



Results Highlights First Quarter 2010

6 May 2010



Important notice

This release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not statements of historical fact, and reflect goals of the company's management.

The words "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "predicts," "projects" and "targets" and similar words are intended to identify these forward-looking statements, which necessarily involve known and unknown risks and uncertainties. Accordingly, the results of operations of the company to be achieved may be different from the company's current goals and the reader should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date they are made, and the company does not undertake any obligation to update them in light of new information or future developments.



Solid customer growth in the domestic and international markets against intense competition

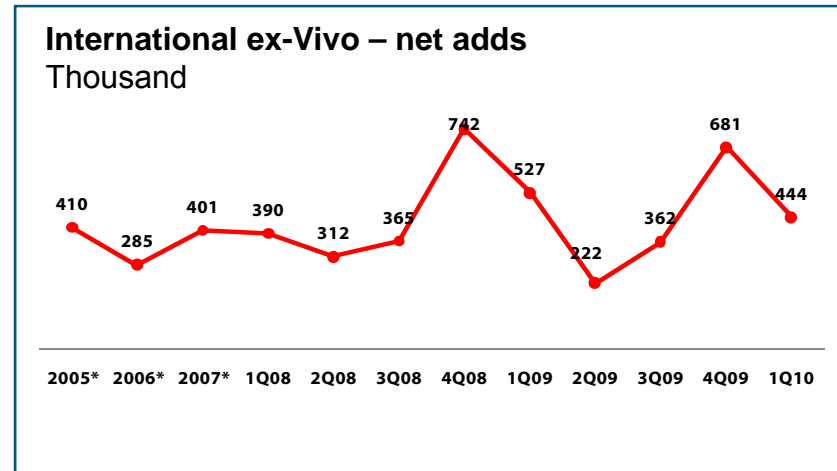
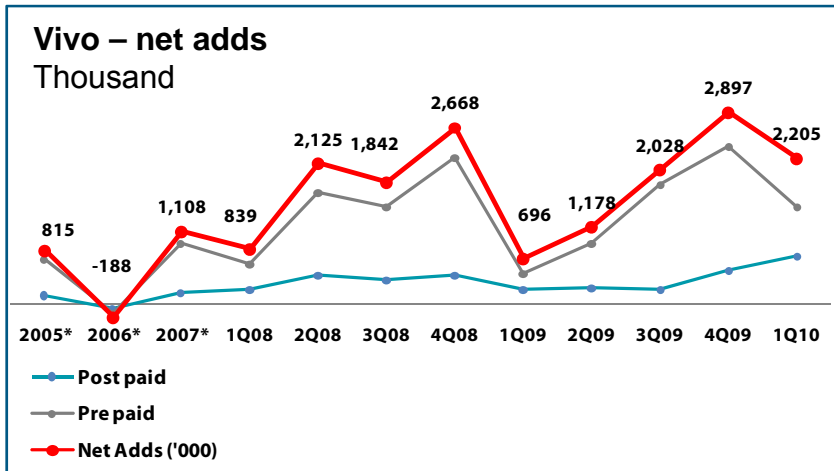
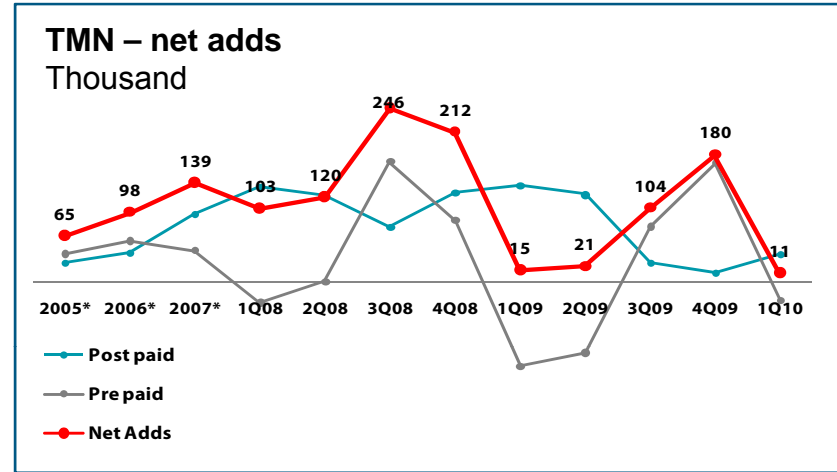
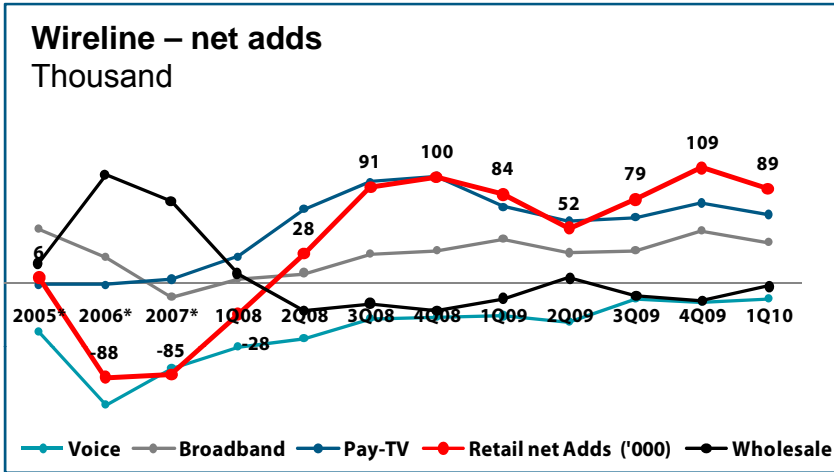
Operational highlights

