



Announcement | Lisbon | 12 November 2014

Qualified holding

Portugal Telecom, SGPS S.A. hereby informs that it was notified by Novo Banco, S.A. as follows: "Under the terms and for the purposes of articles 16 and 20 of the Portuguese Securities Code and article 2 of the CMVM Regulation 5/2008, Novo Banco, S.A. ("Novo Banco") informs that the qualified holding in Portugal Telecom, SGPS, S.A. ("PT"), previously held or attributable to Banco Espírito Santo, S.A. ("BES"), became held or attributable to Novo Banco due to the resolution measure adopted by the Bank of Portugal to BES on 3 August 2014, following which the assets, liabilities, off-balance sheet items and assets under management of BES were automatically transferred to Novo Banco:

	<i>Nr. Shares</i>
Shares held by companies in a control or group relationship with Novo Banco, S.A.	257 186
Shares held by Novo Banco, S.A.	90 004 218
Shares held by managers and members of the Corporate Bodies	3 305
TOTAL	90 264 709

Following the transfer of these holdings, on 3 August 2014, 90 264 709 shares representing 10.1% of the voting rights of the share capital of PT were attributed to Novo Banco.

On 12 August 2014, Novo Banco acquired 22,560,000 PT shares and corresponding voting rights, outside of regulated market, representing 2.5% of the share capital of PT.

Simultaneously Novo Banco entered into an Equity Swap Transaction with a notional value of 22,560,000 shares.

On 31 October 2014, 112 702 533 shares representing 12.6% of the voting rights of the share capital of PT were attributed to Novo Banco as described in the following table:

	<i>Nr. Shares</i>
Shares held by companies in a control or group relationship with Novo Banco, S.A.	137 447
Shares held by Novo Banco, S.A.	112 564 086
Shares held by managers and members of the Corporate Bodies	868
TOTAL	112 702 533

Lisbon, 10 November 2014
Novo Banco, S.A."

Portugal Telecom, SGPS, SA
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1069-300 Lisbon
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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This statement is pursuant to the terms and for the purposes of articles 17 of the Portuguese Securities Code and 2 of the CMVM Regulation nr. 5/2008, following information received from Novo Banco, S.A., with registered office at Avenida da Liberdade, 195, Lisbon, Portugal.