



NEWS RELEASE

Silvia M.R. Pereira
Investor Relations
tel: BR 55 21 519-9662
fax: 55 21 519-6388

Wallace Borges Grecco
Press Relations
tel: BR 21 519-7282
fax: 021-519-8010

EMBRATEL REPORTS FIRST QUARTER 2000 REVENUES OF R\$ 1.5 BILLION, UP 26% FROM FIRST QUARTER 1999

Rio de Janeiro, Brazil - April 24, 2000 - Embratel Participações S.A. (Embratel Participações or the "Company") (NYSE: EMT; BOVESPA: EBTP3, EBTP4; BVRJ: EBTP ON, EBTP PN), the Company that holds 98.8 percent of Empresa Brasileira de Telecomunicações S.A. ("Embratel"), today announced highlights of results for the quarter ending March 31, 2000. (All financial figures are in Reais and based on consolidated financial statements in Brazilian GAAP - "Legislação Societária").

Embratel Participações achieved first quarter 2000 net revenues of R\$ 1.5 billion with continued strong growth in both data and voice. EBITDA reached R\$ 431 million. Net income was R\$ 150 million (R\$ 0.45 per 1000 shares) compared to a net loss of R\$ 69 million (R\$ 0.21 per 1000 shares) in the first quarter of 1999.

Data and Internet Services

In the first quarter of 2000, data revenues of R\$ 413 million rose 57.4 percent compared to the same quarter of the previous year and 9.3 percent compared to the fourth quarter of 1999. A substantial part of the revenue growth derives from Internet, frame relay (Fastnet) and dedicated data networks (Topnet) services. However, part of this increase is due to dedicated lines leased to other carriers with contracts of less than one year.



Internet revenues grew 100 plus percent in the first quarter of 2000 compared to the first quarter 1999, resulting primarily from the growth of the ISP business and Internet access for business customers. Compared to the fourth quarter of 1999, Internet revenues rose 25 percent. Contributing to this growth was the demand from new ISPs offering free subscription services. This growth was further fueled by demand for the Business Dial family of products launched by Embratel at the end of 1999.

In order to address the rapid pace of growth in the Internet business, in mid April, Embratel launched a strategic business unit for its Internet services. The aim is to enable the unit to operate independently with greater focus, agile decision-making and specialized management.

In the quarter Embratel increased its dial port capacity eightfold. This capacity will further double by year-end. This will enable Embratel to respond to the greater market demand for nationwide Internet capabilities.

Domestic Long Distance Voice Services

Domestic long distance revenues reached R\$ 1.3 billion in the first quarter of 2000 representing a 31.4 percent increase from the same period of 1999 and 6.6 percent from the previous quarter. Loyalty programs and marketing investments of previous quarters are producing results as evidenced by the strong growth in domestic voice revenues. This was further enhanced by growth of fixed (25 percent) and cellular (100 percent) lines in 1999 throughout Brazil.



International Long Distance Voice Services

International voice revenues were R\$ 254 million in the first quarter of 2000 compared to R\$ 221 million in the same period of 1999. Compared to the fourth quarter of 1999, international long-distance revenues rose 2.6 percent. Part of this growth continues to be attributable to the Company's efforts to differentiate settlement rates enhancing its competitive position. However, the Company is concerned that a recent decision to increase the value added tax (ICMS) from an average of 13.0 (15 effective) percent to 25.0 (33 effective) percent would make international long distance calls more expensive to customers, possibly leading to a reduction in international calls.

EBITDA

EBITDA grew to R\$ 431 million compared to R\$ 367 million in the first quarter of 1999. This represents a 17.5 percent increase relative to the equivalent 1999 period. With the partial implementation of billing and expanded customer care, the EBITDA margin declined to 28.2 percent from 30.2 percent in the first quarter of 1999. Strict cost management enabled the Company to absorb the incremental costs without significant impact on EBITDA as compared to the fourth quarter of 1999.

