

Press Release

One of the first new wireline telecommunications operator in Europe to break even in net income

Oni Communications Achieves Positive Net Profit

Lisbon, July 9th, 2008 - Oni Communications (**Oni**) today announced its results for the tax year ending 30th June 2008, achieving positive Net Profit for the first time in its 10 year history, and making Oni one of the first new fixed line European telecommunications operators to achieve a profit. The company presents a positive Net Profit of 0.5 million Euros (M€), compared to a negative 80.7 M€ for the period of July 2006 - June 2007.

According to Xavier Rodríguez-Martín, Oni's CEO, these results **"confirm that our strategy of focusing Oni on the corporate and carrier's carrier segments adopted in early 2007 was the right one. For the first time in Oni's history, we have achieved positive Net Income, in addition to simultaneous growth of all business and financial figures. These results are even more relevant considering that they position us amongst the small community of new fixed line European operators that have achieved positive results."** Rodríguez-Martín adds that **"we would also like to highlight Oni's strong performance in a market characterized by high pressured margins."**

The company showed a 65 per cent increase in EBITDA to 27.0 M€, compared to 16.5 M€ for the same period last year, contributing to an increase of three per cent in corporate revenues, which have reached 132.3 M€. This value reflects a market share of more than 20 per cent of the corporate market.

In the tax year now ending, total revenues have reached 137.4 M€, with Voice revenues representing 44.6 M€, Data and Services 81.4 M€ and Equipment sales 11.4 M€. Compared to last year, the contribution of Data and Services in the revenue mix increased by 3 percentage points, reaching 59 per cent, whereas Voice revenues decreased from 37 per cent to 33 per cent.

On a segment analysis, corporate revenues totaled 72.4 M€, Carrier's Carrier 41.0 M€ and SME 18.9 M€. For the period now ending, Residential business has contributed with revenues of 5.1 M€ which were generated from the sale of this business portfolio.

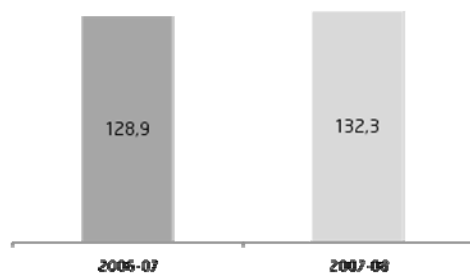
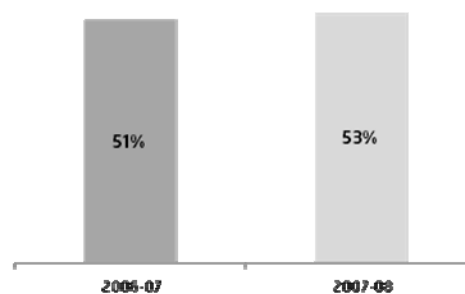
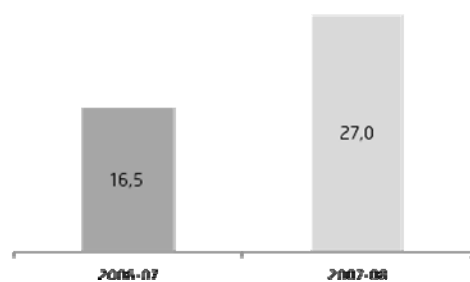
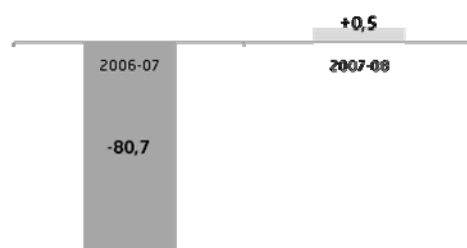
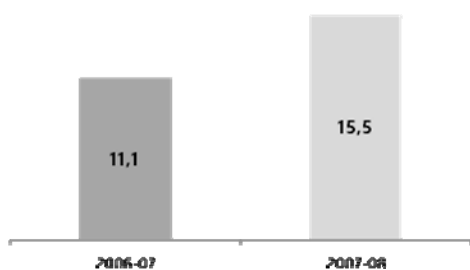
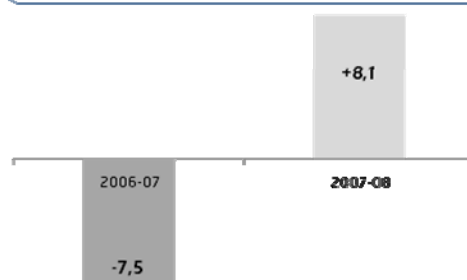


Gross margins have improved by 2 percentage points to 53 per cent, reaching 72.4 M€.

Following the strategy defined 18 months ago, Oni has invested 15.5 M€ in this period, mainly for the development of its core network. Compared to the same period last year, this value reflects a 40 per cent increase in the investment committed to the corporate business.

Xavier Rodriguez-Martín concludes that **"Oni feels confident about the future. We expect to maintain the growth in the corporate and carrier's carrier businesses and increase growth in the Public Sector, where with a 3 per cent market share, we are the 2nd largest operator. Oni will continue to enjoy strong growth potential as this market continues to effectively adopt competitive practices."**

Main highlights

Corporate Revenue increases 3%

Gross Margin increases 2 p.p.

EBITDA increases 65%

Positive Net Profit

Investment increases 40%

Positive Cash-Flow

Notes:

1. Values in millions of Euros
2. Values not audited



About Oni Communications

Oni Communications is a provider of communication solutions focusing on the corporate and carrier's carrier markets. In 2007-08 it had a turnover of more than 132 million Euros in corporate telecommunications services; more than two thirds of this revenue was due to complex data and integrated solution services. Oni Communications has a market share of more than 20% in the corporate and carrier's carrier (C&C) segments, which positions it as the European alternative network operator with the highest market share in these segments.

The company is owned by The Riverside Group (62.5%) and Gestmin SGPS (37.5%), through WinReason.

For further information please contact:

Lift - +351. 214 666 500

Paula Ramos - paula.ramos@lift.com.pt - +351. 933 222 769

Margarida Gonçalves - margarida.goncalves@lift.com.pt - +351 918 267 737