



Rio de Janeiro. November 17, 2014.

BM&FBOVESPA S.A. – Stocks, Commodities and Futures Exchange

Company Monitoring Superintendency

At.: Mr. Nelson Barroso Ortega

C/C

Securities and Exchange Commission of Brazil

Corporate Relations Superintendent / Market Relations and Intermediates Superintendent

At.: Mr. Fernando Soares Vieira / Mr. Waldir de Jesus Nobre

Ref.: Official Letter SAE 3560/2014

Dear Sirs,

We refer to the Official Letter SAE 3560/2014 (“Official Letter”), through which is requested to Oi S.A. (“Oi” or “Company”) the following explanations:

“A piece of news published on the Agência Estado – Broadcast, in November 13, 2014, stated, among other information, that the company predicts an improvement between R\$ 1.2 billion and R\$ 1.8 billion in 2015 on the Ebitda minus the investments (capex).

We request, until November 17, 2014, clarification on this piece of news, as well as further information deemed relevant.”

In this regard, the Company informs that the expected improvement on Ebitda minus investments (Capex), referred to in the piece of news, was stated in the public material presented within the earnings’ release of the third quarter of 2014, specifically on slide 13 of the presentation publicly disclosed on the Company’s website (www.oi.com.br/ri) since November 13, 2014.

The Company expects an Ebitda minus Capex's improvement for 2015 between R\$ 1.2 billion and R\$ 1.8 billion, in comparison to 2014. This expectation is based on initiatives related to the transformation project that the Company has been implementing since the beginning of 2014. It consists of a series of actions that involves Oi's main areas, such as sales, operations,



engineering, customer service, among other, and are aimed at improving productivity and services quality. These initiatives are also detailed on slide 13 from the presentation cited above.

As these are the considerations we had regarding the Official Letter's subjects, we place ourselves entirely at your disposal for any further clarification.

Kind regards,

Oi S.A.

Bayard De Paoli Gontijo

CEO (acting)

CFO and Investor Relations Officer