



Announcement | Lisbon | 27 May 2010

Qualified Holding

Portugal Telecom, SGPS S.A. ("PT") informs it was notified that there has been a change in the composition of Barclays Plc's shareholder interest in PT (although such interest remains within the same percentage threshold range of reportable interests as was previously disclosed), as follows:

- > On 19 May 2010, Barclays Capital Securities Ltd disposed of 11,513,935 PT ordinary shares, representing 1.28% of the voting rights, through an OTC transaction.
- > On the same date, Barclays Capital Securities Ltd purchased, through an OTC transaction, a financial instrument by way of a forward contract with an expiration date of 18 August 2010, corresponding to 10,100,000 PT ordinary shares, representing 1.13% of the voting rights (It was further informed that Barclays Capital Securities also holds a call option with an expiry date of 9 July 2010, in respect of 21,745 PT ordinary shares, representing 0.002% of the voting rights, as well as another call option with an expiry date of 7 July 2010, in respect of 13,401 PT ordinary shares, representing 0.002% of voting rights).

As a result of such transactions, Barclays Plc now holds a total of 18,343,644 ordinary shares representing 2.05% of PT's share capital and corresponding voting rights.

Additionally, PT was informed that such holding is attributed to Barclays Plc through the following entities:

- > Barclays Bank Plc: 347,132 ordinary shares representing 0.04% of the share capital and voting rights in PT;
- > Barclays Bank SA: 8,494 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Barclays Capital Inc: 191,220 ordinary shares representing 0.02% of the share capital and voting rights in PT;
- > Barclays Capital Luxembourg SaRL: 250,000 ordinary shares representing 0.03% of the share capital and voting rights in PT;
- > Barclays Capital Securities Ltd: 17,212,088 ordinary shares (corresponding to 7,076,942 ordinary shares and 10,135,146 ordinary shares via financial instruments), representing 1.92% of the share capital and voting rights in PT;
- > Barclays Wealth Managers Portugal – SGFIM S.A.: 334,710 ordinary shares representing 0.04% of the share capital and voting rights in PT;

This statement is pursuant to the terms and for the purposes of paragraph c) of article 1 of the CMVM Regulation no. 5/2008, following a communication received from Barclays Plc, with head office at 1 Churchill Place, London E14 5HP, United Kingdom.

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Portugal

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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