Thousand customers

	1Q10	Δ% y.o.y	1Q10 net adds
Total customers	74,651	+16.7%	+2,750
Wireline retail accesses (RGUs)	4,279	+8.4%	+89
Retail ADSL customers	901	+19.8%	+39
Pay-TV customers	646	+68.1%	+65
TMN customers	7,264	+4.5%	+11
Data as a pct of service revenues (Pct)	23.3	+0.5pp	
Vivo customers	53,949	+18.2%	+2,205
Data as a pct of service revenues (Pct)	17.5	+5.3pp	
Customers of other international assets (Thousand)	9,160	+23.0%	+445



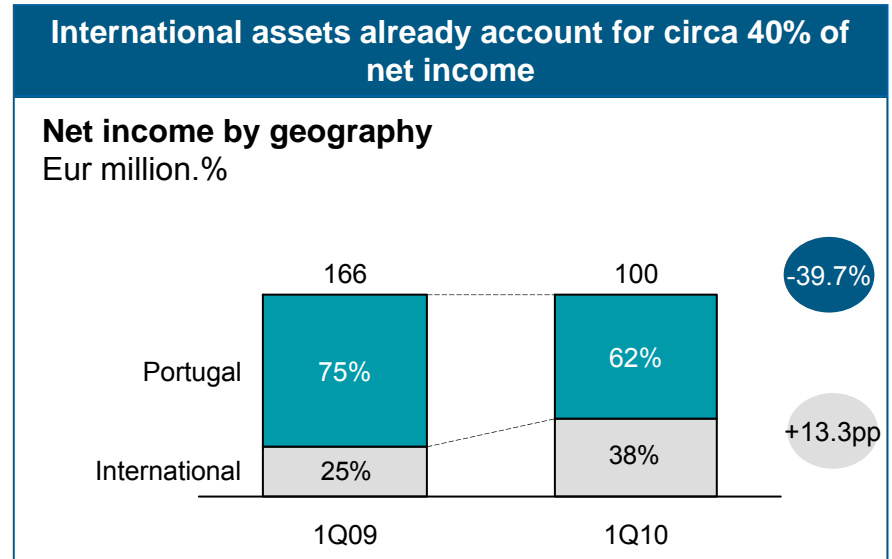
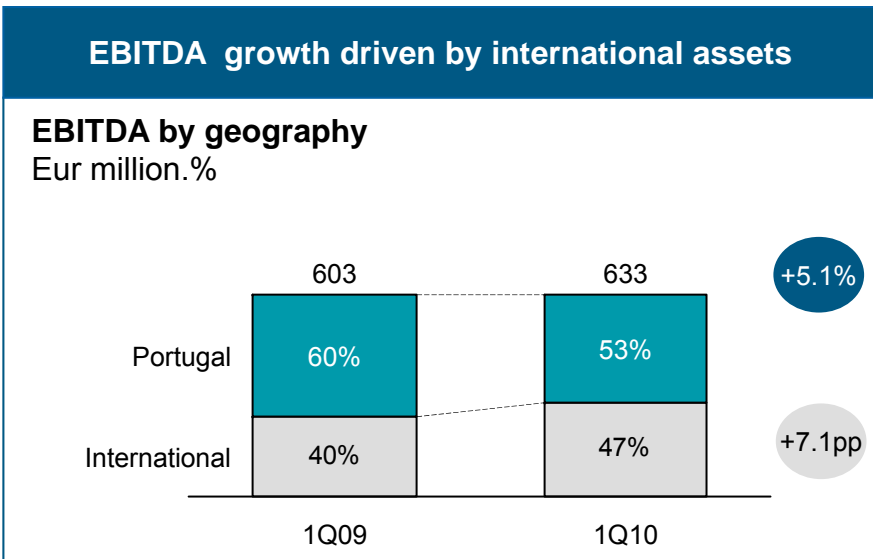
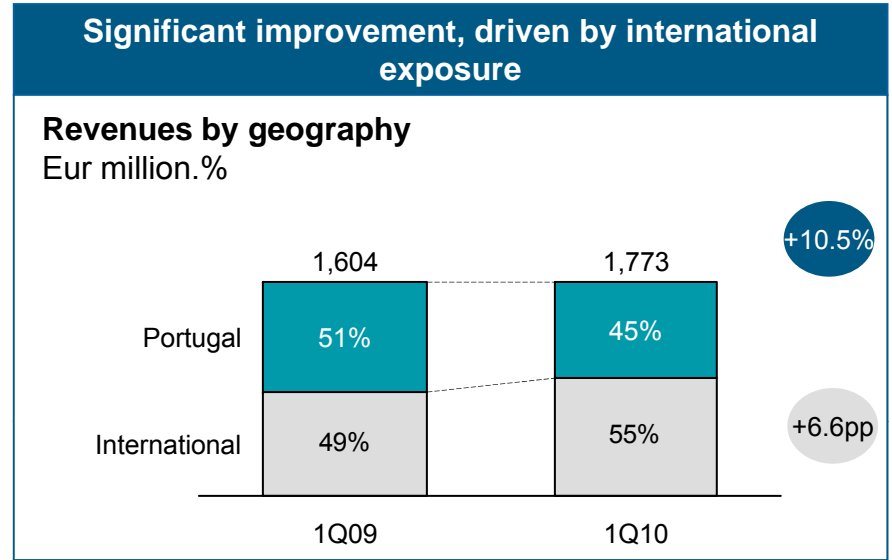
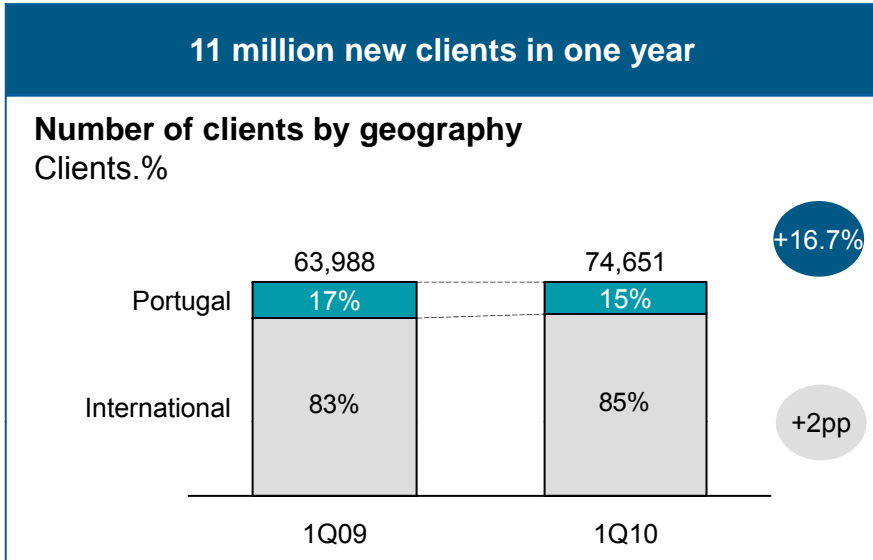
Robust growth in customers driven by innovation, quality of service, wide distribution networks and strong retail brands



