



Rio de Janeiro, Brazil – October 24, 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 NO LONGER EXPECTS TO ACQUIRE AT&T LATIN AMERICA

Embratel announced today that, it no longer expects to acquire AT&T Latin America's subsidiaries in five South American countries. The company actively participated in this Chapter 11, 363 sale process, up to the point where it thought the acquisition price was consistent and accretive to its business. Embratel's final bid will continue to be valid until a final outcome of the process is determined by the U.S. Bankruptcy court in Miami, Florida. Embratel will continue to evaluate organic and M&A opportunities to enhance its value.

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 telephony, advanced voice, high-speed data communication services, Internet, satellite data communications, corporate networks and local voice services for corporate clients. Embratel is uniquely positioned to be the all-distance telecommunications network of South America. The Company's network is has countrywide coverage with 28,868 km of fiber cables comprising 1,068,657 km of optic fibers. <http://www.embratel.com.br>

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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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