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2012 RESULTS ANNOUNCEMENT

5 February 2013

MESSAGE FROM MIGUEL ALMEIDA, Optimus CEO

Optimus's 2012 results indicate, once again, the upward trajectory of our operating and financial performance, with highly positive quantitative and qualitative indicators across all areas of our strategy.

Our absolute performance evidences important achievements across all financial indicators, namely EBITDA and Net results, which grow 4.7% and 22.2% respectively. This has lead to market share gains in revenues as well as profitability.

Meeting our strategic goals, in areas such as brand image, mobile data, convergence, 4G, innovation and customer experience, enabled us to exceed expectations, in a context of extremely adverse market conditions, with a difficult economic environment and the reinforcement of anti-competitive practices by our competitors, which promote the network effect.

In 2012, Optimus also reinforced its competitive position as we again won recognition for the market-leading quality of our 2G and 3G networks. In addition, our long-term evolution (LTE) network achieved a population coverage of 80% in just a few months, with more than half the population benefiting from 150 Mbps-enabled coverage. This gives us a clear competitive advantage when it comes to exploiting the future of mobile data. It should also be highlighted that throughout this year, we achieved important milestones in the leadership of the Optimus brand and in the high quality of service that we provide to our customers.

These accomplishments are the result of the resilience, creativity and execution capacity of the Optimus team, as well as the work of our business partners.

This year was also marked by the public announcement, on 14 December 2012, of the agreement between Sonaecom and Unitel International Holdings, which was followed by approval of the merger project, on 21 January 2013, from the Optimus Board of Directors. The Board considered this merger to be a logical and essential step towards the development of a common growth platform, which will leverage and maximise the significant potential of both companies. The completion of the transaction is subject to the approval of the shareholders of both companies; to non-opposition from the Competition Authority; and to the issuance of a statement waiving the obligation to launch a mandatory takeover bid by the Portuguese Securities and Exchange Commission.

We anticipate a deteriorating economic context for 2013, but we are convinced that structural steps will be taken to eliminate unfair competitive practices in the mobile market, which penalize the consumer and inhibit the development and sustainability of the Portuguese telecom market. We will thus be in an even better position to maintain the positive evolution of our operating and financial results, enhancing Optimus's profitability and robustness while contributing decisively to the development of the information society in Portugal.

FINANCIAL HIGHLIGHTS

- **Turnover reaches 720.7 million euros,** decreasing 4.5% when compared to 2011, with the wireline business increasing its turnover for the first time since 2008;
- **Consolidated EBITDA increases 4.7%** in 2012 to 242.6 million euros;
- Consolidated EBITDA margin improves 3.0pp, with the **mobile EBITDA margin reaching 43.1%**, 4.8pp above 2011, an international benchmark;
- **Net results improve 22.2%, reaching 88.1 million euros** in 2012;
- **EBITDA-CAPEX totals 113.7 million**, a significant improvement (even excluding the investment in the spectrum acquisition in 2011), despite strong investment in our LTE network.

OPERATING HIGHLIGHTS

- **Stable mobile customer base, excluding the e-initiatives customer base**. Including the e-initiatives customer base, mobile subscribers decreased 1.9%;
- The percentage of post-paid clients **in the mobile business grew to 33.3%** as a result of a 4.2% growth in the post-paid customer base, excluding the impact of e-initiatives programme;
- The percentage of **convergent clients in the enterprise customer base reached 43%,** indicating the success of Optimus's commercial integrated approach in this segment;
- The **leadership in mobile broadband was reinforced once again,** with Optimus reaching a market share of 43.3% in data traffic;
- Optimus's **2G and 3G networks again demonstrated leadership in terms of coverage and quality,** according to ANACOM;
- The **4G/LTE network already covers 80% of the Portuguese population**, with an obvious market leadership in 150Mbps coverage;
- The **Optimus brand is market leader in terms of awareness** among mobile operators;
- **Optimus was elected the consumers' choice** in the mobile communications category, winning the **worldwide customer service** prize of the World Contact Center Award.

THE BUSINESS IN 2012

In 2012, Optimus made significant steps towards executing its strategy, making important reinforcements in the key areas of brand, mobile data, convergence, 4G, innovation and customer experience.

Setting the pace of market dynamics for innovation and quality of service, and competing head-to-head with its competitors, Optimus remained focused on its strategic goals of leading mobile data and leading the business segment through a fully convergent approach.

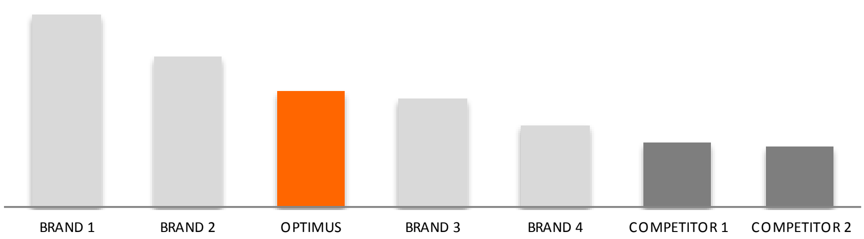
The success of its strategy was clearly evident in a consistent performance, as Optimus successfully increased its revenues and EBITDA market share in Portugal's mobile market.

Simultaneously, despite the difficult economic context, Optimus has significantly improved its profitability on the back of the efficiency programme it implemented to create a more flexible and leaner operating model, a proactive move that has placed Optimus on the front line.

The preferred brand among Portuguese consumers

According to Marktest, Optimus reached the top brand awareness position among mobile services brands several times during 2012, with a recall level 70% above its closest competitor, despite a lower level of investment in this area compared to the competition.

Top spontaneous awareness



Source: Marktest / Publivaga (Average 2012)

The soft rebranding initiative that began in late 2011, involving the introduction of a new slogan and new line of communication, has proved a major drive in implementing the brand strategy, with very significant impacts on the brand's recall and appeal.

