

OI S.A.  
Form 6-K  
April 30, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or**  
**15d-16 of the Securities Exchange Act of 1934**

**For the month of March 2013**

**Commission File Number: 1-15256**

**OI S.A.**

**(Exact Name as Specified in its Charter)**

N/A

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(Translation of registrant's name into English)

**Rua General Polidoro, No. 99, 5th floor/part Botafogo**

**22280-001 Rio de Janeiro, RJ**

**Federative Republic of Brazil**

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

**Form 20-F:**  **Form 40-F:**

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1)):

**Yes:**  **No:**

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7)):

**Yes:**  **No:**

(Indicate by check mark whether the registrant by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

**Yes:**  **No:**

If **Yes** is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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**Portuguese**

Date: Tuesday, April 30, 2013  
10:30 a.m. (RJ) 09:30 a.m. (NY)  
Access: Phone: (55 11) 3127-4971 / 3728-5971

Code: Oi

Replay: (55 11) 3127-4999

Available until 05/14/2013

Code: 56512602

Webcast: [Click here](#)

**English**

Date: Tuesday, April 30, 2013  
12:00 p.m. (RJ) 11:00 a.m. (NY)  
Access: Phone: 1-877-317-6776 (U.S.)  
1-412-317-6776 (Brazil / other countries)

Code: Oi

Replay: 1-877-344-7529 (U.S.)

1-412-317-0088 (Brazil / other countries)

Available until 05/14/2013

Access Code: 10027392

Webcast: [Click here](#)



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Rio de Janeiro, April 29, 2013: Oi S.A. discloses today its results for the first quarter of 2013. This report includes consolidated financial and operating data for Oi S.A. and its direct and indirect subsidiaries as of March 31, 2013. In compliance with CVM instructions, the data is presented in accordance with the international financial reporting standards (IFRS).

Following approval of the corporate restructuring on February 27, 2012, the shareholders of Tele Norte Leste Participações S.A. (TNL), Coari Participações S.A. (Coari) and Telemar Norte Leste S.A. (TMAR) became shareholders of Oi S.A., TNL's and Coari's shares were extinguished and TMAR became a wholly-owned subsidiary of Oi S.A. The earnings presented herein represent Oi S.A. (the remaining company and new name of Brasil Telecom S.A.) for the period ended March 31, 2013. However, in order to provide a clearer understanding of the Company's performance, we have prepared pro forma consolidated earnings for the first quarter of 2012, which are equivalent to physical figures, revenue, costs and expenses (EBITDA), and investments of TNL, as if the mergers had taken place on January 1, 2012.

There are seasonal factors that affect quarterly results in the telecom services industry. The fourth quarter is a period when customers use more the services, an effect that can be seen most clearly in the mobile segment; and the first quarter is historically slower due to the fewer number of working days, which can be seen in voice and data traffic especially in the mobile and business/corporate segments, as well as due to the concentration of annual expenses in the first quarter impacting the household budget.

As a result of this seasonality and in line with our peers, effective this quarter the Company will focus the comparison of its financial results above the EBITDA line with the similar period of the prior year. Below EBITDA, the most relevant comparisons are sequential as pro forma figures are not available for the first quarter of 2012.

On July 24, 2013, in response to the formal consultation that the Company submitted to the Brazilian Securities and Exchange Commission (CVM) to confirm the most appropriate accounting treatment for the step-up in basis of assets arising from Brasil Telecom S.A.'s acquisition of control of Telemar Norte Leste S.A. as part of the corporate reorganization that was approved on February 27, 2012, CVM accepted Oi S.A.'s position that the reversal of the step-up in basis recorded by the Company (in the total amount of R\$12,849 million as of December 31, 2012), and the recognition of such amount in Telemar Participações S.A.'s financial statements, is the most appropriate accounting treatment for such event. Therefore, the 2012 numbers on this report already reflect this reversal, whose impacts on the income statement were the following: (i) R\$72 million on Other Operating Expenses, (ii) R\$ 1,364 million on Depreciation and Amortization, and (iii) R\$948 million on Net Income. It is important to mention that this reversal does not have any fiscal effect.

