

A Work Project, presented as part of the requirements for the Award of a Master Degree in Finance from the  
NOVA – School of Business and Economics.

EQUITY RESEARCH ON CTT CORREIOS DE  
PORTUGAL – STAMPED FOR SUCCESS OR LOST IN  
TRANSIT? EVALUATING ASSET-BASED  
TRANSPORTATION OPPORTUNITIES IN SPAIN

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## Abstract

CTT is the key player in the logistics and postal sector in Portugal and Spain, with a growing presence in financial services. This thesis conducts an equity research analysis of the company, leading to a buy recommendation. CTT is an undervalued business with the strategy, resources, and incentives to drive growth and strong investor returns. Despite its legacy mail operations, it has successfully leveraged its infrastructure to expand into logistics and banking. Express & Parcels (E&P) has become a key revenue driver, strengthening CTT's position as a major Iberian player, while Banco CTT continues to grow rapidly. The valuation is supported by a detailed breakdown of revenue drivers, sensitivity analysis, and an assessment of CTT's capital structure. Market consensus further aligns with this outlook, reinforcing confidence in its long-term potential.

The study then evaluates the implications of transitioning from a third-party logistics (3PL) model to a hybrid model that incorporates a private fleet. By employing a cost-benefit analysis, CAPEX projections, and EBITDA impacts, the study initially identifies an optimal private fleet ownership proportion of 90% in terms of maximizing share price. Based on the analysis, the recommendation is for CTT Express to adopt a hybrid transportation model in Spain, balancing the use of a private fleet and 3PL providers. While the financial valuation indicates no immediate share price premium, the strategic, operational, and market benefits make this transition essential for long-term growth and positioning. The hybrid model aligns with industry trends toward integration and sustainability, allowing CTT to meet environmental goals. This shift allows CTT to strengthen its position in Spain. While the short-term financial impact is neutral, the long-term strategic and operational benefits underscore the necessity of this transformation for sustained profitability and competitiveness.

**Keywords:** CTT; fleet optimization; logistics; vertical integration

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# Company Report – CFA Equity Research

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**CTT – CORREIOS DE PORTUGAL**

POSTAL SERVICES

STUDENTS: BERNARDO HENRIQUES, DIOGO NOGUEIRA, JOÃO SIMÕES, MATIAS SILVA

**COMPANY REPORT**

17 DECEMBER 2024

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**Stamped for success or lost in transit?**

*Delivering growth potential*

- In 9M24, CTT's logistics segment achieved revenues of 679M€, up 19.7% y.o.y. This is mainly driven by volume increases and the integration of its Iberian offer. Mail & Other saw a modest increase in revenues, despite the unfavourable outlook of post.
- CTT is at a critical juncture, investing in the redefinition of its core business given the decline in mail volumes. This includes a very successful performance of E&P, particularly in Spain, as well as a fast-paced growth of Banco CTT.
- Market consensus aligns with the valuation, with 3 out of 4 buy recommendations from March to October 2024 with an average 26% premium, and one hold recommendation with a 14% discount.
- CTT's focus on innovation and operational efficiency, alongside its expanding logistics and banking services, positions the company for sustained growth.

**Company description**

CTT Correios de Portugal is a Portuguese company offering postal, logistics, and financial services. It provides mail delivery, parcel logistics, express services, and banking through an extensive network. CTT focuses on operational efficiency and sustainable growth, with a strong presence in the Iberian market.

**Recommendation:** BUY

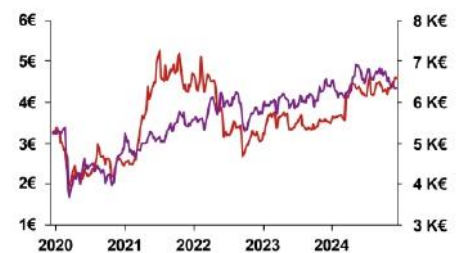
**Price Target FY24:** 5.15 €

**Price (as of 17-Dec-24)** 4.56 €

**Price Input in Model (as of 01-Nov-24)** 4.38€

Reuters: CTT.LS, Bloomberg: CTT:PL

Market Cap (€B) 0.59  
Outstanding Shares 13747532



(Values in € thousands)	2023	2024E	2025F
Revenues	985	1054	1174
EBITDA	152	176	207
Core result	69	85	105

Source: CTT Group

# 1. BUSINESS DESCRIPTION

## 1.1. CTT Group

CTT is a Portuguese company that dates to 1520, when the first public mail service was established. It became a state-owned enterprise in 1969 as CTT – Correios e Telecomunicações de Portugal. By 1992, it became a limited company, and its telecommunications division was separated to form Portugal Telecom. Following the EU liberalization of postal services in 2008, CTT went public in 2013 (68.5%) and 2014 (31.5%) becoming publicly listed on Euronext Lisbon, the Portuguese stock exchange.

