



Announcement | Lisbon | 27 May 2010

Qualified Holding

Portugal Telecom, SGPS, S.A. ("PT") hereby informs that it has received the following communications on qualified holdings in PT:

1. On 19 May 2010, Deutsche Bank AG ("DB AG")'s qualified holding in PT became less than 2% of the voting rights corresponding to the share capital of PT.

This change resulted from the decrease in 4,622,888 shares of the PT ordinary shares borrowed by DB AG. As a result of such transaction, DB AG held a total of 15,084,732 ordinary shares representing 1.68% of PT's share capital and corresponding voting rights.

Additionally, PT was informed that such holding was attributed to DB AG through the following entities:

- > DB AG: 268,362 ordinary shares representing 0.03% of the share capital and voting rights in PT;
- > Deutsche Asset Management Investmentgesellschaft mBH: 52,573 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > Deutsche Asset Management (Japan) Limited: 5,370 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Deutsche Asset Management (Korea) Company Limited: 9,240 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Deutsche Investment Management Americas Inc: 53,939 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > DWS Investment GmbH: 13,580,302 ordinary shares representing 1.51% of the share capital and voting rights in PT;
- > DWS Investment SA, Luxembourg: 1,010,189 ordinary shares representing 0.11% of the share capital and voting rights in PT;
- > DWS Investments (Spain) S.G.I.I.C S.A: 7,000 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Frankfurt-Trust Investment-Gesellschaft mBH: 82,757 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > Sal Oppenheim (France) S.A: 15,000 ordinary shares representing 0.002% of the share capital and voting rights in PT.

2. On 20 May 2010, DB AG's qualified holding in PT became higher than the threshold of 2% of the voting rights corresponding to the share capital of PT.

The change in such holding resulted from the acquisition by DB AG, London branch through an OTC transaction, of 4,957,000 PT ordinary shares. As a result of such transaction, DB AG now holds a total of 21,160,087 ordinary shares representing 2.36% of PT's share capital and corresponding voting rights.

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

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



- > DB AG: 6,143,717 ordinary shares representing 0.69% of the share capital and voting rights in PT;
- > Deutsche Asset Management Investmentgesellschaft mBH: 52,573 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > Deutsche Asset Management (Japan) Limited: 5,370 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Deutsche Asset Management (Korea) Company Limited: 9,240 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Deutsche Investment Management Americas Inc: 53,939 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > DWS Investment GmbH: 13,780,302 ordinary shares representing 1.54% of the share capital and voting rights in PT;
- > DWS Investment SA, Luxembourg: 1,010,189 ordinary shares representing 0.11% of the share capital and voting rights in PT;
- > DWS Investments (Spain) S.G.I.I.C S.A: 7,000 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Frankfurt-Trust Investment-Gesellschaft mBH: 82,757 ordinary shares representing 0.01% of the share capital and voting rights in PT;
- > Sal Oppenheim (France) S.A: 15,000 ordinary shares representing 0.002% 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 communications received on 25 and 26 May 2010, from DB AG, with head offices at Taunusanlage 12, Frankfurt am Main, Germany.