



Announcement | Lisbon | 14 March 2014

Qualified Holding

Portugal Telecom, SGPS, S.A. ("PT") hereby informs that it was notified of the following regarding a qualified holding of UBS AG:

A) 5% threshold exceeded (7 March 2014)

On 7 March 2014, UBS AG, Zurich and Basel acquired a total of 1,068,168 PT ordinary shares, over the counter. As a result of such transaction, UBS AG held a qualified holding corresponding to a total of 45,298,862 PT ordinary shares representing 5.05% of PT's share capital and corresponding voting rights as follows:

- 29,043,255 shares representing 3.24% of the share capital and voting rights in PT were held by UBS AG;
- 7,066,532 shares representing 0.79% of the share capital and voting rights in PT were held in the name of UBS AG on behalf of several of its clients;
- 9,189,074 shares representing 1.02% of the share capital and voting rights in PT were held by the following subsidiaries of UBS AG:
 - CCR Asset Management: 1,265,840 PT shares;
 - UBS Financial Services Inc.: 23,069 PT shares;
 - UBS Fund Management (Switzerland) AG: 767,420 PT shares;
 - UBS Fund Services (Luxembourg) SA: 5,529,907 PT shares;
 - UBS Global Asset Management (Australia) Ltd: 12,538 PT shares;
 - UBS Global Asset Management (Hong Kong) Ltd: 729,693 PT shares;
 - UBS Global Asset Management (Japan) Ltd: 366,447 PT shares;
 - UBS Global Asset Management (Singapore) Ltd: 27,438 PT shares;
 - UBS Global Asset Management (UK) Ltd: 346,004 PT shares;
 - UBS Global Asset Management Life Ltd: 120,718 PT shares.

B) Position fell below 5% threshold (11 March 2014)

On 11 March 2014, UBS AG, Zurich and Basel, disposed a total of 994,665 PT ordinary shares, over the counter. As a result of such transaction, UBS AG now holds a qualified holding corresponding to a total of 44,306,536 PT ordinary shares representing 4.94% of PT's share capital and corresponding voting rights as follows:

- 28,052,787 shares representing 3.13% of the share capital and voting rights in PT are held by UBS AG;

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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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- 7,062,077 shares representing 0.79% of the share capital and voting rights in PT are held in the name of UBS AG on behalf of several of its clients;
- 9,191,671 shares representing 1.03% of the share capital and voting rights in PT are held by the following subsidiaries of UBS AG:
 - CCR Asset Management: 1,265,840 PT shares;
 - UBS Financial Services Inc.: 23,069 PT shares;
 - UBS Fund Management (Switzerland) AG: 767,420 PT shares;
 - UBS Fund Services (Luxembourg) SA: 5,526,186 PT shares;
 - UBS Global Asset Management (Australia) Ltd: 12,538 PT shares;
 - UBS Global Asset Management (Hong Kong) Ltd: 729,693 PT shares;
 - UBS Global Asset Management (Japan) Ltd: 366,447 PT shares;
 - UBS Global Asset Management (Singapore) Ltd: 27,438 PT shares;
 - UBS Global Asset Management (UK) Ltd: 352,322 PT shares;
 - UBS Global Asset Management Life Ltd: 120,718 PT shares.

This statement is pursuant to the terms and for the purposes of article 17 of the Portuguese Securities Code, following communications received by fax from UBS AG, P.O. Box 8098 Zurich, Switzerland.