The strength of Optimus was also reflected in the fact that it was established as the preferred mobile operator among Portuguese consumers, recognised for the quality of its service and customer service, the diversity of its offer as well as its promotions.

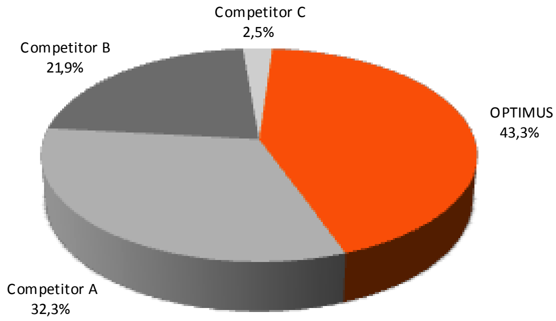
This emerged from research undertaken by Consumer Choice – Centro de Avaliação da Satisfação do Consumidor, which evaluated more than 200 brands/companies and involved more than 17,300 reviews.

Leading the future of mobile data

Recent technological developments – both in terms of network infrastructure and equipment – is increasingly indicative that the future of the industry will be more mobile and based on data. The mobile technology will undoubtedly be an essential force for future growth, and its importance will be greater, the less is the network effect.

Since the very beginning, Optimus knew how to anticipate this trend and how to develop products and services that now allow the company to declare its leadership on several fronts. Mobile broadband is an example. Optimus had, at the end of 3Q12, a 43.3% market share of data traffic.

Mobile BB Traffic Market Shares

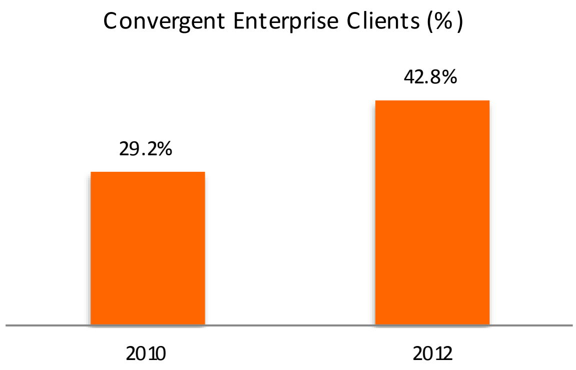


The growing penetration of smartphones, which in Portugal remains lower than the rest of the Europe, also represents a distinctive opportunity to boost data usage. Optimus has been able to maximise this opportunity by launching game changing offers, such as 'desbloqueados', while launching a range of own-branded handsets. These have allowed Optimus to consistently grow its smartphone customer base.

Leadership in enterprise convergence

In the SMEs and Corporate segments, Optimus constitutes today a true alternative. With an integrated and convergent approach to business needs, a single brand, dedicated teams and a totally convergent next-generation network architecture, Optimus has consistently lead the movement among business customers towards convergent and integrated solutions. These are widely recognised for delivering greater efficiency and higher productivity.

Among SME's, the growth of market share in the mobile business has been clear and consistent, with strong evidence of leadership in convergence. At the end of 2012, 42.8% of Optimus's SME customers had their fixed as well as mobile needs served by Optimus, a very significant growth when compared to 29.2% in 2010.



The success of the integrated and convergent solutions offer was also due to the strong leverage of our own network (fibre and mobile 2G, 3G and, more recently, 4G) as a result of network architecture integration. In 2012, 40% of the total customer base and 60% of acquisitions in the enterprise segment were already through our own infrastructure. This produced significant improvements in the quality of the deliver and service, as well as important impacts on business margins.

The remarkable progress of our operating model should also be noted. The mix of channels was optimised; churn fell considerably; commercial costs were strongly challenged; while delivery and service timings improved significantly even though they started from a demanding point.

In the most challenging segments of the market, such as the corporate and public administration segment, Optimus has achieved consistent growth, backed by integrated offers and a growing convergent customer base (almost 45% at the end of 2012).

In this segment, Optimus has been able to deliver high-quality, robust and complex voice and data business solutions, reinforcing the strength and the potential of its partnerships while achieving higher levels of commercial productivity. In less than three years, Optimus has doubled the number of circuits and equipment under management. Also, Optimus has lead pioneering large-scale PBX virtualisation and managed network projects including, for example, WiFi. The quality of delivery and service has lead to negligible churn and allowed us to make solid inroads into the neighbouring IT market.

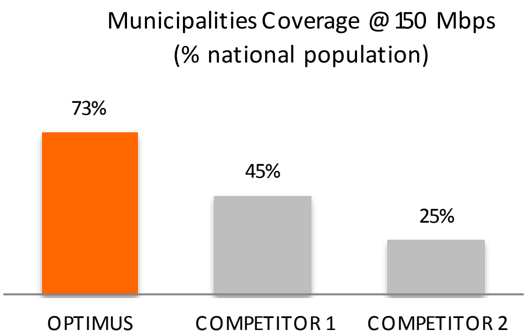
The Wholesale division has also performed above expectations. Despite strong regulatory pressure in termination and roaming, the division has beaten traffic records, a strong factor in returning our wireline business to positive revenue growth for the first time since 2008. It is also important to highlight the reinforcement of international Tier 1 reference partnerships, as well as the launching of the first mobile virtual network operator (MVNO).

Optimus is also among the Internet of Things (IoT)'s leading players and has made important inroads into the ICT market.

On the 4G leading-edge

After securing the ideal combination of three spectrum LTE bands, Optimus is now well advanced on LTE network deployment in the 800Mhz and 1800Mhz bands, exceeding our 2012 coverage target. We now cover 80% of the Portuguese population, leading in 150Mbps coverage by far.

4G has emerged as a critical driver for sustaining Optimus's leadership position in a mobile data future. It will also drive the growth of fixed to mobile substitution and the efficient transformation of its network architecture and operating model, with the construction of an even more integrated and self-sufficient all IP core data system.



