



OI S.A.

Corporate Taxpayers' Registry (CNPJ/MF): 76.535.764/0001-43

Board of Trade (NIRE): 33.3.0029520-8

NOTICE TO THE MARKET

Oi hereby informs the market of the final results of its participation in the 2.5GHz and 450 MHz frequency band auction, held by Anatel on June 13 and 14. The lots acquired were as follows:

- (i) sub-band V2, in the 2.5 GHz frequency band (FDD), in the 10+10 MHz range, with nationwide reach;
- (ii) sub-band P, with lots in regional areas 11, 43, 51, 53, 71, 81, 88, 94, 95 and 96, in the 2.5 GHz frequency band (FDD), in the 10+10 MHz range; and
- (iii) sub-band of 450 MHz for the Midwest region and the state of Rio Grande do Sul, in the 7+7 MHz range.

The lots were acquired for R\$399.8 million, representing an average premium of 4.5% above the minimum price. Oi's strategy was to participate in the auction, underlining its commitment to offering an extensive portfolio of services for its clients and creating value for its shareholders. Thanks to the lots acquired, the Company will be able to offer 4G telephony throughout Brazil (with additional bandwidth in strategic markets) and voice and data services in rural areas.

The acquisition of the license and the infrastructure investments needed to operate these frequencies are in line with the Company's business plan, which envisages total investments of R\$24 billion through 2015, R\$6 billion of which in 2012 alone, with a focus on expanding broadband infrastructure, including increasing capacity and velocity, expanding coverage, reinforcing the transportation network and introducing new services, thereby strengthening ample broadband access for its clients via FTTH, Wi-Fi, 3G and 4G.

FINAL RESULT OF OI'S PARTICIPATION IN THE ANATEL AUCTION

Lot	Coverage	Sub-band	Minimum Price (R\$)	Acquisition Price (R\$)	Premium (%)
5	National	450 MHz + V2	315,096,000	330,851,000	5.0%
150	AR 88 (APS 1)	P	1,503,000	1,503,000	0.0%
173	AR 95 (APS 1)	P	502,000	502,000	0.0%
210	AR 96	P	1,181,000	1,181,000	0.0%
211	AR 71 (complement)	P	2,222,000	2,333,100	5.0%
231	AR 94	P	2,659,000	2,659,000	0.0%
233	AR 81 (complement)	P	5,887,000	6,181,350	5.0%
241	AR 95 (complement)	P	295,000	295,000	0.0%
252	AR 43 (complement)	P	7,256,000	7,256,000	0.0%
257	AR 51 (complement)	P	19,270,000	19,270,000	0.0%
258	AR 53 (complement)	P	6,790,000	6,790,000	0.0%
265	AR 11 (complement)	P	19,963,000	20,962,000	5.0%
Total			382,624,000	399,783,450	4.5%

Rio de Janeiro, June 15, 2012.

Alex Waldemar Zornig

Investor Relations Officer