



Announcement | Lisbon | 05 December 2014

Qualified holding – UBS Group AG

Portugal Telecom, SGPS S.A. ("PT SGPS") hereby informs that UBS Group AG now holds more than 2% of the share capital of PT SGPS.

This change is due to the acquisition of UBS AG by UBS Group AG through the completion of a share transfer offer on 28 November 2014, in which the shareholders of UBS AG became shareholders of UBS Group AG and their shares in UBS AG were transferred to UBS Group AG.

As a result, UBS Group AG controls UBS AG, and thus, UBS Group AG has become an indirect shareholder of PT SGPS, with a qualified holding corresponding to 31,888,104 shares representing 3.56% of PT SGPS's share capital and corresponding voting rights.

PT SGPS was further informed that the shares reported in this qualified holding disclosure are held by the following subsidiaries of UBS Group AG:

- UBS AG: 26,155,158 PT SGPS shares;
- CCR Asset Management: 58,500 PT SGPS shares;
- UBS Financial Services Inc.: 424,749 PT SGPS shares;
- UBS Fund Management (Switzerland) AG: 165,048 PT SGPS shares;
- UBS Fund Services (Luxembourg) SA: 4,667,275 PT SGPS shares;
- UBS Global Asset Management (Australia) Ltd: 12,538 PT SGPS shares;
- UBS Global Asset Management (Japan) Ltd: 164,084 PT SGPS shares;
- UBS Global Asset Management (Singapore) Ltd: 27,438 PT s SGPS hares;
- UBS Global Asset Management (UK) Ltd: 40,728 PT SGPS shares;
- UBS Global Asset Management Life Ltd: 172,586 PT SGPS shares.

This statement is pursuant to the terms and for the purposes of articles 17 of the Portuguese Securities Code and 2 of the Portuguese Securities Commission Regulation no. 5/2008, following a communication received by fax from UBS Group AG, Postfach 8098 Zurich, Switzerland.

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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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