Source: Operators' websites (Sep-12)

At the end of 2012, Optimus concluded a complete transformation and modernisation of its core architecture, designed to enable the processes and offers that will support data in the future, namely the Real Time Charging and Control system, the new core and the IP data.

Thanks to the level of investments made and the superior work of Optimus's technical team, the company now stands out for our exceptional ability to explore the 4G opportunity, both in terms of growth and in the reinforcement of our operating model. It also places us in an even stronger position to offer solutions that meet market demand while ensuring the best user experience.

Innovation as a key differentiation driver

Optimus has a proven innovation track record – technical, marketing and operational – a vital strength in an industry where pioneering breakthroughs are critical success factors. In 2012, we made it clear once again that innovation is not incompatible with customer focus or operating and financial efficiency.

Just to mention a few of the year's many milestones, Optimus was awarded the most innovative project in the Orange universe with its leading edge 4G deployment and Voice over 4G solutions.

On the mobile services front, Optimus created a strong mobile broadband category: the Optimus Kanguru Hotspot, which was worth 25% of new additions in December and also won the 'product of the year'. By early 2013, Optimus had already launched a market breakthrough offer incorporating unlimited all-net voice, the renewed SMART offer. This will help to foster smartphone adoption while mitigating network effect.

In the retail sector, Optimus innovated by setting up a franchising model alongside a full redesign of store logistics, services and a new point of sale (POS) system.

Targeting the business segment, Optimus launched clearly innovative voice solutions, ADSL, ISDN or Ethernet over 4G. Alongside this 4G-focused effort, we pioneered Virtual PBX and managed networks, including the S. João da Madeira municipality's citywide open WiFi project.

Coupled with these innovations, Optimus also developed a game-changing new front-end platform, delivering significant improvements in productivity and customer satisfaction while also creating a functional platform to explore cross-selling.

On top of this, Optimus has also strengthened its internal innovation engine, implementing three central transversal plans involving more than 200 employees. This approach guaranteed a structured approach to bottom-up incremental innovation through Optimus Ignite, Optimus's continuous improvement programme.

Excelling in customer experience

The promotion of a superior customer experience, exceeding the market, is a central goal of Optimus's positioning.

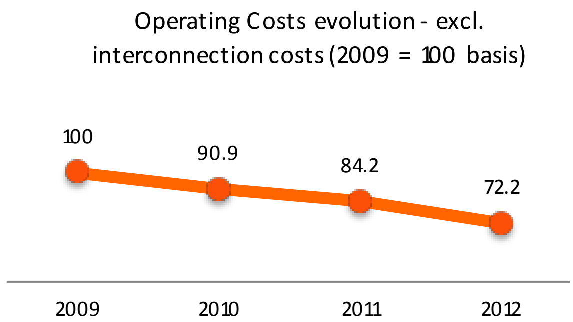
Given this, it was absolutely key for us to witness once again ANACOM's recognition, in a report published in May 2012, of Optimus's superior network quality in 2G and 3G coverage.

It was also very pleasing to see Optimus customer service win the World Contact Center Award first prize and to be commended, for the third consecutive year, with first prize in the telecommunications category.

This recognition is the result of several efforts implemented since 2010, aimed at redesigning our operating model and customer experience. It also gives us added momentum in launching a renewed and even wider programme of service transformation in the context of the 4G.

Operating model as a source of competitive advantage

In 2010, Optimus launched an ambitious transversal programme designed to radically change its operating model. Since then, under an ongoing operating efficiency plan, Optimus has achieved important improvements to several key indicators. Importantly, in parallel with this programme and the consequent reduction of the cost structure, Optimus continues to achieve a market-leading performance in brand, quality of service, customer experience and innovation.



In 2012, Optimus decreased its operating costs by 8.4%, which represents savings amounting to 45 million euros.

As a result of this program, Optimus has more than doubled the weight of its own transport network infrastructure, which grew from 28% to 72%. The consolidation of IT and IS platforms also delivered major cost savings while reducing investment requirements. Also, it has significantly reduced the average time to resolution, speeding responsiveness in the first line and also in the first contact.

Today, Optimus owns a future-proof, efficient and robust operation, as well as an outstanding operating capacity, exceeding not only the national but also the international market.

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CONSOLIDATED RESULTS

Million euros

OPTIMUS INCOME STATEMENT	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Turnover	**188.6**	**182.3**	**-3.3%**	**182.7**	-0.2%	**754.7**	**720.7**	**-4.5%**
Service Revenues	177.4	170.6	-3.8%	173.9	-1.9%	723.0	687.8	-4.9%
Customer Revenues	138.7	127.3	-8.2%	134.5	-5.3%	572.4	531.0	-7.2%
Operator Revenues	38.7	43.3	11.9%	39.4	9.8%	150.6	156.8	4.1%
Equipment Sales	11.2	11.7	4.1%	8.8	32.8%	31.7	32.9	3.7%
Other Revenues	**2.7**	**2.8**	**1.7%**	**2.7**	**3.5%**	**11.3**	**11.4**	**0.4%**
Operating Costs	**138.4**	**130.3**	**-5.9%**	**119.5**	**9.1%**	**534.4**	**489.4**	**-8.4%**
Personnel Costs	13.2	12.1	-8.3%	11.7	3.3%	53.8	47.9	-11.1%
Direct Servicing Costs(1)	59.3	62.7	5.8%	56.7	10.7%	246.6	236.4	-4.1%
Commercial Costs(2)	30.8	25.8	-16.3%	23.0	12.0%	99.4	83.8	-15.8%
Other Operating Costs(3)	35.1	29.6	-15.5%	28.0	5.7%	134.5	121.4	-9.7%
EBITDA	**52.9**	**54.8**	**3.6%**	**65.9**	**-16.8%**	**231.7**	**242.6**	**4.7%**
EBITDA Margin (%)	28.1%	**30.1%**	2.0pp	36.1%	-6.0pp	30.7%	**33.7%**	3.0pp
Depreciation & Amortization	36.5	37.1	1.8%	34.5	7.4%	142.8	139.7	-2.2%
EBIT	**16.4**	**17.7**	**7.7%**	**31.4**	**-43.5%**	**88.9**	**102.9**	**15.9%**
Net Financial Results	0.4	-6.6	-	-0.9	-	-9.1	-11.3	-24.8%
Financial Income	1.3	1.0	-21.6%	1.1	-9.2%	5.2	4.2	-18.2%
Financial Expenses	0.8	7.6	-	2.0	-	14.3	15.6	9.2%
EBT	**16.9**	**11.1**	**-34.1%**	**30.5**	**-63.5%**	**79.8**	**91.6**	**14.8%**
Tax results	-3.6	3.6	-	-1.2	-	-7.7	-3.5	54.4%
Net Results	**13.3**	14.7	**10.7%**	**29.3**	**-49.8%**	**72.1**	88.1	**22.2%**

