

PHAROL, SGPS S.A.
Form 6-K
October 26, 2015

United States
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of October 2015

Commission File Number 1-13758

PHAROL, SGPS S.A.

(Exact name of registrant as specified in its charter)

Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square

1250 -133 Lisboa, Portugal
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

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Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Announcement | Lisbon | 26 October 2015

MATERIAL FACT DISCLOSED BY OI

PHAROL, SGPS S.A. hereby informs on the Material fact disclosed by Oi, S.A., according to the company's announcement attached hereto.

PHAROL, SGPS S.A.

Public company

PHAROL is listed on the Euronext (PHR). Information may be accessed on Bloomberg under the symbol PHR PL.

Luis Sousa de Macedo
Investor Relations Director

Share capital Euro 26,895,375

Registered in the Commercial

ir@pharol.pt

Registry Office of Lisbon and Corporation no. 503 215 058

Tel.: +351 212 697 698

Fax: +351 212 697 949

pharol.pt

Oi S.A.

Corporate Taxpayers Registry (CNPJ/MF) No. 76.535.764/0001-43

Board of Trade (NIRE) No. 33.300.29520-8

Publicly-Held Company

MATERIAL FACT

Oi S.A. (Oi or Company), in accordance with Art. 157, paragraph 4 of Law No. 6,404/76, informs its shareholders and the market in general that BTG Pactual S.A. (BTG Pactual), in its capacity as the Company's agent to develop viable structuring and financing alternatives that would enable the Company to participate in the consolidation of the Brazilian telecommunications sector, without diluting the interests of current shareholders, received, on Friday, October 23, 2015, a letter from a company of the investment group Letter One (Letter One), containing a proposal for the Company to enter into exclusive negotiations with Letter One with respect to a potential transaction with the objective of a possible consolidation of the Brazilian telecommunications sector, involving a potential business combination with TIM Participações S.A.

In accordance with the proposal from Letter One, sent by BTG Pactual to the Chief Executive Officer and Chairman of the Company's board of directors, Letter One would be willing to make a capital contribution of up to U.S.\$4.0 billion in the Company, subject to the consolidation activities.

The proposal will be carefully evaluated by the Company, jointly with its legal and financial advisors.

The Company will maintain its shareholders and the market informed if there is any decision with respect to the above matter or with respect to any events related to the foregoing.

Rio de Janeiro, October 26, 2015

Flavio Nicolay Guimarães

Chief Financial Officer and Investor Relations Officer

Oi S.A.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 26, 2015

PHAROL, SGPS S.A.

By: **/s/ Luis Sousa de Macedo**
Luis Sousa de Macedo
Investor Relations Director

FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words anticipates, believes, estimates, expects, plans and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.