ZON Multimédia - Serviços de Telecomunicações e Multimédia, SGPS, S.A.
(Public Company)
Registered Offices: Rua Actor António Silva, no. 9 – Campo Grande, parish of Lumiar, 1600-404 Lisbon
Registered Share Capital: EUR 3,090,968.28
Registration number before the Companies Registrar of Lisbon and taxpayer number 504 453 513

General Meeting of 7 March 2013
Item two of the Agenda

BOARD OF DIRECTORS PROPOSAL

WHEREAS:

A) In the meeting held on 21 January 2013, the Board of Directors resolved to approve the merger project and its respective schedules (attached hereto as Schedule I, "Merger Project") regarding the merger to be performed through the incorporation and the global transfer of the assets and liabilities of OPTIMUS – SGPS, S.A. ("OPTIMUS") into/to ZON – SERVIÇOS DE TELECOMUNICAÇÕES E MULTIMÉDIA, SGPS, S.A. ("ZON" or the "Company"), pursuant to and for the purposes of article 97(4)(a) of the Portuguese Companies Code (the "Merger");

B) The Board of Directors believes in the great potential and added value that the Merger will bring to ZON, its stakeholders and to the Portuguese market, as it understands that, in the event this transaction is completed, it will result, *inter alia*, in:

(i) The creation of a telecommunications group with a significant size and capacity to increment the projection of the Portuguese capital market;

(ii) The potential growth originated by the complementarity and convergence of the infrastructures of both companies participating in the Merger, with the consequent development of innovative and more wide-ranging products and services;

(iii) The promotion of competition, productivity and innovation, through the creation of an operator with a remarkable presence and dimension in all market segments in Portugal;

(iv) The creation of a more solid and stronger operator, as a result of a larger scale operation, with the obtaining of operational synergies; and

(v) The possibility of increasing the envisaged international exposure and growth.

C) The Board of Directors further believes that the creation of a stronger and more solid communication group will allow a greater ability to pursue a sustainable growth, internationalization and efficient management strategy, where the sharing of experience and expertise of the teams of the companies involved thereto will be a decisive and essential factor;

D) Furthermore, the Board of Directors believes that the Merger will result on a group able to invest and promote its own competitiveness as well as the competition of the sector, alongside the creation of value and new opportunities for its stakeholders, employees, customers and suppliers;

E) On the other hand, and according to the public announcement of 14 December 2012, SONAECOM SGPS, S.A. ("SONAECOM") – holder of shares representing 100% of the registered share capital of OPTIMUS – and KENTO HOLDING LIMITED and UNITEL INTERNATIONAL HOLDINGS, BV (formerly named "JADEIUM BV") – companies held by Mrs. Isabel dos Santos (jointly referred to as "KENTO/UNITEL") and holders of shares representing 28.8% of the current registered share capital of ZON – have reached an agreement to promote the Merger before the Board of Directors of ZON and OPTIMUS (the "Announcement");

F) According to the Announcement, SONAECOM and KENTO/UNITEL agreed on the incorporation of a special purpose vehicle held in equal parts by the same that will hold, conditional upon the Merger completion, a substantial part of the stake held by SONAECOM in OPTIMUS and the entire stake held by KENTO/UNITEL in ZON;

G) As such, pursuant to the Announcement, in case the Merger is completed, and as a result of the same, the special purpose vehicle, whose incorporation was agreed between SONAECOM and KENTO/UNITEL (as well as those entities considered as its related-parties under Article 20 of the Portuguese Securities Code ("Cod.VM")), would become the holder of a controlling position in ZON;

H) As referred to in the Merger Project, should Article 189(1)(c) not be applicable, the acquisition of the controlling position mentioned in G), i.e. of more than half of the voting rights inherent to the registered share capital of ZON, would require the entities referred thereto to launch a mandatory takeover bid over all shares representing the registered share capital of ZON, pursuant to Article 187 of the Cod.VM;

I) As further mentioned in the Merger Project, at the request of the Board of Directors of OPTIMUS – to which the Board of Directors of ZON decided not to oppose –, the effects of the resolution on the approval of the Merger will be conditional upon a statement having been issued by the Portuguese

Securities Exchange Commission ("CMVM") confirming the exemption of the obligation to launch a mandatory takeover bid that would arise from the Merger to the entities mentioned in Recital G) above, pursuant to article 189(1)(c) of the Cod.VM; the shareholders of ZON will have to resolve whether or not to approve the Merger taking into consideration the applicability of the abovementioned exemption.

We propose hereby that, within the scope of Item two of the Agenda, the General Meeting resolves to:

1) Approve the Merger Project attached hereto as Schedule I and all the amendments to the Articles of Association of ZON that are foreseen therein and attached as Schedule IV to the referred project, namely:

(i) The increase of the registered share capital of ZON from EUR 3,090,968.28 (three millions, ninety thousand, nine hundred and sixty-eight Euros and twenty-eight cents) to EUR 5,151,613.80 (five millions, one hundred and fifty-one thousand and six hundred and thirteen Euros and eighty cents), with the subsequent issuance of 206,064,552 (two hundred and six millions, sixty-four thousand five hundred and fifty-two) new shares, keeping the nominal value of EUR 0,01 (one Euro cent) each; and

(ii) The change of the corporate name of the Company to "ZON OPTIMUS, SGPS, S.A." or other name that may be approved by the National Registrar of Legal Entities.

2) Considering that with the approval of the Merger, and under the terms described in the Recitals of this proposal, and in Chapter III of the Merger Project, the entities mentioned in Recital G) above would be obliged to launch a mandatory takeover bid over all shares representing the registered share capital of ZON, pursuant to Article 187 of the Cod.VM, to subject the effects of the Merger to the exemption of the obligation of launching the mandatory takeover bid, pursuant to article 189(1)(c) of the Cod.VM, through the issuance of an exemption statement by CMVM, without prejudice of the remaining standstill conditions foreseen in Chapter III of the Merger Project (*i.e.*, the completion of the applicable corporate and administrative formalities and the non-opposition of the Competition Authority).

Lisbon, 21 January 2013.

The Board of Directors,