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others.

Turnover

Consolidated turnover in 2012 stood at 720.7 million euros, 4.5% below 2011. This result was driven by a decrease of 4.9% in service revenues and an increase of 3.7% in product sales.

Optimus's evolution has been affected by regulated tariffs – mobile termination rates (MTRs) and roaming in. Portugal's austere economic environment, which continued to have a negative impact on consumption levels, also influenced our performance.

Operating costs

Operating costs stood at 489.4million euros, down 8.4% compared to 2011.

Operating costs benefited from our optimisation plan, launched three years ago. As a result of its efficiency measures, Optimus has been able to reduce our cost structure across the organisation. With a significant number of measures already in place, we continue to implement additional initiatives while excelling in other key areas such as brand awareness, quality of service and customer experience.

EBITDA

Consolidated EBITDA increased 4.7% to 242.6 million euros, translating into an EBITDA margin of 33.7%, 3pp above 2011.

Net results

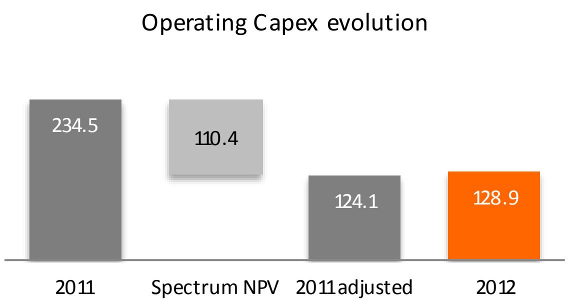
Our net results reached 88.1 million euros, growing 22.2% compared to 2011. This growth was driven by our improved EBITDA performance, a lower level of depreciation and amortisation and lower tax levels.

The evolution of net results was also impacted by higher financial expenses as a result of a higher average net debt level and higher cost of debt.

In 2012, the tax line showed a cost of 3.5 million euros against 7.7 million euros in 2011, due to the recognition of additional deferred tax assets.

Operating CAPEX

Operating CAPEX fell by 45.0% between 2011 and 2012. Excluding the 110.4 million euros acquisition of 4G spectrum in 2011, operating CAPEX grew 3.8%. This increase was impacted mostly by the 4G network deployment across our mobile business, where we exceeded the target initially set for the year.



Also during 4Q12, Optimus continued to adopt solutions that enable us to optimise mobile backhaul costs while reducing our dependency on rented infrastructure. Accordingly, 80% of our sites are already connected through own infrastructure, specifically fibre in the densest areas and microwaves in the rural areas.

On a like-for-like basis, operating CAPEX as a percentage of turnover increased 1.5pp to 17.9%.

Capital structure

Consolidated net financial debt reached 386.2 million euros in 2012, corresponding to 1.6x EBITDA. Consolidated net debt, including financial leasings, reached 407.0 million euros, with a net debt to EBITDA ratio of 1.7x.

Free cash flow (FCF)

Million euros

LEVERED FREE CASH FLOW	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
EBITDA-Operating CAPEX	**-102.1**	**25.5**	-	**25.1**	1.6%	**-2.8**	**113.7**	-
Change in WC	99.4	-6.0	-	7.3	-	71.3	-111.7	-
Non Cash Items & Other	13.2	-0.8	-	-2.3	63.7%	14.9	-5.3	-
Operating Cash Flow	**10.5**	**18.7**	78.4%	**30.2**	-37.9%	**83.3**	**-3.2**	-
Securitization	-5.0	-5.0	0.0%	-5.0	0.0%	-20.0	-20.0	0.0%
Financial results	0.5	-4.1	-	-1.1	-	-8.5	-8.6	-1.7%
Income taxes	1.7	-0.1	-	3.1	-	0.5	2.8	-
FCF	**7.7**	**9.5**	23.4%	**27.2**	-65.1%	**55.4**	**-29.1**	-

The EBITDA-Operating CAPEX increased from negative 2.8 million euros to positive 113.7 million euros. Excluding the 110.4 million euros related with the 4G Spectrum acquisition in 2011, the percentual increase between 2011 and 2012 amounts to 5.6%, increasing from 107.6 million euros in 2011.

Free cash flow (FCF) stood at a negative 29.1 million euros in 2012, impacted mostly by the outflow of 20.0 million euros relating to the securitisation operation and the 83.0 million euros spectrum payment.

Excluding these impacts, 2012 FCF amounted to 73.9 million euros, compared to the 75.4 million euros achieved in 2011 (excluding the securitisation payment outflow).

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MOBILE BUSINESS

Throughout 2012, Portugal's harsh macroeconomic conditions continued to deteriorate. The impact of the austerity measures became obvious across the principal macroeconomic indicators, including private and public consumption levels as well as the unemployment rate.

