



SONAECOM, S.G.P.S., S.A.
Sociedade Aberta
Registered Office: Lugar do Espido, Via Norte, Maia
Share Capital Euro 366 246 868
Registered at the Maia Commercial Registration Office under unique registration
number 502 028 351

ANNOUNCEMENT

Sonaecom wants to address persistent speculation as to whether structures could be contemplated that would directly or indirectly increase the total value per share that Portugal Telecom shareholders receive in the context of its offer for Portugal Telecom.

Sonaecom has clearly stated on 15 February 2007 that its offer of €10.50 per Portugal Telecom share is final. For the avoidance of doubt, Sonaecom confirms that it is not interested in, and will not contemplate, any hypothetical structures that would deliver additional value to Portugal Telecom shareholders above €10.50 per share in whatever form.

Sonaecom believes that these rumours are intentionally misleading in portraying the availability of structural alternatives and are intended to distract Portugal Telecom shareholders from the key decisions to be made.

The time has come for the shareholders of Portugal Telecom to opt for choice and shareholder democracy or dictatorship by minority and management entrenchment by casting their vote at the Portugal Telecom Extraordinary General Meeting scheduled for 2 March 2007. Changing the by-laws of Portugal Telecom, as well as authorising Sonaecom to acquire more than 10% of the share capital of the company, will give shareholders the right to choose and the ability to receive €10.50 per share in cash. Each vote against these proposals is a vote against the basic principles of one-share/one-vote and shareholder democracy.

The Board of Directors,

Maia, 22 February 2007