



Announcement | Lisbon | 28 July 2010

Qualified Holding

Portugal Telecom, SGPS S.A. ("PT") informs that Credit Suisse Group AG ("CSG") now holds more than 2% of the voting rights corresponding to the share capital of PT.

Such new holding resulted from the acquisition by Credit Suisse Securities Europe Ltd of 1,088,449 PT ordinary shares made on 19 July 2010, on regulated market. As a result of such transaction, CSG now holds a total of 18,739,533 ordinary shares representing 2.09% of PT's share capital and corresponding voting rights.

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

- 1 Voting rights held by Credit Suisse:
 - > Credit Suisse AG: 2,850,419 ordinary shares representing 0.318% of the share capital and voting rights in PT;
 - > Credit Suisse International: 3,102,642 ordinary shares representing 0.346% of the share capital and voting rights in PT;
 - > CS Sec USA LLC: 9,675 ordinary shares representing 0.001% of the share capital and voting rights in PT;
 - > Credit Suisse Madrid (Branch): 8,400 ordinary shares representing 0.001% of the share capital and voting rights in PT;
 - > CS Italy S.P.A.: 167,600 ordinary shares representing 0.019% of the share capital and voting rights in PT;
 - > CS Securities (Europe) Ltd: 8,620,547 ordinary shares representing 0.962% of the share capital and voting rights in PT;
 - > Credit Suisse (UK) Ltd: 120,000 ordinary shares representing 0.013% of the share capital and voting rights in PT.

- 2 Voting rights held on behalf of Credit Suisse clients:
 - > Clariden Leu AG: 51,352 ordinary shares representing 0.006% of the share capital and voting rights in PT;
 - > Credit Suisse (UK) Ltd: 14,690 ordinary shares representing 0.002% of the share capital and voting rights in PT;
 - > Credit Suisse Hong Kong Branch: 1,020 ordinary shares representing 0.0001% of the share capital and voting rights in PT;
 - > Credit Suisse Luxembourg SA: 15,088 ordinary shares representing 0.002% of the share capital and voting rights in PT;

Portugal Telecom, SGPS, SA
Avenida Fontes Pereira de Melo, 40
1069-300 Lisbon
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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- > Credit Suisse Madrid (Branch): 193,939 ordinary shares representing 0.022% of the share capital and voting rights in PT;
- > Credit Suisse Zurich: 1,229,525 ordinary shares representing 0.137% of the share capital and voting rights in PT;
- > CS Securities (Europe) Ltd: 2,101,764 ordinary shares representing 0.234% of the share capital and voting rights in PT;
- > CS (Deutschland) AG: 13,454 ordinary shares representing 0.002% of the share capital and voting rights in PT;
- > CS France: 1,704 ordinary shares representing 0.0002% of the share capital and voting rights in PT;
- > CS Italy S.P.A.: 172,854 ordinary shares representing 0.019% of the share capital and voting rights in PT;
- > CS Monaco: 1,275 ordinary shares representing 0.0001% of the share capital and voting rights in PT;
- > CS Singapore: 57,700 ordinary shares representing 0.006% of the share capital and voting rights in PT;
- > Neue Aargauer Bank: 5,885 ordinary shares representing 0.001% of the share capital and voting rights in PT.

This statement is pursuant to the terms and for the purposes of article 17 of the Portuguese Securities Code, following a communication received from Credit Suisse Securities (Europe) Limited, with registered office at One Cabot Square, London E14 4QJ, United Kingdom.

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