As a result, Optimus's mobile customer revenues were significantly impacted, falling by 5.9% during the year. However, according to public information, we believe that our performance continues to put us ahead of our competitors. This means Optimus has been increasing its market share of revenues.

Despite falling customer revenues, Optimus's mobile business was able to achieve an EBITDA margin of 43.1% in 2012, a benchmark among Europe's mobile operators. This growth was the result of the efficiency measures being implemented across the company.

I. Operating Indicators

MOBILE OPERATIONAL KPI's	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Customers (EOP) ('000)	3,639.4	3,568.6	-1.9%	3,566.3	0.1%	3,639.4	3,568.6	-1.9%
Pre-paid Customers ('000)	2,435.6	2,379.5	-2.3%	2,367.3	0.5%	2,435.6	2,379.5	-2.3%
Post-paid Customers ('000)	1,203.8	1,189.1	-1.2%	1,199.0	-0.8%	1,203.8	1,189.1	-1.2%
Net Additions ('000)	0.8	2.3	-	1.3	76.0%	35.3	-70.7	-
Data as % Service Revenues	32.8%	31.6%	-1.2pp	31.4%	0.2pp	32.5%	31.8%	-0.7pp
Non SMS Data as % Data Revenues	75.1%	75.9%	0.8pp	76.3%	-0.4pp	76.0%	76.3%	0.3pp
Total #SMS/month/user	44.0	42.2	-4.1%	41.9	0.8%	42.8	41.7	-2.7%
MOU(1) (min.)	126.1	124.5	-1.2%	122.6	1.6%	126.1	123.2	-2.4%
ARPU(2) (euros)	12.5	11.4	-8.8%	12.4	-8.3%	12.9	12.0	-7.2%
Customer Monthly Bill	10.9	10.3	-5.8%	10.9	-5.9%	11.2	10.6	-5.4%
Interconnection	1.6	1.1	-29.5%	1.5	-25.8%	1.7	1.4	-19.2%
ARPM(3) (euros)	0.10	0.09	-7.7%	0.10	-9.8%	0.10	0.10	-4.9%

(1) Minutes of Use per Customer per month; (2) Average Monthly Revenue per User; (3) Average Revenue per Minute.

Customer base

Optimus's mobile customer base stood at 3.57 million, down 1.9% y.o.y., despite the slight growth in net additions during 3Q12 and 4Q12. This reduction was driven by the expected erosion of the e-initiatives programme's customer base and the impact of Portugal's austerity measures, primarily in the personal segment.

Our post-paid customer base reached 1.19 million, down 1.2% y.o.y., driven entirely by the expected erosion of the e-initiatives programme's customer base. This fall aside, our post-paid customer base grew by 4.2%.

In 2012, both minutes of use (MOU) and the SMS/month/customer rate decreased by 2.4% and 2.7% y.o.y., respectively, contrasting with increasing data usage through smartphones.

Average revenue per user (ARPU) among mobile customers in 2012 stood at 12.0 euros. The fall registered during the year came on the back of lower interconnection revenues, which decreased from 1.7 euros to 1.4 euros, and lower monthly customer bill, which decreased from 11.2 euros to 10.6 euros, mainly reflecting the market's competitive nature.

Data services and mobile broadband

Data revenues represented 31.8% of service revenues in 2012, 0.7pp down compared to 2011. The impact of the end of the e-initiatives programme on Optimus's data revenues was not compensated by the increase of smartphone penetration, which increased 5.3pp.

The weight of non-SMS related data increased 0.3pp, reaching 76.3% in 2012.

II. Financial Indicators

Million euros

MOBILE INCOME STATEMENT	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Turnover	**140.6**	**128.6**	**-8.5%**	**137.1**	**-6.2%**	**570.7**	**528.1**	**-7.5%**
Service Revenues	131.4	118.3	-9.9%	129.6	-8.7%	542.4	500.6	-7.7%
Customer Revenues	114.5	106.6	-6.9%	113.7	-6.2%	470.4	442.7	-5.9%
Operator Revenues	16.9	11.7	-30.3%	15.9	-26.1%	72.0	57.9	-19.6%
Equipment Sales	9.2	10.2	11.1%	7.5	36.2%	28.3	27.6	-2.6%
Other Revenues	**8.0**	**7.1**	**-11.3%**	**6.8**	**5.6%**	**32.2**	**28.5**	**-11.5%**
Operating Costs	**98.7**	**84.6**	**-14.3%**	**82.0**	**3.2%**	**384.3**	**328.8**	**-14.4%**
Personnel Costs	12.4	11.2	-9.6%	10.9	3.3%	51.0	44.2	-13.5%
Direct Servicing Costs(1)	28.6	25.7	-10.2%	26.8	-4.3%	130.9	110.6	-15.5%
Commercial Costs(2)	25.7	22.6	-12.0%	20.9	8.1%	87.3	70.8	-18.9%
Other Operating Costs(3)	32.1	25.1	-21.5%	23.4	7.4%	115.1	103.2	-10.3%
EBITDA	**49.9**	**51.1**	**2.4%**	**61.9**	**-17.4%**	**218.6**	**227.8**	**4.2%**
EBITDA Margin (%)	35.5%	**39.7%**	4.2pp	45.1%	-5.4pp	38.3%	**43.1%**	4.8pp
Operating CAPEX(4)	146.7	24.6	-83.3%	35.1	-29.9%	210.5	107.5	-48.9%
Operating CAPEX as % of Turnover	104.4%	19.1%	-85.3pp	25.6%	-6.5pp	36.9%	20.4%	-16.5pp
EBITDA - Operating CAPEX	-96.8	26.5	-	26.8	-1.1%	8.1	120.3	-
Total CAPEX	**146.8**	**24.6**	**-83.3%**	**35.2**	**-30.2%**	**210.7**	**108.7**	**-48.4%**

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (4) Operating CAPEX excludes Financial Investments.