It aims at becoming the reference in Iberia for logistics, simplifying and being a trusted partner in shipping, financial services and insurance, ultimately connecting people and businesses in a sustainable way. It is a customer-centric firm, that stands out in proximity and trustworthiness. Sustainability and innovation are also at the core of CTT (CTT Group 2024). Currently, CTT is an Iberian player in the logistics place, and operates a bank in Portugal, reporting 4 segments: Mail & Others, Express and Parcels, Financial Services and Banco CTT. Revenues in FY 2023 amounted to 985M€, resulting in an EBITDA of 152M€ (CTT Group 2024).

## 1.2. Mail & Other

Mail & Other is at the root of CTT’s business, as it represents the segment directly tied to Letter Mail. With growing digitalization trends during the 21<sup>st</sup> century, it is a business unit with limited space to grow, pushing CTT to innovate and think how it could leverage their existing operations to grow a different business. CTT provides the largest contact network at a national level, operating a structuring and determinant element for social cohesion of the national territory. At the end of 2023, it had 2375 access points in operation, 569 CTT post offices and 1806 postal agencies, which allow for 4089 postal delivery routes. In addition, it has 1424 points of sale of stamps, 51 automatic vending machines and 14 automatic vending machines of mail products.

This business unit also includes the reporting of Business Solutions, a segment where CTT offers Business Process Services (BPO). Initially, Business Solutions was “built upon the original opportunities in mail BPO (mail management) and printing & finishing” and has been growing after the full incorporation of Newspring.

In 2021, a company specialized in BPO and Contact Centers. CTT’s strategy revolves around expanding its portfolio of services, targeting SMEs and municipalities (CTT Group 2021).

Figure 1 - CTT Revenues and EBITDA

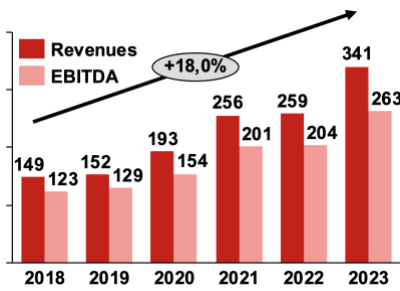


Figure 2 - CTT Revenues Breakdown

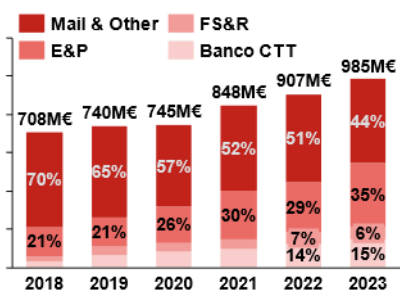


Figure 3 - Mail Revenues and EBITDA

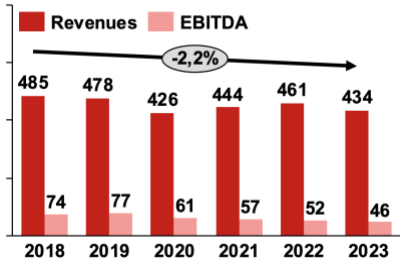
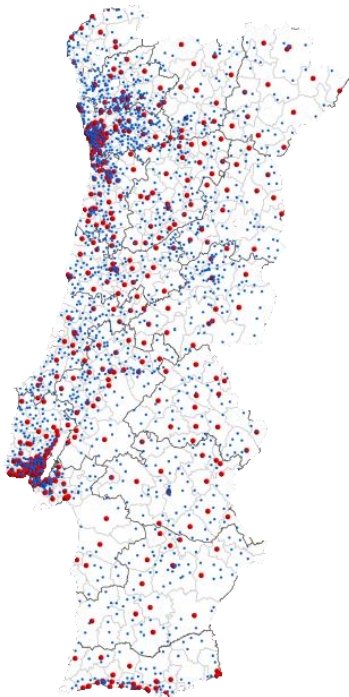


Figure 4 - Postal Offices and Agencies



Additionally, through its subsidiary Corre, CTT won the tender to become the Universal Postal Operator in Mozambique in October 2024, after the government dissolved the state-owned postal company back in 2021 (INCM 2024). Going forward, this may allow CTT to mitigate the effect of declining volumes in Portugal, by expanding its Mail business to Mozambique and filling the void that currently exists in that market for letter and other postal services, leveraging the existing assets of Corre (which operates in the E&P segment).