We note also that as a percentage of net revenues, line costs improved to 49.1 percent from 51.1 percent in the first quarter 1999 and 49.7 percent in the fourth quarters of 1999. This is primarily attributable to the Company's continued focus in increasing the number of points-of-presence and local network build-out. Negotiations are continuing with local Teles and alternative providers to interconnect these POPs with their networks.



Net Income

Net income for the period was R\$ 150 million compared to a loss of R\$ 69 million in the first quarter of 1999 and to R\$ 194 million in the fourth quarter of 1999. This represents an EPS of R\$ 0.45 per 1000 shares.

Financial Position

Embratel Participações ended the quarter with a cash position of R\$ 303 million. Total debt outstanding as of March 31, 2000 was R\$ 1,469 million of which R\$ 1,006 million is long term. The interest rate on long-term foreign currency debt ranged from 5.71 to 10.14 percent fixed and from 0.13 to 3.3 percent over Libor. On March 31, 2000, Embratel's debt/equity ratio was 0.25, consistent with the year-end level.

As anticipated the Company obtained approximately R\$ 176 million of US dollar OPIC financing in the quarter.

Accounts Receivables

The Company's receivable position on March 31, 2000 was R\$ 2,144 million compared to R\$ 1,440 million in December 31, 1999. The increase in accounts receivables is explained by several factors: (1) we now collect the value added taxes (ICMS) directly from customers and repay the government - both accounts receivables and payables increased by approximately 20.0 percent as a result; (2) accrued bills which refer to services provided but not yet billed increased since many bills relative to January and February were delayed because of address corrections; (3) billed amounts increased both because of returned bills and because of amounts that are under dispute with the regional Telcos.



In March, Embratel achieved a run rate to bill all customers. It is now in the process of catching up on those that remained unsent in the first two months of the year. Embratel's billing system has more than 23 million ANI (automatic number identifiers) on file. It is the largest centralized telecommunications database in the country and will allow the Company to have strategic knowledge of consumption patterns enabling product offerings geared towards customer needs.

New Service Launches

Internet - BcomB

Embratel pre-launched its business-to-business portal with the first application - BcomB. This is a value added B2B e-commerce solution which will enable businesses to better manage their procurement process, order tracking and allow better control of budgets. We anticipate that this service will make it possible for businesses to save 15 to 30 percent of their administrative costs. BcomB is the first web-based software of this kind offered in the Brazilian market. BcomB is an Embratel product supported by Vesta technology and ISS security.

Independent Clearing House and Roaming Services

During the quarter, Embratel also created a separate business unit to provide high quality, national and international, roaming services for cellular companies based in Brazil, Argentina, Uruguay, Paraguay and Chile. The unit provides clearing and settlement for roaming calls, an on-line roaming customer management system, and a web based decision-



making support system. These functions will be supported by a Clearing House Data Center to centralize processing and to perform call routing and on-line customer service.

Long Distance Prepaid

In March Embratel launched Brazil's first domestic and international long distance prepaid calling card. This product enables the Company to address frequent travelers, students and others who do not readily have access to telephone lines and allows the Company to collect charges up front. The prepaid card is operated as a calling card. The customer calls a toll free number, punches the card number and pin and is informed of the available credit. The card will initially be sold in units of R\$ 10.00 in newspaper stands and post offices.

Smiles

Embratel continues to enhance its customer loyalty programs by partnering with Varig. Embratel customers can now earn Smiles miles when calling national and international long distance. This program was initiated in February and represents the Company's first move towards customizing services for the individual user.

Embratel provides long distance and international telecommunications services, in addition to 40 other communication services. Embratel is uniquely positioned to be the all-distance telecommunications network of Latin America and owns the only national and international Brazilian telecommunications network directly connected to thousands of companies. It is the main provider of high-speed data transmission and Internet in Brazil, with the largest network of broadband optical fiber cables, covering over 26,000 kilometers.

###



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, 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.

