

OI S.A.
Form 6-K
May 11, 2017

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 May 2017
Commission File Number: 1-15256

OI S.A.

(Exact Name as Specified in its Charter)

N/A

(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)

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(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):

Earnings Release

May 10, 2017

**Conference Call
in Portuguese**

May 11, 2017

10:00 a. m. (Brasília)

9:00 a. m. (NY) / 2:00 p. m. (UK)

Webcast: [Click here](#)

Telephone: +55 (11) 3127-4971 /

+55 (11) 3728-5971 / Code: Oi

Replay available until 05/18/2017:

+55 (11) 3127-4999 / Code: 52919126

**Conference Call
in English**

May 11, 2017

10:00 a. m. (Brasília)

9:00 a. m. (NY) / 2:00 p. m. (UK)

Webcast: [Click here](#)

SIMULTANEOUS
TRANSLATION

Telephone: +1-866-866-2673 (USA) /

+1-516-300-1066 (Other) / Code: Oi

Replay available until 05/18/2017:

+55 (11) 3127-4999 / Code: 14002027

Consolidated Information and Earnings Release (Unaudited)

This report contains the operating and financial performance of Oi S.A. under Judicial Reorganization (Oi S.A. or Oi or Company) and its subsidiaries for the fourth quarter and full year of 2016.

OPERATIONS SUPPORT CASH, EBITDA EVOLUTION AND QUALITY IMPROVEMENTS

Good operational performance supports continuous cash generation and net debt reduction

- The Company generated R\$ 510 million of cash in 1Q17 (excluding the payment of the annual Fistel fee).
- Consolidated net debt fell R\$ 236 million between 1Q16 and 1Q17 to R\$ 40.6 billion.

Oi presents EBITDA and EBITDA margin improvements in both the annual and sequential comparisons

- Routine EBITDA of Brazilian operations totaled R\$ 1,692 million in 1Q17, increasing 0.4% y.o.y. and 1.0% q.o.q.
- Routine EBITDA margin of Brazilian operations reached 27.9% (+2.1 p.p. y.o.y. and +0.5 p.p. q.o.q.).

Operational efficiency translates into sustainable cost reduction

- Opex of Brazilian operations fell 9.9% y.o.y. and 1.4% q.o.q., despite inflation of 4.6% in the last twelve months.

Rising infrastructure investments reassure commitment to business sustainability

- Oi invested R\$ 1.2 billion in 1Q17, +1.9% y.o.y. (of Brazilian operations), corresponding to 20.2% of Brazilian total net revenues.

Consistent improvement in operational and quality indicators reflects better customer experience

- The Company recorded a substantial improvement in ANATEL, PROCON and Special Civil Court (JEC – *Juizado Especial Cível*) complaint indicators, which were down 28.2%, 21.5% and 55.7% y.o.y., respectively, as a result of efficiency initiatives.

Consolidated net loss draws back in the first quarter of 2017

- Consolidated net loss totaled R\$ 200 million in 1Q17, versus R\$ 1,815 million registered in the same quarter of 2016.

Oi's Judicial Reorganization process continues to advance

- Oi presented to the judge new financial conditions as adjustments to the Judicial Reorganization Plan on March 28, 2017.
- The Company has been complying with all the procedures required by law.

Summary

in R\$ million or otherwise stated	1Q17	1Q16	4Q16	YoY	QoQ
Total Net Revenues	6,160	6,755	6,323	-8.8%	-2.6%
EBITDA	1,723	1,766	1,531	-2.4%	12.5%
EBITDA Margin (%)	28.0%	26.1%	24.2%	1.8 p.p.	3.8 p.p.
Routine EBITDA	1,723	1,776	1,756	-3.0%	-1.9%
Routine EBITDA Margin (%)	28.0%	26.3%	27.8%	1.7 p.p.	0.2 p.p.
Net Loss from Continuing Operations ⁽¹⁾	-200	-1,815	-3,306	-89.0%	-93.9%
Net Debt	40,608	40,844	40,342	-0.6%	0.7%
Available Cash	7,699	8,527	7,849	-9.7%	-1.9%
CAPEX	1,267	1,252	1,393	1.1%	-9.0%

in R\$ million or otherwise stated	1Q17	1Q16	4Q16	YoY	QoQ
Revenue Generating Units - ('000)⁽²⁾	63,371	69,499	63,554	-8.8%	-0.3%
Residential	16,343	16,620	16,425	-1.7%	-0.5%
Personal Mobility	39,837	45,559	39,870	-12.6%	-0.1%
B2B	6,550	6,668	6,617	-1.8%	-1.0%
Public Telephones	641	651	642	-1.6%	-0.2%
Total Net Revenues⁽²⁾	6,066	6,539	6,110	-7.2%	-0.7%
Net Service Revenues⁽³⁾	6,009	6,480	6,052	-7.3%	-0.7%
Residential	2,354	2,348	2,315	0.2%	1.7%
Personal Mobility	1,890	1,968	1,886	-4.0%	0.2%
Customer ⁽³⁾	1,748	1,779	1,730	-1.7%	1.1%
B2B	1,703	2,070	1,790	-17.7%	-4.9%
Net Customer Revenues⁽⁴⁾	5,794	6,159	5,824	-5.9%	-0.5%
Routine EBITDA	1,692	1,686	1,676	0.4%	1.0%
Routine EBITDA Margin (%)	27.9%	25.8%	27.4%	2.1 p.p.	0.5 p.p.
CAPEX	1,227	1,204	1,358	1.9%	-9.7%
Routine EBITDA - CAPEX	465	482	318	-3.4%	46.4%

(1) The 1Q16 period was restated as explained in the Disclaimer section of this document.

(2) In 4Q16, the Company revised and changed the criteria for segmenting revenues and revenue generating units (RGUs) among the various business units (BUs), as it believes this new breakdown better reflects how the businesses are managed. Historical revenue and RGU figures were adjusted in order to reflect this change. To see the reclassified historical data, please refer to the Additional Information section of this document.

(3) Excludes handset revenues.

(4) Excludes handset and network usage revenues.

4

Net Revenues

Table 1 – Breakdown of Net Revenues

R\$ million	Quarter			YoY	QoQ	Weight %	
	1Q17	1Q16	4Q16			1Q17	1Q16
Brazil (1)	6,066	6,539	6,110	-7.2%	-0.7%	98.5%	96.8%
Residential	2,354	2,348	2,315	0.2%	1.7%	38.2%	34.8%
Personal Mobility	1,947	2,027	1,945	-3.9%	0.1%	31.6%	30.0%
Service	1,890	1,968	1,886	-4.0%	0.2%	30.7%	29.1%
Customer	1,748	1,779	1,730	-1.7%	1.1%	28.4%	26.3%
Network Usage	141	189	156	-25.3%	-9.1%	2.3%	2.8%
Sales of handsets, SIM cards and others	57	58	59	-2.7%	-3.5%	0.9%	0.9%
B2B	1,703	2,070	1,790	-17.7%	-4.9%	27.7%	30.6%
Other services	62	94	60	-33.7%	3.1%	1.0%	1.4%
Others	94	217	212	-56.7%	-55.9%	1.5%	3.2%
Net Service Revenues	6,009						