



**TELEFÔNICA BRASIL S.A.**  
Publicly-Held Corporation  
CNPJ/MF 02.558.157/0001-62 - NIRE 35.3.001.5881-4

## **MATERIAL FACT**

Telefônica Brasil S.A. ("Company"), in the manner and for the purposes of article 157, paragraph 4, of Law 6,404/76, as amended, and pursuant to Comissão de Valores Mobiliários Instruction No. 358/2002 ("CVM Instruction 358"), as amended, hereby informs its shareholders and the market in general that, in line with the Company's strategy to offer the best experience to our customers and capture the existing growth opportunities in the country: (i) it will invest an estimated R\$24 billion for the triennium 2018-20, with main focus in expansion and quality of mobile and fixed networks, excluding possible investments in licenses; and (ii) additionally, will invest an estimated R\$2.5 billion, for the same period, exclusively intended for the acceleration of fiber network expansion.

We clarify that the amounts above are estimations, subject to variations in the face of possible changes to the business and macroeconomic environment.

The Company also informs that it will present the relevant information in its Formulário de Referência, in the pursuant of CVM Instruction 480/09.

São Paulo, March 12, 2018.

**David Melcon Sanchez-Friera**  
CFO and Investor Relations Officer

Telefônica Brasil – Investor Relations  
Phone: +55 11 3430-3687  
E-mail: [ir.br@telefonica.com](mailto:ir.br@telefonica.com)  
[www.telefonica.com.br/ir](http://www.telefonica.com.br/ir)