(Three pages to follow)

--- x ---

Embratel Participações SA									
Corporate Law									
Consolidated Income Statement									
R\$ (000)	Quarter ending Mar 31, 2000	%	Quarter ending Mar 31, 1999	%	YoY % change	Quarter ending Dec 31, 1999(*)	%	QoQ % change	
Revenues									
Domestic Long Distance	1.298.916	64%	997.792	65%	30,2%	1.218.921	64,2%	6,6%	
International Long Distance	253.695	13%	221.184	14%	14,7%	247.329	13,0%	2,6%	
Data Communications	413.376	20%	262.685	17%	57,4%	378.092	19,9%	9,3%	
Other Services	53.360	3%	54.984	4%	-3,0%	55.044	2,9%	-3,1%	
Gross Revenues	2.019.347	100%	1.536.645	100%	31,4%	1.899.386	100,0%	6,3%	
Taxes & other deductions	(488.569)	-24%	(320.200)	-21%	52,6%	(440.833)	-23,2%	10,8%	
Net revenues	1.530.778	100,0%	1.216.445	100,0%	25,8%	1.458.553	100,0%	5,0%	
Lines costs (Interconnection/facilities)	(752.272)	-49,1%	(621.242)	-51,1%	21,1%	(724.575)	-49,7%	3,8%	
Selling, general and administrative expenses	(242.317)	-15,8%	(135.020)	-11,1%	79,5%	(223.118)	-15,3%	8,6%	
Others (**)	(104.731)	-6,8%	(92.980)	-7,6%	12,6%	(79.915)	-5,5%	31,1%	
EBITDA	431.458	28,2%	367.203	30,2%	17,5%	430.945	29,5%	0,1%	
Depreciation and amortization	(201.858)	-13,2%	(174.496)	-14,3%	15,7%	(189.382)	-13,0%	6,6%	
Operating income (EBIT)	229.600	15,0%	192.707	15,8%	19,1%	241.563	16,6%	-5,0%	
Financial income (including monetary and exchange variation)	13.033	0,9%	187.442	15,4%	-93,0%	(16.599)	-1,1%	-178,5%	
Financial expense (including monetary and exchange variation) (*)	(1.807)	-0,1%	(415.555)	-34,2%	-99,6%	45.465	3,1%	-104,0%	
Other non-operating income(expense)	12.129	0,8%	273	0,0%	4342,9%	(35.280)	-2,4%	-134,4%	
Net income before tax, employee profit sharing and minority interest	252.955	16,5%	(35.133)	-2,9%	-820,0%	235.149	16,1%	7,6%	
Inc. tax, s. contrib. and employee profit sharing	(101.087)	-6,6%	(34.337)	-2,8%	194,4%	(39.126)	-2,7%	158,4%	
Minority interest	(1.885)	-0,1%	882	0,1%	-313,7%	(2.498)	-0,2%	-24,5%	
Net income	149.983	9,8%	(68.588)	-5,6%	-318,7%	193.525	13,3%	-22,5%	
End of period shares outstanding (000)	332.855.828		334.339.028			332.914.228			
Earnings per 1000 shares	0,45		(0,21)			0,58			

Note: (*) The reversal of consolidated interest over capital in the amount of R\$ 152.573 thousand has been netted against the related financial expense item
(**) Includes labor, maintenance and other expenses allocated to cost of services as well as other operating expenses and income



Embratel Participações SA		
Corporate Law		
Consolidate Balance Sheet		
R\$ (000)	March 31, 2000	December 31, 1999
Assets		
Cash and cash equivalents	303.148	357.403
Other current assets	2.611.956	1.856.476
Other	404.918	363.600
Net property, plant & equipment	7.174.542	7.075.988
Total assets	10.494.564	9.653.467
Liabilities		
Short term debt and current portion of long term debt	462.708	602.235
Other current liabilities	2.689.389	1.941.238
Long term debt	1.006.099	878.661
Others	470.334	500.281
Shareholder's equity	5.866.034	5.731.052
Total liabilities and shareholders equity	10.494.564	9.653.467

Embratel Participações SA	Quarter	Increase	Increase
(millions of minutes)	ending	relative to	relative to
	3/31/2000	3/31/99	12/31/99
Domestic Long Distance (*)	5.004,1	32,5%	12,0%
International Long Distance			
Outbound	152,8	3,1%	0,0%
Inbound	267,4	44,0%	15,0%

(*) 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