



Announcement | Lisbon | 7 July 2014

Qualified Holding

Portugal Telecom, SGPS, S.A. ("PT") hereby informs that UBS AG now holds less than 5% of the share capital of PT.

On 26 June 2014, UBS AG, Zurich and Basel disposed of a total of 1,300,264 PT ordinary shares, over the counter. As a result of such transaction, UBS AG holds a qualified holding corresponding to a total of 43,728,253 ordinary shares representing 4.88% of PT's share capital and corresponding voting rights, as follows:

- 26,060,719 shares representing 2.91% of the share capital and voting rights in PT are held by UBS AG;
- 8,870,872 shares representing 0.99% of the share capital and voting rights in PT are held in the name of UBS AG on behalf of several of its clients;
- 8,796,663 shares representing 0.98% of the share capital and voting rights in PT are held by the following subsidiaries of UBS AG:
 - CCR Asset Management: 1,535,840 PT shares;
 - UBS Financial Services Inc.: 137,109 PT shares;
 - UBS Fund Management (Switzerland) AG: 251,627 PT shares;
 - UBS Fund Services (Luxembourg) SA: 6,308,946 PT shares;
 - UBS Global Asset Management (Australia) Ltd: 12,538 PT shares;
 - UBS Global Asset Management (Japan) Ltd: 304,033 PT shares;
 - UBS Global Asset Management (Singapore) Ltd: 27,438 PT shares;
 - UBS Global Asset Management (UK) Ltd: 39,799 PT shares;
 - UBS Global Asset Management Life Ltd: 179,333 PT 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 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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