



Announcement | Lisbon | 12 August 2010

## Qualified Holding

Portugal Telecom, SGPS S.A. ("PT") informs that it was notified by Barclays Plc of a change in the composition of such entity's qualified shareholding in PT, as described below. Nonetheless, such qualified holding remained within the same percentage threshold range of reportable interests as was previously disclosed.

- > On 3 August 2010, Barclays Capital Securities Ltd disposed of 3,414,291 PT ordinary shares, representing 0.38% of the company's share capital and 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 5 November 2010, in respect of 3,550,000 PT ordinary shares, representing 0.40% of the share capital and voting rights. PT was further informed that Barclays Capital Securities Ltd also holds a forward contract with an expiration date of 16 December 2010, in respect of 3,879,192 PT ordinary shares, representing 0.43% of the share capital and voting rights, as well as a call option with an expiration date of 5 August 2010, in respect of 1,000,000 PT ordinary shares, representing 0.11% of the share capital and voting rights.

As a result of such transactions, Barclays Plc now holds a total of 23,006,797 ordinary shares representing 2.57% of PT's share capital and corresponding voting rights.

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

- > Barclays Bank Plc: 484,961 ordinary shares representing 0.05% of the share capital and voting rights in PT;
- > Barclays Bank SA: 104,855 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > Barclays Capital Securities Ltd: 22,039,574 ordinary shares (corresponding to 13,610,382 ordinary shares held and 8,429,192 ordinary shares via financial instruments), representing 2.46% of the share capital and voting rights in PT;
- > Barclays Wealth Managers Portugal – SGFIM S.A.: 216,850 ordinary shares representing 0.02% of the share capital and voting rights in PT;
- > Palomino Ltd: 160,557 ordinary shares representing 0.02% 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 and number 2 of article 2 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.