



Oi S.A. – In Judicial Reorganization

Corporate Taxpayers' Registry [CNPJ/MF] No. 76.535.764/0001-43

Board of Trade [NIRE] No. 33.300.29520-8

Publicly-Held Company

NOTICE TO THE MARKET

Oi S.A. – In Judicial Reorganization (“**Oi**” or “**Company**”), in continuance of and in addition to the information contained in the Notice to the Market disclosed by the Company on February 2, 2017, hereby informs its shareholders and the market in general that, on this date, the administrators appointed to supervise the suspension of payments proceedings of Oi Brasil Holdings Coöperatief UA – In Judicial Reorganization (“**Oi Brasil Holdings**”) and Portugal Telecom International Finance B.V. – In Judicial Reorganization (“**PTIF**”) informed that they will not appeal against the judgements of the District Court of Amsterdam, The Netherlands, whereby the requests for conversion of the suspension of payments proceedings into Dutch bankruptcy proceedings for each of Oi Brasil Holdings and PTIF were denied. Oi was also informed that certain creditors of each of Oi Brasil Holdings and PTIF filed appeals against such judgements on this date.

Oi will keep its shareholders and the market informed of the development of the subject matter of this Notice to the Market, whenever appropriate.

Rio de Janeiro, February 10, 2017.

Ricardo Malavazi Martins

Chief Financial Officer and Investor Relations Officer.

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