

Corporate Action Notice

August 14, 2012

Ratio Change

Name: Oi S.A.

DR CUSIP : 670851203

Ratio (DRs:Underlying Shares): 1:3

The Bank of New York Mellon, at the direction of the Oi S.A.- Pref (the “Company”), is announcing a ratio change on the Depositary Receipt (“DR”) program from 1 Depositary Share (“DS”) representing 3 Ordinary shares to 1 DS representing 1 Ordinary share.

The ratio change will occur simultaneously with a 200% DS distribution. DR holders will receive 2 additional DS for each DS held.

BNY Mellon has established the following:

DR Record Date: August 13, 2012

DR Payable Date: August 14, 2012

DR Distribution Rate: 200% Distribution (or 2 additional DSs for each DS held).

Old DR Ratio: 1 DR : 3 Ordinary shares

New DR Ratio: 1 DR : 1 Ordinary share

Effective date for DR ratio change: August 15, 2012

NOTE: A ratio change may impact the fees payable by ADR investors.

To learn more about Depositary Receipts and issuer programs, please contact our marketing desks:

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