



Release | Lisbon | 8 February 2010

Portugal Telecom announces the acquisition of GPTI

Portugal Telecom (PT) announces the acquisition of a 100% equity stake in GPTI, SA (GPTI). GPTI is a solid player, with 19 years of history, in the IS/IT services market in Brazil. GPTI has a strong customer base and about 75% of its revenues in 2009 (R\$140 million) is derived from recurring contracts. The acquisition will be carried out through the issuance of shares of Dedic, a 100% owned PT subsidiary that operates in the contact centre business in Brazil. Following the acquisition, current shareholders of GPTI will hold a 12.5% stake in Dedic. Depending on the operational and financial performance of the acquired company in 2010 and 2011, this stake may range from 5% to 20%. The financial debt of GPTI amounts to R\$ 80 million.

This acquisition is part of PT's strategy to consolidate and strengthen its presence in Brazil and invest in assets where PT can add value and that can complement PT's existing portfolio. The acquisition of GPTI and integration into Dedic also allows PT to create an integrated player in the IS/IT and BPO (business process outsourcing) sectors in Brazil, develop expertise in an area closely related to telecommunications and strengthen the business relationship with relevant Brazilian partners. This acquisition will also allow for sharing of synergies and best practices with the IS/IT activities in Portugal.

This acquisition has been approved by the Board of Directors of PT and is conditional, namely, upon the approval of the Brazilian authorities.

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.

Nuno Vieira
Investor Relations Director
nuno.t.vieira@telecom.pt
Tel.: +351 21 500 1701
Fax: +351 21 500 0800