



**Oi S.A. – In Judicial Reorganization**  
CNPJ/MF No. 76.535.764/0001-43  
NIRE 33.300.29520-8  
Publicly-Held Company

### **MATERIAL FACT**

#### **Decision rendered in the arbitration proceeding initiated by its shareholder Bratel Capital Increase – New Resources**

**Oi S.A. – In Judicial Reorganization** (“**Oi**” or the “**Company**”), in compliance with article 157, paragraph 4 of Law No. 6,404/76 and in accordance with the provisions set forth in CVM Instruction No. 358/02, and in continuation to the information disclosed in the Material Fact on October 26, 2018, hereby informs its shareholders and the market in general that, on this date, it became aware of a decision rendered by the Supporting Arbitrator in the arbitration proceeding initiated against the Company by its shareholder Bratel S.À.R.L. in the Market Arbitration Chamber, which reconsidered its previous decision rendered on October 26, 2018 that suspended the effects of the approval of the capital increase pursuant to the private issuance of new common shares approved by the Board of Directors of the Company in a meeting held on October 26, 2018, in accordance with Clause 6 of the Judicial Reorganization Plan [the “**Capital Increase – New Resources**”]. As a result, the Company is authorized to proceed with the acts necessary to give effect to the Capital Increase - New Resources.

The Company will keep its shareholders and the market informed on the development of the subject matter of this Material Fact.

Rio de Janeiro, November 06, 2018.

**Oi S.A. – In Judicial Reorganization**

Carlos Augusto Machado Pereira de Almeida Brandão  
Chief Financial Officer and Investor Relations Officer

**Important Information**

The proposed rights offering (the “Rights Offering”) will be made to holders of securities in the United States and elsewhere outside Brazil only by means of a prospectus.

A copy of the prospectus, when available, may be obtained from:

D.F. King & Co., Inc.  
48 Wall Street  
New York, NY 10005  
Banks and Brokers Call: +1 (212) 269-5550  
All Others Call: +1 (800) 628-8536  
Email: [oi@dfking.com](mailto:oi@dfking.com)

A registration statement relating to the proposed sale of common shares (“Common Shares”) and American Depositary Shares (“ADSs”) of the Company in the anticipated Rights Offering has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. The new Common Shares and ADSs may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This Material Fact shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.