

Portugal Telecom and Firecomms Trial POF for IPTV Home Networking Applications

Lisbon, Portugal & Cork, Ireland—December 10, 2009—Portugal Telecom, Portugal's largest telecommunications provider, and Firecomms, a leading provider of Plastic Optical Fiber (POF) Ethernet transceivers for home networking applications, today announce trials of IPTV installations based on Firecomms' optical fiber networking (**OptoLock®**) technology.

Firecomms' OptoLock technology and Mitsubishi Rayon's new OPTOHOME™ Plastic Optical Fiber for home networking applications will form the backbone of the trials, which will include lab trials with technical analysis followed by field installations in test homes across Portugal. OptoLock-enabled IP set-top boxes provided by Cisco and home gateways provided by Thomson are key components in the trials. Other OptoLock-based products, including Homefibre multiport POF switches and NETGEAR media converters, are part of the trials.

"Portugal Telecom is focused on the delivery of high-quality and dependable IPTV installations. Therefore, we are keen to explore the merits of Plastic Optical Fiber and Firecomms' OptoLock technology," says Ashok Bhagubai, senior director at Portugal Telecom.

"We are pleased to see the first devices with integrated OptoLock ports being used in these trials," says Declan O'Mahoney, CEO of Firecomms. "Our experience with operators who have deployed POF has consistently shown extensive savings in installation times as well as an improved customer experience. This directly translates to reduced operational expenses for the operator."

OptoLock, a widely deployed plugless interface for Plastic Optical Fiber, enables a simple to use Fiber Optic link in consumer applications. Ideal for 100 Mb Ethernet applications with stringent quality of service requirements such as IPTV gateways, set-top boxes, Residential gateways and ONTs (Optical Networking Terminals), OptoLock significantly quickens and simplifies the connection of devices in communications and infotainment networks. The innovative design of OptoLock enables the fiber to be cut and terminated to the exact required length on site, allowing even the most novice consumer to quickly and easily terminate bare optical fiber.

Firecomms and Portugal Telecom IPTV Trials

Firecomms leads the development of devices to drive POF, a low-cost optical alternative to copper cabling. Due to its ease of use, large core tolerances, and low costs, POF is enjoying significant growth in a wide range of applications. Created for consumer, industrial, and automotive applications in which plastic fiber can be used more easily and at lower cost than copper or glass fiber, POF is now used in millions of small area networks, such as those in use in many car models, and is rapidly gaining ground in home network and point-to-point interconnection. According to market research by Information Gatekeepers, the POF market is estimated to be worth over \$1 billion per year by the end of 2009.

About Portugal Telecom

Portugal Telecom (“PT”) is a leading telecommunications provider with more than 65 million customers in 13 countries, namely in Brazil and Africa. In Portugal, where it retains a clear leading position, the company provides a full range of fixed and mobile telecommunication services, including voice, broadband and television, and covers all segments of the market: consumer, residential, SMEs, corporate and wholesale. Its international investments, which are focused on the mobile segment, account for more than 80% of its customer base and circa 50% of its revenues. It is seen as the Portuguese company which has the biggest national and international projection and has a diversified business portfolio where quality and innovation are decisive aspects, along side the most advanced international companies in this sector.

Portugal Telecom is listed on the Euronext and New York Stock Exchange. Information may be accessed on the Reuters under the symbols PTC.LS and PT and on Bloomberg under the symbol PTC PL.

About Firecomms Ltd.

Firecomms, a semiconductor company, develops high-speed optical components that drive IPTV home networks and in-car multimedia entertainment systems. The company’s revolutionary OptoLock® technology, licensed worldwide, has created the ability to bring fiber into every home in the world.

Firecomms is headquartered in Cork, Ireland and has facilities in Japan and the USA. Additional information about the company can be found on its web site at www.firecomms.com.

OptoLock is a registered trademark of Firecomms Ltd.

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