



NOTICE TO THE MARKET

77% OF CONTAX'S CAPITAL CONVERTED INTO UNITS

Contax Participações S.A. ("Contax" or "Company") hereby informs its shareholders, investors and the market in general, complementing the Minutes of the Board of Directors' Meeting held on this date, June 13, 2013, that the period for request of conversion of shares within the Units Program has ended.

In the request period, the conversion of 51,655,220 common shares issued by the Company into preferred shares and the conversion of 24,442,728 preferred shares issued by the Company into common shares were approved. A total of 53,127,529 Units were issued after the end of the conversion periods. As a result, 76.8% of Contax's capital and 94.0% of the free float are already Units (CTAX11).

In view of these conversions, Contax's capital will now comprise 345,767,870 shares, 119,957,883 of which are common shares and 225,809,987 are preferred shares.

Shareholders who own multiples of one (1) common share and four (4) preferred shares issued by the Company ("Share Multiples") and who have not issued Units under the program may request, at any time, the issue of Units, in compliance with the procedures detailed in the Material Fact disclosed on April 25, 2013.

In compliance with article 12 of CVM Instruction 358/2002, the Company informs that, in view of the conversions of common and preferred shares issued by the Company based on the Units Program:

- (i) CTX Participações S.A. ("CTX") holds a 58.10% interest in the Company's outstanding voting capital (excluding treasury stock) and 11.12% of the Company's total outstanding preferred shares.

- (ii) AG Telecom Participações S.A. ("AG") holds a 2.22% interest in the Company's outstanding voting capital (excluding treasury stock) and 4.73% of the Company's total outstanding preferred shares.

(iii) LF Tel S.A. (“LF”) holds a 2.22% interest in the Company’s outstanding voting capital (excluding treasury stock) and 4.73% of the Company’s total outstanding preferred shares.

(iv) Portugal Telecom Brasil S.A. (“PT”) holds a 3.59% interest in the Company’s outstanding voting capital (excluding treasury stock) and 7.65% of the Company’s total outstanding preferred shares.

(v) Fundação Atlântico de Seguridade Social (“FATL”) holds a 0.65% interest in the Company’s outstanding voting capital (excluding treasury stock) and 1.38% of the Company’s total outstanding preferred shares.

CTX, AG, LF, PT and FATL jointly hold a total of 66.77% of the Company’s outstanding voting capital after the conversions within the Units Program (excluding treasury stock) and 29.60% of the Company’s total outstanding preferred shares.

Rio de Janeiro, June 13, 2013

Marco Norci Schroeder

Chief Financial and Investor Relations Officer

Contax Participações S.A.