



Announcement | Lisbon | 17 January 2014

PT Fixed Rate Notes 2012/2016 – Interest Payment

Portugal Telecom, SGPS SA (“PT”) informs the holders of PT EUR 400,000,000 6.25 per cent. Notes due 2016 (ISIN PTPTCYOM0008) that the following interest relating to the mentioned issue will be paid as from January 27, 2014 as follows (per Calculation Amount of Euro 1,000.00):

	Corporate Income Tax IRC 25% ^(*)	Personal Income Tax IRS 28% ^(*)
Gross Interest	Euro 31.2500	Euro 31.2500
Income Taxes	Euro 7.8125	Euro 8.7500
Net Interest	Euro 23.4375	Euro 22.5000

(*) The above-mentioned withholding tax rates, when withholding tax is due, are applied in accordance with the information provided in the Prospectus. The withholding tax rate will be increased to 35% whenever interest are paid or made available: a) on accounts in the name of one or more owners but on behalf of unidentified third parties (except if the beneficial owner is identified, in which case the corresponding rate is applicable); b) to non-residents which are domiciled in blacklisted jurisdictions (as provided by Ministerial Order no. 150/2004, of February 13). For the purposes of benefiting of an exemption from withholding tax or reduction of the withholding rate, holders must prove their tax status before the financial institution in which the respective notes are registered.

The paying agent designated for this purpose is Citibank International PLC, Sucursal in Portugal (Branch-Office in Portugal). The relevant amounts will be paid in accordance with the issue documents and pursuant to the terms of article 53 of Regulation no. 3/2000 and Circular no. 1/2000, both of Interbolsa.

This statement is pursuant to the terms and for the purposes of articles 249 of the Portuguese Securities Code and 7 of the CMVM Regulation no. 5/2008.

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Portugal

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

Portugal Telecom is listed on the
Euronext and New York Stock
Exchange. Information may be
accessed on the Reuters under the
symbols PTC.LS and PT and on
Bloomberg under the symbol PTC PL.

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