services to expand supply and competition allowing the exploration of resale in STFC, the Multimedia Communication Service (SCM) and in the provision of satellite capacity, as well as SMP supply by virtual companies;

Regulation for unbundling of telecommunication network elements (Full Unbundling, line sharing and bitstream), adopting a model for pricing network use;

Optimized implementation of the cost model, including broadband access;

Review of the regulation and planning of concessions of premium television services to meet the repressed demand for new concessions throughout Brazil, including in areas of little appeal;

Regulation of the Significant Market Power (PMS);

Update regulations to eliminate authorized companies need to request prior consent from ANATEL for minor contractual amendments;

Establishment of conditions, by means of obligations, for the use of mobile networks and satellites for increased coverage of access networks, including broadband, in rural or frontier areas;

Review and supplementation of SCM regulations Quality, Numbering, Network Remuneration and users rights;

Review of the *General Plan for Universalization Targets* (PGMU) Establishment of new targets for expansion of STFC networks supporting broadband (backhaul); and

Conduct impact studies for Functional Separation, Business Separation and Structural Separation.

Tracking 2008 Universalization Targets

Indicators	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DE
Lines installed (thousand lines)	10,379.2	10,379.9	10,380.1	10,384.3	10,388.7	10,393.7	10,399.1	10,375.3	10,381.0	10,383.5	10,388.9	10,388.9
Locations with more than 300 inhabitants not served by STFC with individual lines*	0	0	0	0	0	0	0	0	0	0	0	0
Requests for installation of individual lines fulfilled in more than 1 week (target: 1 week)	0	0	0	0	0	0	0	0	0	0	0	0
Requests for installation of individual lines made by regular	0	0	0	0	0	0	0	0	0	0	0	0

education and health institutions fulfilled in more than one (1) week (target: 1 week)

Requests for installation of individual lines made by speech or hearing impaired individuals fulfilled in more than 1 week (target: 1 week)

0 0 0 0 0 0 0 0 0 0 0 0 0

Public telephones (TUPs) in service

281,732 280,328 280,306 280,234 280,084 279,671 278,680 278,341 277,972 277,876 277,887 277,9

Localities, covered by STFC with individual lines, which do not meet the target distribution of TUPs per one thousand inhabitants, territorially distributed in a uniform manner (target: 3 TUPs per thousand inhabitants)

0 0 0 0 0 0 0 0 0 0 0 0 0

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Localities, covered by STFC with individual lines, with an availability of access to TUPs at a distance greater than the target (target: less than 300 meters)	0	0	0	0	0	0	0	0	0	0	0	0
Localities that do not meet the target percentage of TUPs available 24 hours a day for long-distance calls capable of making and receiving local and DLD calls (target: 50% of TUPs)	0	0	0	0	0	0	0	0	0	0	0	0
Localities that do not meet the percentage of TUPs available 24 hours a day for additional international long-distance calls (target: 25% of TUPs)	0	0	0	0	0	0	0	0	0	0	0	0
Requests for TUPs in regular education and health institutions fulfilled in more than 1 week (target: 1 week)	0	0	0	0	0	0	0	0	0	0	0	0
Requests for TUPs made by speech or hearing impaired individuals, and those who use wheelchairs fulfilled in more than 1 week (target: 1 week)	0	0	0	0	0	0	0	0	0	0	0	0
Localities with more than 100 inhabitants, without STFC, without at least one TUP (target: larger than 100 inhabitants)*	0	0	0	0	0	0	0	0	0	0	0	0
TUP density per thousand inhabitants (target: 6.0)	6.51	6.47	6.47	6.47	6.42	6.46	6.44	6.43	6.44	6.43	6.43	6.42

Locations with STFC that do not meet the target percentage of 2% of TUPs adapted for speech and hearing impaired individuals and for those who use wheelchairs

	0	0	0	0	0	0	0	0	0	0	0	0
--	---	---	---	---	---	---	---	---	---	---	---	---

Localities served only by collective lines, without at least one TUP available 24 hours a day capable of making and receiving local, DLD and ILD calls

	0	0	0	0	0	0	0	0	0	0	0	0
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*In 2008, 31 localities with individual lines and 64 localities with collective lines were served

Quality Targets

In 2008, Brasil Telecom achieved and exceeded 336 of the 372 quality indicators set by the General Plan for Quality Targets (PGMQ) as shown in the table below

Tracking 2008 Quality Targets

Service Quality Targets	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Rate of completed originated local calls (target: 70%) Morning	71.7	71.03	71.82	71.80	71.45	71.73	72.28	71.64	71.62	71.69	70.41	71.63
Rate of completed originated local calls (target: 70%) Night	71.11	70.96	72.57	72.48	72.09	72.37	73.07	72.6	72.01	72.24	72.23	71.83
Rate of originated local calls not completed due to congestion (target: 4%) Morning	0.63	0.61	0.56	0.72	0.71	0.75	0.58	0.8	0.67	0.64	3.66	0.75
Rate of originated local calls not completed due to congestion (target: 4%) Night	0.58	1.11	0.58	0.55	0.83	0.53	0.49	0.67	1.07	0.95	0.58	0.62

Rate of calls to the provider s
Service 97.97 99.71 99.64 99.56 99.58 99.54 99.58 99.46 99.57 99.56 99.59 99.45
Center resulting in completed
call
(target: 98%) Morning

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Rate of calls to the provider s
Service 99.68 99.75 99.62 99.52 99.59 99.3 99.66 99.44 99.55 99.64 99.68 99.61
Center resulting in completed
call
(target: 98%) - Night