



Portugal Telecom

Announcement 27 March 2009, Lisbon

Portugal Telecom's Annual General Meeting of Shareholders

Portugal Telecom announces that its Annual General Meeting of Shareholders was held today.

The items on the agenda were approved as follows:

- > Approval of the management report, balance sheet and accounts, individual and consolidated, for the 2008 financial year.
- > Application of the 2008 net income of Euro 488,717,970.00, increased of Euro 26,776,717.50 of free reserves, in the total amount of Euro 515,494,687.50, as follows:
 - Euro 515,494,687.50 to be paid to the shareholders as dividend, corresponding to Euro 0.575 per share. The dividend shall be paid on 24 April 2009 (ex-dividend date: 21 April 2009).
- > General appraisal of the Company's Management and Supervision bodies, and of each of their members, as well as a special appraisal to the Chairman of the Board of Directors and to the Chief Executive Officer for the outstanding way in which the Company was led throughout the 2008 financial year.
- > Amendment to paragraph 1 of article 18 and to paragraph 4 of article 13 of the Articles of Association to read as follows:
 - The Board of Directors is composed by a minimum number of fifteen and maximum of twenty five members;
 - In the event of the adjournment of the General Meeting of Shareholders, the share deposit certificates that have been issued and the corresponding blocking of shares may be cancelled, and the shares may only be blocked up to five working days prior to the resume of the General Meeting, as set forth in the Articles of Association.
- > Election of the corporate bodies and of the Compensation Committee for the 2009/2011 term of office. Such corporate bodies shall have the following composition:

Portugal Telecom, SGPS, SA
Avenida Fontes Pereira de Melo, 40
1069-300 Lisbon
Portugal
www.telecom.pt

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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- Board of the General Meeting of Shareholders:
 - Chairman: António Manuel da Rocha e Menezes Cordeiro
 - Vice-Chairman: Eduardo Augusto Vera Cruz Pinto
 - Secretary: Francisco Manuel Balixa Tapum Leal Barona

- Board of Directors:
 - Chairman: Henrique Manuel Fusco Granadeiro
 - Directors: Zeinal Abedin Mahomed Bava
 - Francisco Manuel Marques Bandeira
 - José Guilherme Xavier de Basto
 - Fernando Henrique Viana Soares Carneiro
 - Carlos António Alves Duarte
 - Santiago Fernández Valbuena
 - João Manuel de Mello Franco
 - Joaquim Aníbal Brito Freixial de Goes
 - Mário João de Matos Gomes
 - Gerald Stephen McGowan
 - Luís Miguel da Fonseca Pacheco de Melo
 - Rafael Luís Mora Funes
 - Maria Helena Nazaré
 - José Maria Alvarez-Pallete Lopéz
 - Amílcar Carlos Ferreira de Morais Pires
 - António Manuel Palma Ramalho
 - Manuel Francisco Rosa da Silva
 - Rui Pedro Barroso Soares
 - Francisco Teixeira Pereira Soares
 - Jorge Humberto Correia Tomé
 - Paulo José Lopes Varela
 - Milton Almicar Silva Vargas
 - Nuno Rocha dos Santos de Almeida e Vasconcellos
 - Shakhaf Wine

- Audit Committee:
 - Chairman: João Manuel de Mello Franco
 - José Guilherme Xavier de Basto

Mário João de Matos Gomes

- “P. Matos Silva, Garcia Jr., Caiado & Associados, SROC, S.A.” as Company’s Chartered Accountant
 - Compensation Committee:
 - Chairman: Álvaro João Duarte Pinto Correia
 - Francisco Adelino Gusmão Esteves de Carvalho
 - Francisco José Queiroz de Barros Lacerda
- > Approval of the acquisition and disposal of own shares.
- > Approval, pursuant to paragraph 4 of article 8 of the Articles of Association, of the parameters applicable in the event of any issuance of bonds convertible into shares that may be resolved upon by the Board of Directors.
- > Suppression of the pre-emptive right of shareholders in the subscription of any issuance of convertible bonds as referred to above as may be resolved upon by the Board of Directors.
- > Approval of the issuance of bonds and other securities, of whatever nature, by the Board of Directors, including the determination of a maximum annual amount of Euro 3,000,000,000.00 in accordance with paragraph 3 of article 8 and paragraph 1, e) of article 15 of the Articles of Association.
- > Approval of the acquisition and disposal of own bonds and other own securities.