* Quarterly average

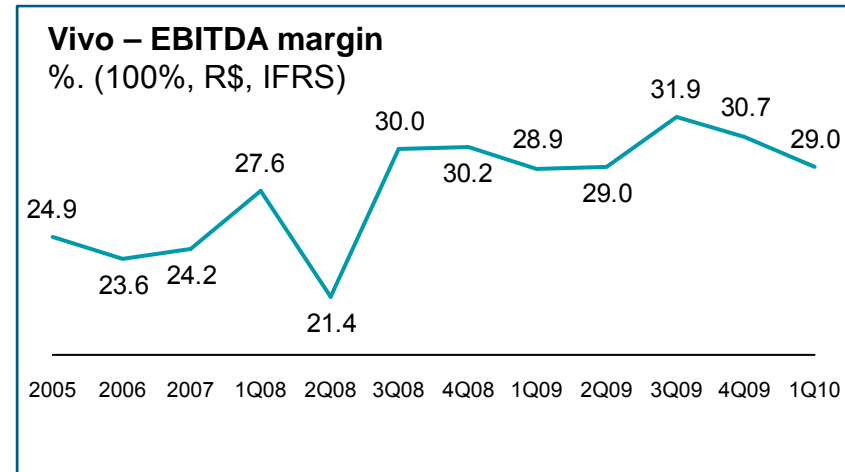
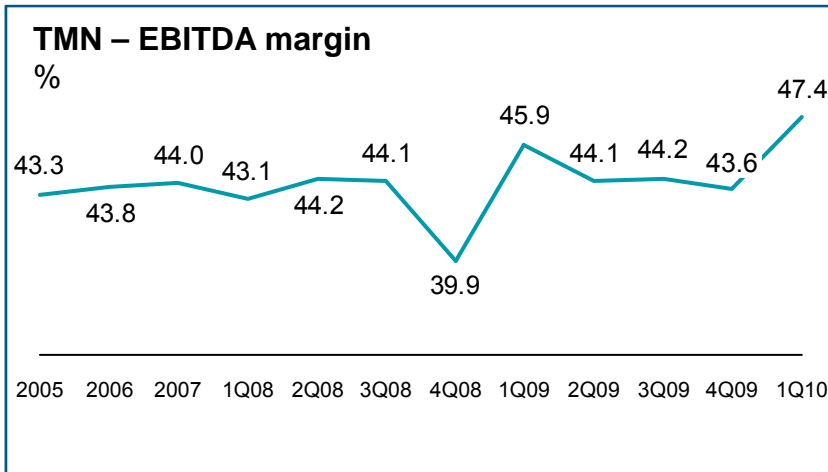
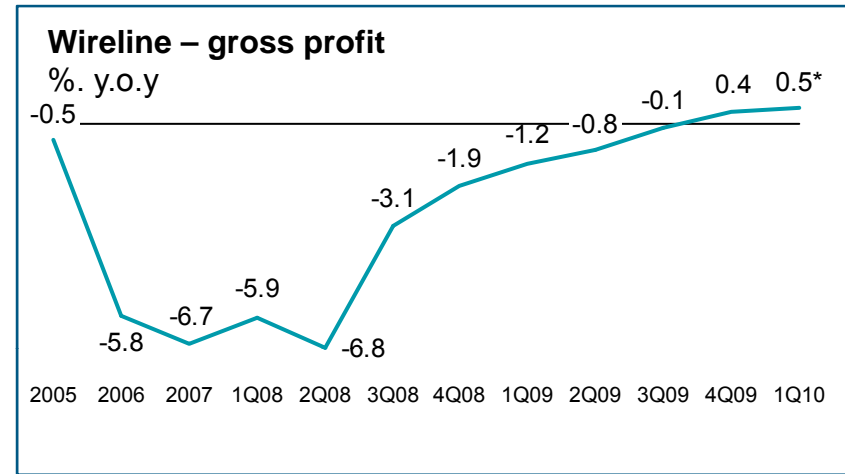
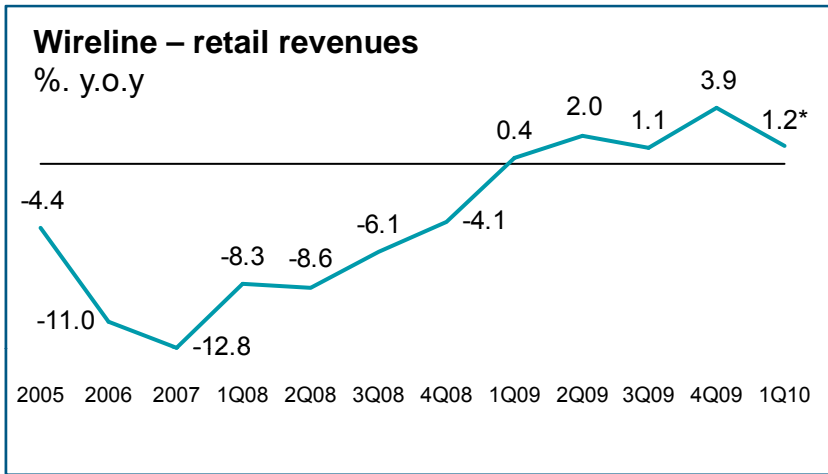


