



Announcement | Lisbon | 9 February 2019

Material Fact disclosed by Oi

PHAROL, SGPS S.A. hereby informs on the Material Fact 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.: +351 212 697 698
Fax: +351 212 697 649

pharol.pt



Oi S.A. – In Judicial Reorganization

Corporate Taxpayers' Registry No.

(CNPJ/MF) No. 76.535.764/0001-43

Board of Trade (NIRE) No.

33.3.0029520-8

MATERIAL FACT

Repurchase of Preferred Shares

Oi S.A. – In Judicial Reorganization (“Company”), in accordance with the provisions set forth in Article 157, paragraph 4, of Law No. 6.404/76, as well as in CVM Instruction No. 358/02, hereby announces to its shareholders and the market that, the Board of Directors of the Company approved, in accordance with the provisions set forth in CVM Instruction No. 567/15, the purchase of preferred shares of the Company’s issuance, as follows (“Repurchase”):

1. **Purpose:** the Repurchase aims to guarantee that the Company will undertake its commitment assumed by the Company to transfer the shares of its issuance held in escrow to Bratel S.À.R.L. (“Bratel”), wholly-owned subsidiary of Pharol SGPS, S.A., pursuant to the agreement executed between them, as disclosed in the Material Fact dated as of January 8, 2019 (“Agreement”);
2. **Amount:** 1,800,000 preferred shares of the Company’s issuance, representing, as of this date, around 1.14% of the total preferred shares and 0.03% of the total traded shares of the Company, in accordance with CVM Instruction No. 567/15;
3. **Price:** the preferred shares shall be purchased by Market prices on the dates of its respective purchases, in operations held at B3 S.A. – Brasil, Bolsa, Balcão (“B3”);

4. Term: the Repurchase shall remain in force from this date until the date set forth in the Agreement to the delivery of the shares held in escrow to Bratel, which shall occur within 4 business days counting as of the date of ratification of the Agreement by the Judicial Reorganization Court;
5. Intermediate Institution: The purchases will be carried out in the trading floor of the B3 organized Exchange Market, with the brokerage of BTG Pactual Corretora de Títulos e Valores Mobiliários S.A..

Additional information about the Repurchase, under the provisions of Annex 30-XXXVI of CVM Instruction No. 480/09, are available in the Company's investor relations pages of CVM's Empresas.NET system (www.cvm.gov.br), and in B3's website (www.b3.com.br), as an annex to the minute of the Board of Directors meeting held at this date.

Rio de Janeiro, February 8, 2019.

Oi S.A. – In Judicial Reorganization

Carlos Augusto Machado Pereira de Almeida Brandão
Chief Financial Officer and Investor Relations Officer