

November 08, 2011

To
BNP Paribas S/A
16 Boulevard des Italiens
Paris, France 75009

A/C: Jean Clamon
Head of Compliance

Ref.: Valuation of shares of Telemar Norte Leste S. A.

Dear Sir,

We forward this letter to you as shareholders of Telemar Norte Leste S. A. ("Company" or "Telemar"), given the indication of Banco BNP Paribas Brasil S.A. ("BNP Paribas") at the extraordinary general meeting of the Company held on November 3, 2011, to conduct an economic valuation of the Company for purposes of determining the redemption value of the shares belonging to minorities who dissent from any decision of approval for the merger of the Company with Coari Participações S. A., in the context of reorganization of the Oi Group, as disclosed to the market through communications by the Company dated May 24, 2011; August 1, 2011; August 17, 2011 and August 26, 2011.

The objective of this correspondence is to respectfully inform you of the economic valuation mandate accepted by BNP Paribas in Brazil, under the direct responsibility of your Managing Director Mr. Daniel Hagge. Please note this valuation mandate is being executed in the context of a major corporate reorganization, involving minorities's stakes valued at more than US\$5 billion, with companies registered in the US with full ADR programs.

Considering the recent conduct of the directors of the companies involved in the reorganization, object of formal protests by shareholders and independent board members to the Company and to the local regulator (Comissão de Valores Mobiliários – CVM), we reiterate to you directly that we may take the necessary and available legal steps to ensure the fair determination of the economic value of the Company, observing adequate market parameters. In this context, the importance of a critical analysis of the assumptions as well as the expected future cash flows in the valuation report should be emphasized, given the responsibility assumed by BNP Paribas under the mandate.

It is noteworthy that there were highly profitable assets that have not been considered in the evaluations already conducted in the course of this operation. Moreover, there are several reports in the press about possible negotiations with the assets mentioned below, containing even speculation about their possible business value. The assets worth mentioning are:

- Globenet: extensive network of 22,000 km of submarine cable connecting New York to Fortaleza, going through Miami, Bermuda, Venezuela and Colombia. EBITDA margins of this operation are approximately 80% and it generated roughly R\$ 150 million net profit in 2010.
- MetroRed: composed of 6 Cyber Data Centers and fiber optic cabling in the areas of highest GDP per capita in Brazil. In recent consultation with sector professionals the approximate value of its business were estimated in R\$ 400 million. For comparison, TIM has recently disbursed R\$ 1.6 billion for Eletropaulo's network (a similar asset).

- IG: positioned among the leaders in the Internet segment, it has between 2 and 3 million e-mail accounts. In a study to support the amortization of Brasil Telecom S.A.'s goodwill, dated December 3, 2010 and available at the CVM (Comissão de Valores Mobiliários), the present value of estimated earnings before taxes for the next 10 years is around R\$ 900 million.
- Call Center: operation with approximately 17,000 employees and expected, according to the same study mentioned in the previous item, valued at an estimated amount of R\$ 450 million, based on the present value of as earnings before taxes for the next 10 years. Telemar has spin-off of its call center operation (Contax) in the past, which currently has a market value of R\$ 1.3 billion.

Convinced that you will fulfill your legal responsibilities, we call to your attention in the preparation of the appraisal report, all the obligations contained in Article 8, par. 1, of the Law 6.404/76 and the liability under par. 6 of the same Article; obligations that protect the best interest of all shareholders of the company (referring to the legal and civil responsibilities assumed by BNP Paribas on the determination of such economic value). We thank you in advance and remain available for any clarification.

Sincerely,

Polo Norte Fundo de Investimento Multimercado and Polo Fundo de Investimento em Ações represented by its investment manager Polo Capital Gestão de Recursos Ltda.

Vinson Fund LLC represented by Polo Capital Internacional Gestão de Recursos Ltda.

CSHG Verde Master Fundo de Investimento Multimercado e CSHG Verde Equity Master Fundo de Investimento em Ações, by Credit Suisse Hedging-Griffo Corretora de Valores S.A.

