



Release | Lisbon | 8 July 2010

Meo surpasses 700 thousand customers

Portugal Telecom announces today that Meo, its pay-TV service, surpassed 700 thousand customers, representing circa 78% of PT's ADSL customers and 27% of its traffic generating lines, with reference to the end of 1Q10. Since 1Q10 net additions surpassed 54 thousand customers. As a result, Meo's estimated market share reaches 27%, which compares to a market share of 18.7% and 24.9% at the end of 2Q09 and 1Q10, respectively.

The integrated voice, internet and pay-TV offer – Meo - represents a key lever of PT's strategy to further strengthen and differentiate its value proposition to residential customers. Meo is a multiplatform service, based on IPTV / FTTH (fibre to the home), IPTV / ADSL2+ and DTH (satellite), which is intended to provide the same TV experience, regardless of the customer interface (TV, PC and Mobile).

Additionally, Meo launches today Meo Interactivo, an application store which will aggregate all the applications already available through Meo service and also host new applications: Facebook, Oceanlook, Picasa and Flickr. Meo also launches Meo Séries, a new Meo video-on-demand service, which makes available the best series from the producers Warner and HBO, thus creating a new television viewing experience and enhancing the interactivity and flexibility as Meo's key features.

Meo Interactivo will integrate, free of charge, the best widgets for TV, organised by categories. Users will soon be able to access a set of new applications in Meo Interactivo, namely to Facebook. Therefore it will be possible to watch TV and, simultaneously, check own Facebook account, see posts on the Wall and access photos within the own account or friends accounts, among the other main features. Meo Interactivo also allows Meo customers to access, through Oceanlook, to information of over more than 300 beaches in Portugal, such as weather, tides and water temperature. In Meo Interactivo it will also be possible to see personal photos located in Picasa and Flickr, as a result of an evolving process of Meo Fotos service.

As from today, Meo customers will also have access to Meo Séries, an entertainment service and with the best series of producers Warner and HBO, with more news to be included soon. Therefore, Meo customers will thus be able to see the most awarded worldwide television series, winners of Golden Globes and Emmys.

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