



**Announcement** | Lisbon | 16 October 2017

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## Notice to the Market disclosed by Oi

PHAROL, SGPS S.A. hereby informs on the Notice to the Market 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.

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Rio de Janeiro, October 13, 2017.

### B3 – Brasil, Bolsa, Balcão

Superintendence of Company Monitoring [*Superintendência de Acompanhamento de Empresas*]

With copy: Brazilian Securities and Exchange Commission [*Comissão de Valores Mobiliários – CVM*]

Fernando Soares Vieira – Superintendence of Corporate Relations  
[*Superintendência de Relações com Empresas*]

Francisco José Bastos Santos – Superintendence of Market and Agent  
Relations [*Superintendência de Relações com o Mercado e Intermediários*]

Re.: Official Letter B3 1615/2017-SAE

Dear Sirs,

Oi S.A. – In Judicial Reorganization [the “Company” or “Oi”], in response to Official Letter B3 1615/2017-SAE, of October 11, 2017, from the São Paulo Stock Exchange, B3 – Bolsa, Brasil, Balcão [“B3”], transcribed below [the “Official Letter”], hereby submits the requested clarifications.

*“In view of the latest fluctuations observed with the shares issued by this company, the number of trades and the volume traded, as detailed below, we hereby request to be informed by October 13, 2017, about the existence of any fact known by you which may justify them.*”

<i>Preferred Shares (PN)</i>									
<i>Prices (in R\$ per share)</i>									
<i>Data</i>	<i>Opening</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Average</i>	<i>Closing</i>	<i>Fluctuations %</i>	<i>No. trades</i>	<i>Amount</i>	<i>Volume</i>
09/28/2017	3.49	3.46	3.63	3.55	3.58	0.56	2,298	2,839,000	10,065,610.00
09/29/2017	3.57	3.53	3.62	3.58	3.58	0.00	1,483	2,433,900	8,706,209.00
10/02/2017	3.58	3.50	3.61	3.54	3.53	-1.40	1,342	1,115,700	3,946,542.00
10/03/2017	3.56	3.49	3.57	3.51	3.49	-1.13	1,437	1,571,100	5,512,328.00
10/04/2017	3.52	3.49	3.57	3.53	3.55	1.72	791	1,064,500	3,754,408.00
10/05/2017	3.50	3.49	3.57	3.54	3.53	-0.56	897	1,184,500	4,187,460.00
10/06/2017	3.57	3.55	3.60	3.58	3.60	1.98	731	1,221,700	4,367,665.00



10/09/2017	3.60	3.57	3.65	3.61	3.59	-0.28	581	1,108,300	3,998,796.00
10/10/2017	3.67	3.64	3.78	3.71	3.74	4.18	1,483	2,037,400	7,555,969.00
10/11/2017*	3.80	3.79	4.10	3.98	4.05	8.28	1,620	2,866,100	11,431,985.00

\* Updated as of 11:26 a.m..”

Regarding the above, the Company clarifies that to date it has disclosed Material Facts about (i) the scheduling by the 7th Corporate Court of the Judicial District of the Capital of Rio de Janeiro of the General Meeting of Creditors (*Assembleia Geral de Credores*, or “AGC”) for October 23, 2017, for the first call, (ii) the presentation of a new version of the judicial reorganization plan to the aforementioned court, as approved by a majority of the Board of Directors, and (iii) the interactions and discussions held between the Company and certain creditors with respect to the Company’s capital structure and possible restructuring alternatives and to the contribution of resources to increase the Company’s capital, and that the Company is unaware of material facts or acts not disclosed that justify possible atypical oscillations of the number of trades and quantity traded of the Company’s shares.

These are the clarifications we have in connection with the Official Letter, and we remain at your disposal for any further clarification.

Sincerely,

Carlos Augusto Machado Pereira de Almeida Brandão  
Chief Financial Officer, Investor Relations Officer and Officer  
**Oi S.A. – In Judicial Reorganization**