PT is a well diversified operator with international businesses accounting for 55.4% of revenues and 46.9% of EBITDA





Resilient financial performance in a challenging environment, paving the way for future profitable growth



*Adjusting for the change in the recognition of contract penalties



Sustained performance in Portugal, against a challenging economic environment

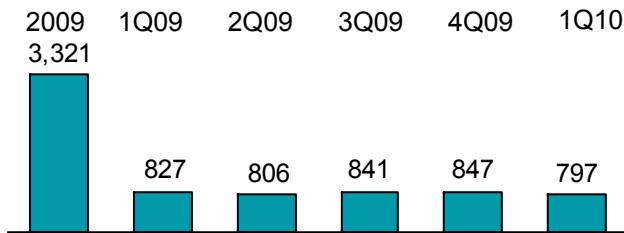
Domestic operations reflecting stability in mobile and continued growth in wireline

Steady fixed line performance and mobile underpinned by post paid

**PT
Portugal**

Revenues

Eur million



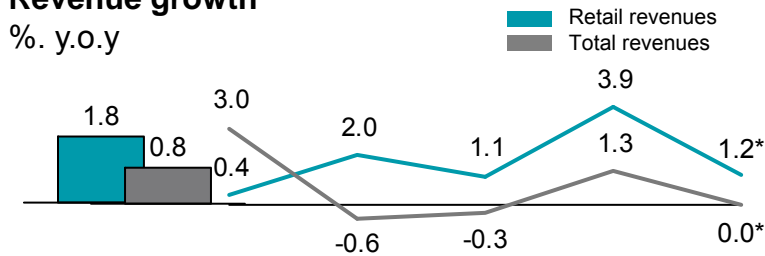
Growth of mobile customers and wireline main accesses



Wireline

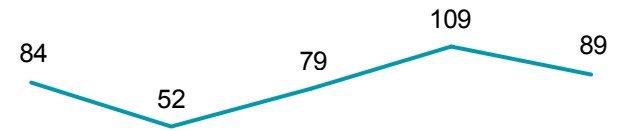
Revenue growth

% y.o.y



Retail RGUs

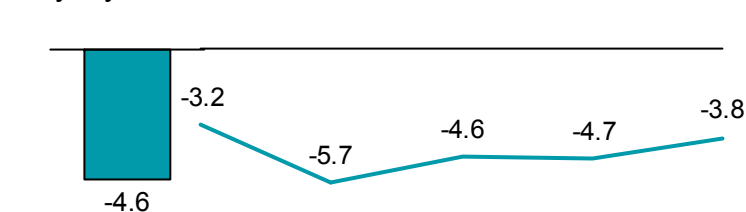
Net adds. Thousand



Wireless

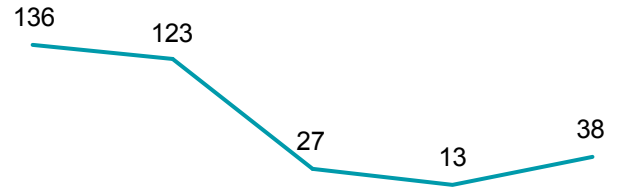
Service revenue growth

% y.o.y



Post paid customers

Net adds. Thousand



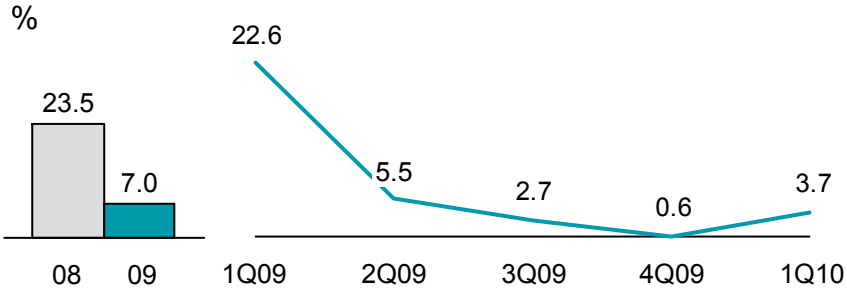
* Adjusting for the change in the recognition of contract penalties



