



Announcement | Lisbon | 9 August 2010

Qualified Holding

Portugal Telecom, SGPS S.A. ("PT") informs that UBS AG now holds less than 2% of the voting rights corresponding to the share capital of PT.

Such new holding resulted from the disposal by UBS AG, Zurich and Basel, through an OTC transaction, of 2,478,543 PT ordinary shares made on 30 July 2010. As a result of such transaction, UBS AG now holds a total of 17,790,106 ordinary shares representing 1.98% of PT's share capital and corresponding voting rights.

Additionally, PT was informed that such holding is attributed to UBS AG as follows:

- > UBS AG: 4,916,345 ordinary shares representing 0.55% of the share capital and voting rights in PT;
- > UBS AG on behalf of several of its clients: 10,687,130 ordinary shares representing 1.19% of the share capital and voting rights in PT;
- > CCR Asset Management: 450,692 ordinary shares representing 0.05% of the share capital and voting rights in PT;
- > UBS Financial Services Inc.: 463,250 ordinary shares representing 0.05% of the share capital and voting rights in PT;
- > UBS Fund Management (Switzerland) AG: 273,214 ordinary shares representing 0.03% of the share capital and voting rights in PT;
- > UBS Fund Services (Luxembourg) SA: 670,825 ordinary shares representing 0.07% of the share capital and voting rights in PT;
- > UBS Global Asset Management (Americas) Inc.: 1,160 ordinary shares representing 0.0001% of the share capital and voting rights in PT;
- > UBS Global Asset Management (Canada) Co.: 719 ordinary shares representing 0.0001% of the share capital and voting rights in PT;
- > UBS Global Asset Management (Deutschland) GmbH: 33,517 ordinary shares representing 0.004% of the share capital and voting rights in PT;
- > UBS Global Asset Management (UK) Ltd: 150,189 ordinary shares representing 0.02% of the share capital and voting rights in PT;
- > UBS Global Asset Management Life Ltd: 139,684 ordinary shares representing 0.02% of the share capital and voting rights in PT;
- > UBS Securities LLC: 3,381 ordinary shares representing 0.0004% 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 a communication received by fax from UBS AG, P.O. Box 8098 Zurich, Switzerland.