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Successful execution of the Company's strategy drives continued YoY growth in net revenue

**1Q13**

For the third consecutive quarter, the Company posted a year-over-year increase in net revenue, which reached R\$7.0 billion, mainly driven by the continuing expansion of the mobile customer base, primarily the postpaid segment, and higher broadband and pay TV sales that reduced fixed line attrition in the Residential segment.

EBITDA of R\$2.2 billion, was up 6.6% year-over-year, reflecting net revenue growth and effective cost controls.

Revenue Generating Units (RGUs) increased 5.5% compared to 1Q12 and 0.5% sequentially, totaling 74.7 million at March 31, 2013:

**Residential:** another quarter of solid year-over-year growth in RGUs demonstrates the success of Oi's bundling strategy, which has resulted in significant evolution in broadband and pay TV and lower fixed line attrition.

**Personal Mobility:** continued expansion of the postpaid base due to the Company's focus on the high-end customers.

**Business / Corporate:** growth of mobile and fixed data illustrated by double-digit YoY RGU growth; modest revenue decline reflects provisions for regulatory reductions in wholesale tariffs.

**Consolidated Results**

	1Q13	1Q12	4Q12	YoY	QoQ
<b>Oi S.A. Pro-Forma</b>					
Revenue Generating Unit ( '000)	74,705	70,826	74,339	5.5%	0.5%
Residential	18,471	17,850	18,337	3.5%	0.7%
Personal Mobility	46,569	44,106	46,305	5.6%	0.6%
Business / Corporate	8,949	8,112	8,971	10.3%	-0.2%
Public Telephones	716	757	727	-5.4%	-1.5%
Net Revenue (R\$ million)	7,041	6,802	7,390	3.5%	-4.7%
Residential	2,555	2,429	2,589	5.2%	-1.3%
Personal Mobility	2,316	2,106	2,463	10.0%	-6.0%
Business / Corporate	2,079	2,111	2,195	-1.5%	-5.3%
VAS and Others	91	155	143	-41.3%	-36.4%
EBITDA (R\$ million)	2,151	2,018	2,516	6.6%	-14.5%
EBITDA Margin (%)	30.5%	29.7%	34.0%	0.8 p.p.	-3.5 p.p.
Net Earnings (R\$ million)	262	444	407	-41.0%	-35.6%
Net Debt (R\$ million)	27,495	16,833	25,068	63.3%	9.7%
Available Cash (R\$ million)	6,058	16,012	7,804	-62.2%	-22.4%
CAPEX (R\$ million)	1,691	1,091	2,106	55.0%	-19.7%



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Note: 1Q12 net income refers to one month of results of Oi S.A. and 2 months of results of former BrT.

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**Executive Summary**

Oi's first quarter 2013 results demonstrate the success of its strategy to profitably grow revenues and set the stage for 2013 to be another year of progressive improvement.

Revenue Generating Units (RGUs) increased 5.5% year-over-year and were basically flat on a sequential basis despite traditional first quarter seasonality. Net revenues increased 3.5% and service revenues were up 2% year-over-year. Operating profitability, measured by EBITDA, increased 6.6% annually, benefitting from higher revenues and effective cost controls. Importantly, first quarter 2013 performance was in line with internal estimates and supports Oi's full year 2013 guidance.

The operating trends of the last several periods continued in this year's first quarter. In the Company's Residential segment, strong customer demand for triple-play and quadruple-play resulted in solid year-on-year revenue gains and even higher growth in Average Revenue Per User (ARPU). Oi gained additional traction in the postpaid segment of the Personal Mobility segment where RGUs increased by almost 20% from last year's first quarter. While revenues in the Business / Corporate market declined 1.5% in the first quarter due to the impact of provisions related to regulatory reductions in wholesale tariffs, RGUs grew 10% in this year's first quarter, further illustrating the market acceptance of the Company's wireline, mobile and broadband offerings to both large corporations and Small and Medium Enterprises (SMEs).

