



Announcement | Lisbon | 16 April 2010

Portugal Telecom's Annual General Meeting of Shareholders

Portugal Telecom, SGPS SA announces that the Annual General Meeting of Shareholders held this afternoon has approved the following proposals under the items on the agenda:

> Approval of the management reports, balance sheets and accounts, individual and consolidated, for the 2009 financial year.

> Application of the 2009 net income of Euro 529,778,473.00, as follows:

- Payment to the shareholders of a dividend in the overall amount of Euro 515,494,687.50, corresponding to Euro 0.575 per share calculated on the basis of a unit amount per share issued. The dividend shall be paid on 14 May 2010 (ex-dividend date: 11 May 2010);
- Transfer of the remainder amount to the retained earnings account.

> General appraisal of the Company's management and supervisory 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 way in which the Company was led throughout the 2009 financial year.

> 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.

> Creation of an *ad hoc* commission to determine the remuneration of the members of the Compensation Committee. The members of such *ad hoc* commission will not be remunerated.

> Approval of the statement of the Compensation Committee on the remuneration policy of the members of the Company's management and supervisory bodies.

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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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