Turnover

Mobile turnover decreased 7.5% in 2012 to 528.1 million euros, driven by a fall in service revenues and equipment sales. The decline in service revenues was due to a combination of lower customer revenues and lower operator revenues. As we anticipated, customer revenues decreased 5.9% between 2011 and 2012 to 442.7 million euros. This was primarily due to the end of the government's e-initiatives programme and the negative impact of the austerity measures on consumption levels, mostly in the personal segment, and the consequent impact on monthly bills.

The level of competitiveness in the market, specifically in the youth segment, with aggressive rate plans being launched favouring the network effect, has also contributed to a reduction in mobile customer revenues across the Portuguese market.

During the same period, operator revenues decreased 19.6% to 57.9 million euros. Despite higher traffic levels, this decrease was entirely driven by lower regulated tariffs, both roaming in and MTRs. The latter decreased on average by approximately 35%.

Operating costs

As a result of Optimus's planned efforts to build a leaner organisation, mobile operating costs have been decreasing. During 2012, these costs decreased 14.4% y.o.y. to 328.8 million euros thanks to a decrease of 13.5% in personnel costs; a 15.5% decrease in direct servicing costs, due to a lower level of leased lines and network-related costs, as Optimus continues to reduce its dependency on rented infrastructure; and due to lower interconnection costs, driven by lower MTRs. Commercial costs decreased 18.9% due a combination of lower advertising costs and lower costs of goods sold (as a result of lower equipment sales and lower level of handset subsidisation). The other operating costs decreased 10.3%, driven primarily by lower general and administrative costs.

EBITDA

Mobile EBITDA increased 4.2% y.o.y. to 227.8 million euros, mostly driven by a 14.4% decrease in operating costs, which more than offset the negative trend in customer revenues. This upward trajectory is quite significant given Portugal's unfavourable macro-economic situation and also given the European trend. According to public information, we continue to increase our market share in terms of EBITDA.

The EBITDA margin reached 43.1% in 2012 against 38.3% in 2011, an increase of 4.8pp and a benchmark among mobile operators.

EBITDA-operating CAPEX

EBITDA-operating CAPEX increased from 8.1 million euros in 2011 to 120.3 million euros in 2012, driven mostly by a 4.2% increase in EBITDA and explained by the 4G spectrum acquisition in 2011. Excluding this acquisition, EBITDA-operating CAPEX increased 1.5% y.o.y., due entirely to the increase of 4.2% in EBITDA, which more than off-set the higher operating CAPEX in 2012. This, in turn, arose from the acceleration of our 4G network deployment, which exceeded its original 2012 target.

WIRELINE BUSINESS

Our fully integrated and convergent solutions targeted at corporates and SMEs continue to win approval from the market. At the end of 2012, as already mentioned, the percentage of convergent clients in our customer base exceeded 42%, up on 2011. At the same time, we continued to drive the growth of mobile and wireline services in these segments.

In the residential segment, our performance continues to be impacted by the decision we took in 2011 to abandon the acquisition of residential customers through regulated offers over rented infrastructure.

I.Operating Indicators

WIRELINE OPERATIONAL KPI's	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Total Accesses	**375,826**	**334,939**	**-10.9%**	**344,619**	**-2.8%**	**375,826**	**334,939**	**-10.9%**
Corporate and SMEs	**158,449**	**158,472**	**0.0%**	**156,897**	**1.0%**	**158,449**	**158,472**	**0.0%**
PTSN/RDIS	113,643	114,798	1.0%	113,181	1.4%	113,643	114,798	1.0%
Broadband	34,681	30,998	-10.6%	31,660	-2.1%	34,681	30,998	-10.6%
Other & Data	10,125	12,676	25.2%	12,056	5.1%	10,125	12,676	25.2%
Residential	**217,377**	**176,467**	**-18.8%**	**187,722**	**-6.0%**	**217,377**	**176,467**	**-18.8%**
PTSN/RDIS	100,254	72,505	-27.7%	79,467	-8.8%	100,254	72,505	-27.7%
Broadband	81,654	67,542	-17.3%	71,243	-5.2%	81,654	67,542	-17.3%
TV	35,469	36,420	2.7%	37,012	-1.6%	35,469	36,420	2.7%
Average Revenue per Access - Retail	**22.8**	**22.3**	**-2.2%**	**21.6**	**2.9%**	**23.3**	**22.6**	**-3.2%**

Customer base

The impact of the challenging macro-economic conditions during the year translated into additional pressure on the Corporate and SME segment. Nevertheless, the number of accesses in this segment was flat between 2011 and 2012. It should be noted that, in quarterly terms, the number of accesses increased 1.0% between 3Q12 and 4Q12 to 158 thousand.

Overall, the number of Corporate and SMEs services is being negatively impacted by lower broadband services as an increasing number of companies are fulfilling their broadband needs using the growing bandwidth delivered by mobile technology, particularly 4G.

The number of total accesses decreased 10.9% y.o.y. to 335 thousand accesses, entirely driven by a decrease of 18.8% in the Residential segment.

Despite the lower percentage of Residential customers, average revenue per access continued to decline, falling 3.2% (notwithstanding the 2.9% increase in quarterly terms).

