



Announcement | Lisbon | 8 April 2017

Notice to the Market disclosed by Oi

PHAROL, SGPS S.A. hereby informs on the Notice to the Market disclosed by Oi, S.A., according to the company's announcement attached hereto.

PHAROL, SGPS S.A.

Public company
Share capital Euro 26,895,375
Registered in the Commercial
Registry Office of Lisbon and
Corporation no. 503 215 058

PHAROL is listed on the
Euronext (PHR). Information
may be accessed on Bloomberg
under the symbol PHR PL.

Luis Sousa de Macedo
Investor Relations Director
ir@pharol.pt
Tel.: +351 21 500 1701
Fax: +351 21 500 0800



Oi S.A. – In Judicial Reorganization
Corporate Taxpayers' Registry (CNPJ/MF) No. 76.535.764/0001-43
Board of Trade (NIRE) No. 33.300.29520-8
Publicly-Held Company

NOTICE TO THE MARKET

Oi S.A. – In Judicial Reorganization ["Oi" or "Company"], pursuant to Article 12 of CVM Instruction No. 358/02, announced that, on this date, it received the following correspondence from **PointState Capital LP.**, transcribed below:

"Dear Sir,

*In accordance with Section 12 of CVM Instruction 358 of January 3, 2002, as amended ("ICVM 358/02"), **PointState Capital LP**, a limited partnership with its headquarters at 40 West 57th Street, 25th Floor, in the City of New York, State of New York, 10019, and registered with the Securities & Exchange Commission in the United States of America ("**PointState**"), hereby informs you that between April 4, 2017 and April 6, 2017, PointState entered into transactions that reduced its indirect equity holding in Oi S.A – Em Recuperação Judicial ("**Company**") resulting, on the date hereof, in a position equivalent to 29,393,846 converted common shares issued by the Company, or 4.40% of the Company's outstanding common shares, represented by 8,500,631 common shares and 4,178,643 American Depositary Receipts – ADRs with underlying common shares issued by the Company.*

PointState informs that it does not currently intend to change the control of the Company, nor the management structure of the Company.

PointState also declares that, in addition to the ADRs and common shares mentioned herein, it does not own any other securities issued by the Company and it has not executed any agreement that governs the exercise of the voting rights nor the purchase and sale of securities issued by the Company.

Finally, in compliance with Section 12, VI of ICVM 358/02, PointState hereby informs that Mr. Carlos José Rolim de Mello, enrolled with the Individuals Taxpayers List under number 075,711,958-10 is PointState's duly appointed representative in Brazil for the purposes of Section 119 of Law 6,404 of December 15, 1976, as amended.

*Sincerely,
PointState Capital LP."*

Rio de Janeiro, April 07, 2017.

Oi S.A. – In Judicial Reorganization
Ricardo Malavazi Martins
Chief Financial Officer and Investor Relations Officer