



Announcement | Lisbon | 17 May 2010

Qualified Holding

Portugal Telecom, SGPS S.A. ("PT") informs that Barclays Plc now holds less than 5% of the voting rights corresponding to the share capital of PT.

Such new holding resulted from the disposal by Barclays Capital Securities Ltd, through an OTC transaction, of 21,452,383 PT ordinary shares made on 11 May 2010. As a result of such transaction, Barclays Plc now holds a total of 35,001,717 ordinary shares representing 3.90% of PT's share capital and corresponding voting rights.

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

- > Barclays Bank Plc: 342,417 ordinary shares representing 0.04% of the share capital and voting rights in PT;
- > Barclays Bank SA: 8,494 ordinary shares representing 0.001% of the share capital and voting rights in PT;
- > Barclays Capital Inc: 2,463,061 ordinary shares representing 0.27% of the share capital and voting rights in PT;
- > Barclays Capital Luxembourg SaRL: 250,000 ordinary shares representing 0.03% of the share capital and voting rights in PT;
- > Barclays Capital Securities Ltd: 31,603,035 ordinary shares representing 3.53% of the share capital and voting rights in PT;
- > Barclays Wealth Managers Portugal – SGFIM S.A.: 334,710 ordinary shares representing 0.04% 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 from Barclays Plc, with registered office at 1 Churchill Place, London E14 5HP, United Kingdom.

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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.

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