II. Financial indicators

Million euros

WIRELINE INCOME STATEMENT	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Turnover	**56.9**	**60.9**	**7.0%**	**52.9**	**15.1%**	**220.4**	**222.5**	**1.0%**
Service Revenues	54.9	59.4	8.3%	51.6	15.1%	216.9	217.2	0.1%
Customer Revenues	24.6	21.2	-14.0%	21.2	-0.2%	103.6	89.9	-13.3%
Operator Revenues	30.3	38.2	26.4%	30.4	25.9%	113.3	127.3	12.3%
Equipment Sales	2.0	1.5	-27.2%	1.3	13.9%	3.5	5.4	55.4%
Other Revenues	**0.3**	**0.5**	**45.4%**	**0.2**	**97.3%**	**1.0**	**1.3**	**25.3%**
Operating Costs	**54.3**	**57.7**	**6.2%**	**49.1**	**17.6%**	**208.4**	**209.0**	**0.3%**
Personnel Costs	0.8	0.9	6.6%	0.9	-0.5%	2.8	3.7	29.9%
Direct Servicing Costs(1)	39.7	44.2	11.4%	37.3	18.6%	152.8	156.5	2.4%
Commercial Costs(2)	5.2	3.2	-37.8%	2.2	49.3%	12.1	13.0	6.7%
Other Operating Costs(3)	8.6	9.3	8.6%	8.7	7.2%	40.6	35.9	-11.5%
EBITDA	**3.0**	**3.7**	**25.2%**	**4.1**	**-9.5%**	**13.0**	**14.8**	**13.6%**
EBITDA Margin (%)	5.2%	**6.1%**	0.9pp	7.7%	-1.7pp	5.9%	**6.6%**	0.7pp
Operating CAPEX(4)	7.9	4.7	-40.4%	6.0	-20.8%	23.4	20.3	-13.4%
Operating CAPEX as % of Turnover	0.1	0.1	-618.4%	0.1	-352.4%	0.1	0.1	-151.7%
EBITDA - Operating CAPEX	-5.0	-1.0	79.2%	-1.9	45.1%	-10.4	-5.5	47.1%
Total CAPEX	**7.9**	**4.7**	**-40.4%**	**6.0**	**-20.8%**	**23.4**	**20.3**	**-13.4%**

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (4) Operating CAPEX excludes Financial Investments.

Turnover

Wireline turnover increased 1.0% y.o.y. to 222.5 million euros, thanks to an increase of 12.3% in operator revenues. This was due to a rise in traffic levels, despite the decrease in wholesale traffic prices. Equipment sales also contributed to the upward turnover trend, increasing 55.4% between 2011 and 2012 to 5.4 million euros. This was the result of commercial activity among Corporates and SMEs. It is worth mentioning that this is the first time since 2008 that our Wireline revenues have shown a positive yearly performance, with growth from the Wholesale and Business segments totally offsetting the negative residential trend.

Operating Costs

At 209.0 million euros, growth in Wireline operating costs was almost flat between 2011 and 2012. Personnel costs increased by almost 30%, as we are no longer capitalising the FTTH development costs. At 4Q12, the evolution was stable versus 4Q11, driven by the headcount related to additional Corporate and SMEs activity. Direct servicing costs increased 2.4%, to 156.5 million euros, linked to the positive performance in operator revenues. As for commercial costs, the 6.7% increase is due to higher cost of goods sold, driven by commercial activity in the SMEs and Corporate segment. Other operating costs decreased 11.5%, primarily due to lower outsourcing costs.

EBITDA

Wireline EBITDA increased 13.6% y.o.y., reaching 14.8 million euros. The EBITDA margin increased from 5.9% to 6.6%, growing 0.7pp y.o.y. despite the increased weight of operator revenues.

EBITDA-operating CAPEX

EBITDA-operating CAPEX improved almost 50% between the two periods, reaching a negative 5.5 million euros. This was due to the combined effect of a higher EBITDA and lower operating CAPEX that, besides being network-related, is almost fully driven by customer base growth.

MAIN REGULATORY DEVELOPMENTS IN 4Q12

Portability addendum

On 15 November 2012, Optimus signed an addendum to the contract for the provision of portability services with Portabil (Reference Entity).

The need to sign an addendum to the contract results from the definition of new prices and a charging scheme with Portabil, which will directly impact on prices associated with monthly fees and cost per ported number. These new conditions will imply a reduction of about 15% in the monthly costs incurred by Optimus for services rendered by Portabil.

Repeal of the right of use for frequencies for FWA

On 17 December 2012, ANACOM granted Optimus's application to repeal the right to use frequencies for the operation of fixed wireless access systems (FWA).

This decision applied on 31 December 2012. It involved returning two blocks: one at 2x56 MHz and the other at 2x28 MHz on the 24-25 GHz band. It should be noted that customers previously supported by this technology were migrated to alternative solutions.

CORPORATE DEVELOPMENTS IN 4Q12

Agreement between Sonaecom and Unitel International Holdings

On 14 December 2012, Sonaecom SGPS, SA, Kento Holding Limited and Jadeium BV (company name recently changed to Unitel International Holdings, BV), the latter two being companies owned by Eng. Isabel dos Santos, announced that they have reached an agreement to recommend to the Boards of Zon Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, SA and Optimus SGPS, SA a merger between the two companies, based on the incorporation of Optimus into Zon.

With a view to completing the operation, Sonaecom and Unitel International Holdings requested the respective management teams of Optimus and Zon that they should jointly assess the benefits and opportunity of the transaction, taking into consideration the interests of both companies.

SUBSEQUENT EVENTS

Announcement of merger between Optimus and ZON

On 21 January 2013, Optimus - SGPS, S.A and Zon Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, S.A. announced that the Boards of Directors of both companies unanimously approved the merger project involving the incorporation of Optimus into Zon, and pursuant to which all the assets and liabilities of Optimus will be globally transferred to Zon.

The merger project is based on an exchange ratio that grants Zon a value corresponding to 1.5 times the value of Optimus, aligned with the recommendation provided by Sonaecom and Eng. Isabel dos Santos, on 14 December 2012.

Pursuant to the merger, Zon will increase its share capital and, as a consequence, issue and grant to the shareholders of Optimus new shares representing 40% of the share capital of Zon resulting from the aforementioned increase.

Accordingly, Sonaecom, as the single shareholder of the merged company will receive 1.791866 shares of the merging company for each share representing the current registered capital of Optimus.

