

# Corporate Action Notice

November 9, 2018

## Rights Offering

**Oi S.A. – In Judicial Reorganization Preferred ADS**

**DR CUSIP:** 670851401 / **DR ISIN:** US6708514012

**DR Ticker Symbol:** OIBRQ

**Ratio (DS: Underlying Shares):** 1: 1

Oi S.A. – In Judicial Reorganization (the “Company”) announced a rights offer (the “ADS Rights Offer”) in which holders of American Depositary Shares (“ADSs”), each representing one preferred share of the Company (the “Preferred ADSs”), as of 5:00 p.m. (New York City time) on November 21, 2018 (the “ADS Record Date”) will receive rights (the “Common ADS Rights”) to subscribe for ADSs, each representing five common shares of the Company (the “New Common ADSs”). The Common ADS Rights will be listed for trading on the New York Stock Exchange and will be transferable. The Common ADS Rights are being issued in connection with a rights offer (the “Share Rights Offer” and, together with the ADS Rights Offer, the “Rights Offer”) by the Company to holders of common shares and preferred shares of the Company as of November 19, 2018, of transferable rights (the “Common Share Rights”) to purchase new common shares of the Company (“New Common Shares”).

The details of the ADS Rights Offer are as follows:

**ADS Rights Distribution Ratio:** 0.266726 Common ADS Rights for every one (1) Preferred ADS held on the ADS Record Date. Each Common ADS Right will allow the holder thereof (the “ADS Rights Holder”) to subscribe for one New Common ADS. Each New Common ADS will represent five (5) common shares of the Company. Fractional Common ADS Rights will not be issued, and fractional entitlements will be reduced to the next smaller whole number of Common ADS Rights.

**ADS Subscription Payment:** To validly subscribe for New Common ADSs, ADS Rights Holders will need to deposit with The Bank of New York Mellon, as ADS rights agent (the “ADS Rights Agent”) \$2.03 (the “New Common ADS Deposit Amount”) for each New Common ADS subscribed for or requested. The New Common ADS Deposit Amount, which is equal to US\$1.69 (the U.S. dollar equivalent of five times the New Common Share subscription price of R\$1.24 based on the closing rate for the sale of U.S. dollars against the real as reported by the Brazilian Central Bank on October 26, 2018, the date on which the board of directors of the Company authorized the Rights Offer) per New Common ADS subscribed or requested, plus 20% of such amount to cover (1) currency rate fluctuations from October 26, 2018 to the date on which the ADS Rights Agent converts currency in connection with the exercise by the Brazilian custodian of the common shares underlying the Common ADSs of the Common Share Rights underlying the Common ADS Rights, (2) the ADS Depositary’s issuance fee of US\$0.05 per New Common ADS, and (3) any other applicable fees, expenses or taxes. .

- ADS Record Date: 5:00 p.m. (New York City time) on November 21, 2018
- ADS Rights CUSIP: P7353Y106
- ADS Rights Ticker: OIBR RT



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- The Common ADS Rights exercise period is from 9:00 a.m. (New York City time) November 26, 2018 until 5:00 p.m. (New York City time) on December 17, 2018.
- Common ADS Rights expiration date is 5:00 p.m. (New York time) on December 17, 2018.
- The Common ADS Rights are transferable.
- ADS Rights Holders may manifest their intention to purchase additional New Common ADSs in excess of the number of New Common ADSs to which they are entitled by making a subscription request at the time that they exercise their Common ADS Rights.
- Guarantee Period: Not applicable.
- The exercise of Common ADS Rights is irrevocable and may not be cancelled or modified.
- Unexercised Common ADS Rights will expire worthless.
- Mail Date for Common ADS Rights materials: on or about November 26, 2018.

Information Agent: D.F. King & Co., Inc.: Banks and Brokers Call: +1 (212) 269-5550 All Others Call: +1 (800) 628-8536 email: [oi@dfking.com](mailto:oi@dfking.com).

A form letter with subscription instructions for registered holders of Common ADSs (the “Registered Holders”) will be mailed to Registered ADS Holders by the Information Agent as soon as practicable on or after the ADS Rights Record Date and is also available by contacting the Information Agent.

The Rights Offer will be made to holders of securities in the United States and elsewhere outside Brazil only by means of a prospectus. A copy of the prospectus, when available, may be obtained from the Information Agent or by visiting the EDGAR system of the SEC at its website at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml). A registration statement on Form F-1 relating to the proposed sale of New Common Shares and New Common ADSs in the anticipated Rights Offer (the “Registration Statement”) has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. The New Common Shares and New Common ADSs may not be sold, nor may offers to buy be accepted, prior to the time the Registration Statement becomes effective. This notice shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

To learn more about DRs, please contact [DRBrokerSolutions@bnymellon.com](mailto:DRBrokerSolutions@bnymellon.com) or visit our website at [adrbnymellon.com](http://adrbnymellon.com).

**PLEASE SEE INVESTOR DISCLOSURE ON LAST PAGE.**



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