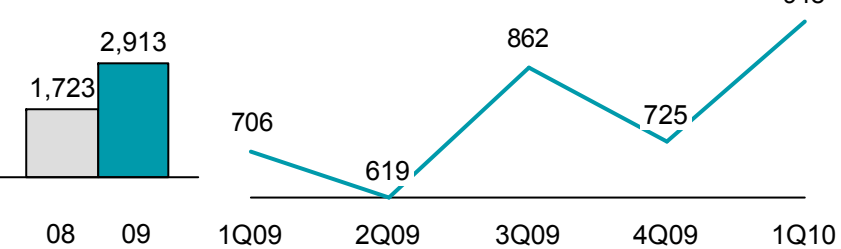
Vivo with solid customer growth and cash flow generation

Revenue growth improving sequentially

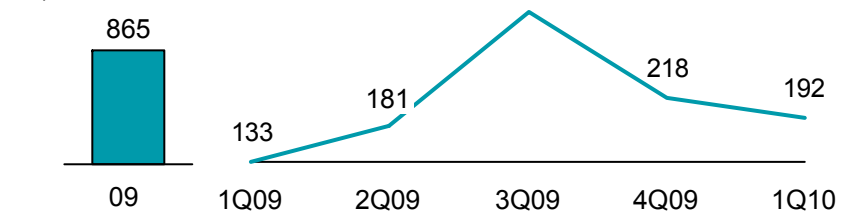
Revenue growth



Cash Flow*

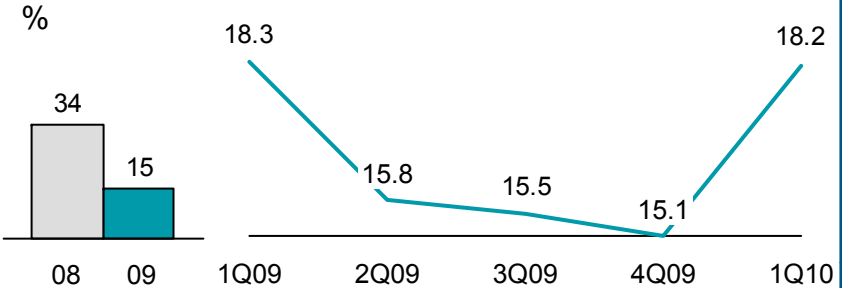


Net income***

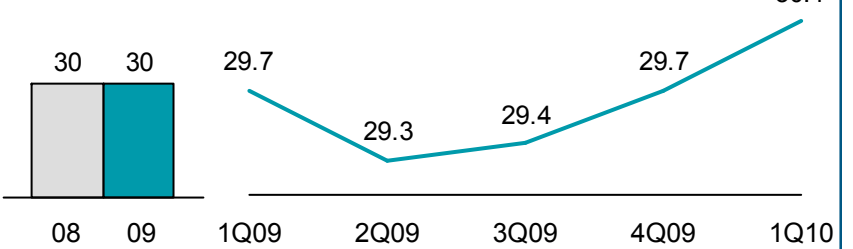


Solid customer growth with 43% market share in net adds in 1Q10 and 71.5% of post paid net adds

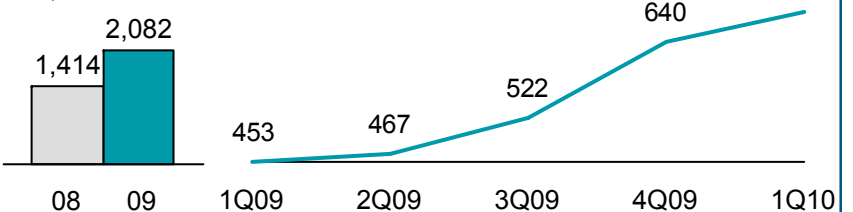
Customer growth**



Market share



Data revenues



*Ebitda-Capex **Adjusted for Telemig acquisition ***As reported by Vivo
Note: Data in IFRS



Significant growth underpinned by international exposure

Financial highlights

Euro million

	1Q10	Δ% y.o.y
Operating revenues	1,773	+10.5%
Contribution from international assets (Pct)	55.4	+6.6pp
EBITDA	633	+5.1%
EBITDA margin (Pct)	35.7	-1.8pp
Contribution from international assets (Pct)	46.9	+7.1pp
Capex	229	+2.3%
EBITDA minus Capex	404	+6.8%
Net debt	5,660	-1.4%
After-tax unfunded pension liability	1,122	-18.0%
Dividend per share (Euro cents) – to be paid in 14 May 2010	57.5	



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