



Release | Lisbon | 21 October 2009

Meo surpasses 500 thousand customers

Portugal Telecom announced today that Meo, its pay-TV service, surpassed 500 thousand customers, representing circa 64% of PT's ADSL customers and 19% of its traffic generating lines, at the end of 2Q09. Net additions since 2Q09 surpassed 57 thousand customers.

Meo, the integrated offer of voice, internet and pay-TV services, represents a key lever of PT's strategy to further strengthen and differentiate its value proposition to residential customers. Meo is a multiplatform service, based on IPTV / ADSL2+, FTTH (fibre to the home) and DTH (satellite), that is intended to provide the same TV experience, regardless of the customer interface (TV, PC and Mobile).

Meo is the reference as the most solid and innovative pay-TV offer in the Portuguese market and continues to launch innovative features to further differentiate its offer: (1) real video on demand, with DVD-like functionalities and a catalogue of more than 2,000 movies including HD; (2) catch-up TV; (3) electronic programming guide accessible through the internet and the mobile phone; (4) TV channel recording, which can be remotely programmed through the internet or through the mobile phone; (5) gaming, karaoke and several interactive content and service areas; (6) access to personal photo folders, and (7) customised offers for kids.

Meo marketing campaigns continue to enjoy the highest notoriety in the Portuguese pay-TV market. In effect, proved ad recall stood above 60% and spontaneous ad recall was above 40% at the beginning of October, well ahead of any other competing brands in the sector. In 1H09, Meo also enjoyed the highest notoriety in the Portuguese market, with the highest proved ad recall. In September 2009, in a study undertaken by the telecoms regulator, Meo was considered the operator having the best customer satisfaction in the Portuguese telecoms sector, with the highest score related to the best image, the best customer care support and the best price-quality relation.

PT's Meo television offering is an investment in excellence and innovation to provide an experience of next generation television. Portugal Telecom will continue to invest in the quality of service and innovation of Meo, in order to provide more and better services to its customers.

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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 PTCLS and
PT and on Bloomberg under the symbol
PTC.PL

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