Oi S.A. ("Oi" or the "Company") hereby discloses to its shareholders and the market in general that its subsidiaries Telemar Norte Leste S.A. ("Telemar") and BRT Serviços de Internet S.A. ("BRTSI", and together with Telemar, the "Sellers") entered into an agreement with SBA Torres Brasil, Limitada (the "Buyer"), in which they committed to transfer shares representing 100% of the capital stock of a company controlled by the Sellers that owns 1,641 mobile telecommunications towers (the "Transaction"), in exchange for the aggregate amount of R$1,172,493,238, on the closing date (the "Closing"), which is expected to occur in December 2014.

The Transaction reinforces and improves the Company’s financial flexibility, allowing it to extend its debt maturities, reduce costs related to financing and strengthen Oi’s liquidity position. In addition, the Transaction will transfer to the Buyer the responsibility for costs and investments in the operation, maintenance and expansion of the towers. It also assures the continued provision of personal mobile services, insofar as the Company leases space in these towers through long-term lease agreements that establish the conditions for the expansion of the leased space.

The conclusion of the Transaction is subject to the satisfaction of the conditions precedent for Closing set forth in the agreement.

Oi will keep its shareholders and the market informed regarding the conclusion of the Transaction and any other events that may affect its terms and conditions.

This Material Fact is disclosed by Oi in compliance with art. 157, §4 of Law No. 6,404/76 and in accordance with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários – CVM) Instruction No. 358/02.


Bayard De Paoli Gontijo
Chief Financial Officer and Investor Relations Officer

Oi S.A.