Oi continues to build momentum across the Company's major markets, benefitting from attractive value propositions. Based on first quarter performance and visibility, Oi reaffirms its guidance for 2013 RGUs, service revenue and EBITDA growth. First quarter capital expenditures increased to R\$1.7 billion due to the front-loading of certain investments, but the full year 2013 estimate remains at R\$6.0 billion.

Oi reported net income of R\$262 million for the first quarter of 2013. It is important to mention that, in this month of April, the Company received CVM's approval to reverse the effect of the fair value of the BrT acquisition both on the balance sheet and on the net income.

The Company's net debt/EBITDA ratio at the end of the first quarter was 3.05x, slightly above the Board of Directors' stated threshold of 3.0x to authorize dividend payments. However, it is important to consider that the Company and its Board are committed to maintaining the shareholder remuneration policy, and Oi expects to conclude non-strategic asset sales in the following quarters that will bring down the ratio below the threshold over the near term.

In summary, the Company is looking ahead to a year of gradual progress and accomplishment that will be achieved by bringing integrity and best-in-class performance to all of Oi's stakeholders.

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Third consecutive quarter of year-over-year net revenue growth, driven by Personal Mobility and Residential segments

**Table 1 Breakdown of Net Revenue**

R\$ million	Quarter			YoY	QoQ	%	
	1Q13	1Q12	4Q12			1Q13	1Q12
<b>Residential</b>	<b>2,555</b>	<b>2,429</b>	<b>2,589</b>	<b>5.2%</b>	<b>-1.3%</b>	<b>36.3%</b>	<b>35.7%</b>
<b>Personal Mobility</b>	<b>2,316</b>	<b>2,106</b>	<b>2,463</b>	<b>10.0%</b>	<b>-6.0%</b>	<b>32.9%</b>	<b>31.0%</b>
Services	1,597	1,501	1,680	6.4%	-4.9%	22.7%	22.1%
Network Usage	571	580	587	-1.6%	-2.7%	8.1%	8.5%
Sales of handsets, SIM cards and others	148	25	195	492.0%	-24.1%	2.1%	0.4%
<b>Business / Corporate</b>	<b>2,079</b>	<b>2,111</b>	<b>2,195</b>	<b>-1.5%</b>	<b>-5.3%</b>	<b>29.5%</b>	<b>31.0%</b>
<b>Other Services</b>	<b>91</b>	<b>155</b>	<b>143</b>	<b>-41.3%</b>	<b>-36.4%</b>	<b>1.3%</b>	<b>2.3%</b>
Public Phone	3	26	27	-88.5%	-88.9%	0.0%	0.4%
VAS and Others	89	130	116	-31.5%	-23.3%	1.3%	1.9%
<b>Total Net Revenue</b>	<b>7,041</b>	<b>6,802</b>	<b>7,390</b>	<b>3.5%</b>	<b>-4.7%</b>	<b>100.0%</b>	<b>100.0%</b>
Service Revenues	6,881	6,752	7,180	1.9%	-4.2%	97.7%	99.3%
Product Revenues	161	50	210	222.0%	-23.3%	2.3%	0.7%

Note: Results for 1Q12 are pro forma

In 1Q13, net revenue totaled R\$7.0 billion, up R\$239 million or 3.5% from 1Q12 levels, reflecting solid customer demand for Oi's offers with more than one product – wireline, mobile, broadband and pay TV services combined.

Net service revenues, which excludes handset sales, were R\$6.9 billion, up R\$129 million or 1.9% from the comparable year-ago period.

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	1Q13	1Q12	4Q12	YoY	QoQ
<b>Residential</b>					
Net Revenue (R\$ million)	2,555	2,429	2,589	5.2%	-1.3%
Revenue Generating Units (RGU) ( 000)	18,471	17,850	18,337	3.5%	0.7%
Fixed Line in Service	12,383	12,841	12,478	-3.6%	-0.8%
Fixed Broadband	5,251	4,614	5,102	13.8%	2.9%
Pay TV	837	396	757	111.4%	10.6%
ARPU Residential (R\$)	68.8	63.1	69.2	9.0%	-0.6%

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