By virtue of the present merger transaction, Zon will adopt 'ZON OPTIMUS, SGPS, S.A.' as its corporate name, or any other to be approved by the National Registrar of Legal Entities.

The merger will result in a Group capable of investing in and promoting its own and the sector's competitiveness, and of creating greater shareholder value and new opportunities for employees, clients and suppliers. It will create a new Group with a sustainable strategy for growth, international expansion and optimised management in which the sharing of experience and expertise between the teams will play a decisive role.

Therefore, the Boards of Directors of the two companies consider this merger to be a logical and essential step towards the development of a common growth platform upon which to leverage and maximise the significant potential of both companies.

The transaction is subject to approval by the competent corporate bodies of the two companies and to other corporate formalities applicable or necessary for the implementation of the merger, as well as to the non-opposition of the Competition Authority, to any other authorisation, notification and paperwork applicable or necessary and to the issuance of a statement waiving the obligation to launch a mandatory takeover bid by the Portuguese Securities and Exchange Commission.

optimus

APPENDIX

Consolidated Balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	4Q11	4Q12	Δ 12/11	3Q12	q.o.q.	2011	2012	Δ 12/11
Total Net Assets	**1,938.3**	**1,857.5**	**-4.2%**	**1,861.9**	**-0.2%**	**1,938.3**	**1,857.5**	**-4.2%**
Non Current Assets	1,625.1	1,612.5	-0.8%	1,617.4	-0.3%	1,625.1	1,612.5	-0.8%
Tangible and Intangible Assets	962.3	949.8	-1.3%	959.2	-1.0%	962.3	949.8	-1.3%
Goodwill	565.1	565.1	0.0%	565.1	0.0%	565.1	565.1	0.0%
Investments	0.0	0.0	100.0%	0.0	-	0.0	0.0	100.0%
Deferred Tax Assets	97.6	94.1	-3.6%	90.2	4.3%	97.6	94.1	-3.6%
Others	0.1	3.6	-	2.9	23.2%	0.1	3.6	-
Current Assets	313.2	245.0	-21.8%	244.5	0.2%	313.2	245.0	-21.8%
Trade Debtors	121.4	118.4	-2.4%	98.5	20.2%	121.4	118.4	-2.4%
Liquidity	99.7	33.5	-66.4%	41.5	-19.3%	99.7	33.5	-66.4%
Others	92.2	93.1	1.0%	104.5	-10.9%	92.2	93.1	1.0%
Shareholders' Funds	**1,057.4**	**1,047.5**	**-0.9%**	**1,045.0**	**0.2%**	**1,057.4**	**1,047.5**	**-0.9%**
Total Liabilities	**881.0**	**810.0**	**-8.1%**	**816.9**	-0.8%	**881.0**	**810.0**	**-8.1%**
Non Current Liabilities	481.7	412.4	-14.4%	406.3	1.5%	481.7	412.4	-14.4%
Loans	360.7	315.2	-12.6%	313.1	0.7%	360.7	315.2	-12.6%
Provisions for Other Liabilities and Charges	46.8	39.8	-15.0%	42.0	-5.4%	46.8	39.8	-15.0%
Others	74.2	57.5	-22.5%	51.2	12.4%	74.2	57.5	-22.5%
Current Liabilities	399.2	397.6	-0.4%	410.6	-3.2%	399.2	397.6	-0.4%
Loans	0.3	104.6	-	87.7	19.2%	0.3	104.6	-
Trade Creditors	159.0	157.6	-0.9%	143.4	9.9%	159.0	157.6	-0.9%
Others	239.9	135.4	-43.6%	179.4	-24.6%	239.9	135.4	-43.6%
Operating CAPEX(1)	155.0	29.3	-81.1%	40.8	-28.2%	234.5	128.9	-45.0%
Operating CAPEX as % of Turnover	82.2%	16.1%	-66.1pp	22.3%	-6.3pp	31.1%	17.9%	-13.2pp
Total CAPEX	155.0	29.3	-81.1%	40.9	-28.5%	234.7	130.1	-44.6%
EBITDA - Operating CAPEX	-102.1	25.5	-	25.1	1.6%	-2.8	113.7	-
Operating Cash Flow(2)	10.5	18.7	78.4%	30.2	-37.9%	83.3	-3.2	-
FCF(3)	7.7	9.5	23.4%	27.2	-65.1%	55.4	-29.1	-
Gross Debt	379.6	440.5	16.0%	421.1	4.6%	379.6	440.5	16.0%
Net Debt	279.9	407.0	45.4%	379.6	7.2%	279.9	407.0	45.4%
Net Debt/ EBITDA last 12 months	1.2x	1.7x	0.5x	1.6x	0.1x	1.2x	1.7x	0.5x
EBITDA/Interest Expenses(4) (last 12 months)	16.7x	17.5x	0.8x	30.7x	-13.2x	16.7x	17.5x	0.8x
Debt/Total Funds (Debt + Shareholders' Funds)	26.4%	29.6%	3.2pp	28.7%	0.9pp	26.4%	29.6%	3.2pp

(1) Operating CAPEX excludes Financial Investments: (2) Operating Cash Flow = EBITDA - Operating CAPEX - Change in WC -Non Cash item & Other; (3) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs; (4) Interest Cover.

Notes

The Consolidated Financial Information contained in this report has been prepared in accordance with International Financial Reporting Standards (IAS/IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union. The annual financial information was subjected to audit procedures.

The pro forma consolidated accounts have been prepared assuming, on 1 January 2011, the same group structure as of 31 December 2012, which was reflected on the Goodwill on that date.

Additionally, at 31 December 2011, the Company considered the same accounting policies and measurement criteria as adopted at 31 December 2012.

SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that are not historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, the telecommunications industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes", "expects", "anticipates", "projects", "intends", "should", "seeks", "estimates", "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors, analysts and, generally, the recipients of this document are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

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