### 1.3. Express & Parcels

E&P is the express parcel delivery segment with 64 distribution centres and shipping 450k items per day in Iberia (CTT Express 2022). It represents the reinvention of CTT, as the Mail business presented limited growth opportunities. Operating in Portugal, Spain and Mozambique, it has several product lines: Parcels, which focuses on Courier, Express and Parcel (CEP) services, namely the transportation and delivery of parcels and other shipments namely for the E-Commerce and B2C spaces; Cargo, a B2B-only line that focuses on transportation of large volumes and pallets of up to 600kg as a last mile offer; Logistics, where CTT offers services for institutional customers, allowing vertical integration with CEP; and Banking Network, a B2B line that specializes in the express delivery of correspondence between bank branches in Portuguese territory.

The E&P segment has presented substantial growth, mostly driven by CTT's expansion in Spain, as part of a strategy to make the Iberian peninsula one integrated market, started in 2020 by rebranding Tourline as CTT Express (CTT Express 2022). Tourline was the E&P subsidiary of CTT in Spain, owned since 2005, which had registered operational losses of 25M€ between 2016 and 2020 and lost major clients such as Amazon (Teixeira 2019). CTT's turnaround of the business in Spain has been successful, with fast-paced growth of volumes and recovery in profitability. E&P reported revenues of 341M€ for FY 2023 and of 330M€ for the nine-month period ending 2024Q3 representing 34.6% and 41.7% of CTT respectively, positioning the BU to exceed its FY 2023 total revenue.

### 1.4. Financial Services

FS involves the sale of public debt, which was exclusive to CTT up until 2023 (Diário da República 2023), insurance products, money orders and other retail products and services from both CTT post offices and Payshop stores, a physical payments provider with +5000 agents (Payshop 2024). This segment reported 17M€ in revenues at 2024Q3, a downturn of 68% versus 2023Q3 due mostly to the low attractiveness of the new public debt certificates series F, especially in a high-interest rate environment, together with the discontinuation of some products in retail, namely scratch cards in July 2023.

Figure 5 - E&P Revenues and EBITDA

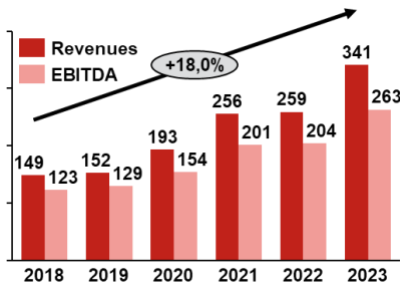


Figure 6 - Financial Services Revenues and EBITDA

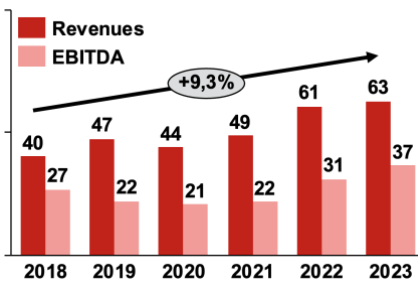
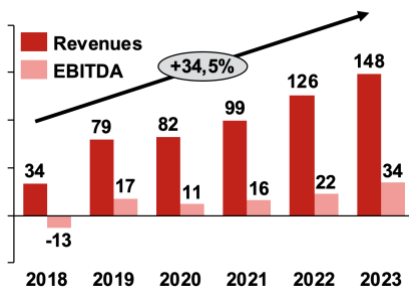


Figure 7 - Banco Revenues and EBITDA



## 1.5. Banco CTT

Banco CTT is a retail bank that aims to capitalize on two key advantages of CTT. Firstly, the network of existing CTT post offices, which are easily adapted to also provide banking service. Secondly, the knowledge of financial products which CTT has been commercializing for decades (Banco CTT 2021). It was built on the premises of proximity, customer first, and digital ready, with strong home banking and mobile banking solutions. Banco CTT revenues grew 17.3% YoY in 2023 and are already at 2023Q4 levels. The loan-to-deposit ratio reached 51% at the end of 2023. Therefore, Banco CTT is on track to deliver on September 2023 objectives for 2025: +700k accounts, +7B€ in business volume, and pre-tax profits of 25M€.

## 2. MACROECONOMIC OVERVIEW

### 2.1. World & EU Overview

The world has been impacted by two major occurrences in recent years. The first was COVID-19, which caused a decline of 2.9% in the world's GDP in 2020 (World Bank Group 2024). The invasion of Ukraine in 2022 as the world recovered from the pandemic had numerous negative effects on the global economy, mainly the ongoing rise in inflation. The projected global GDP growth for 2024 matches the one verified in 2022 (3.1%), followed by a marginal increase to 3.2% in 2025 (OECD 2024). In the EU, the GDP is set to rise 1.5% in 2025 after a growth of 0.9% in 2024. This increase is mainly due to the rise in consumption and the rebound in investment due to lower interest rates (Economy and Finance 2024).

In last months, the European Union has seen a decline in inflation, which in October 2024 fell to 2%, with this being the lowest value since the 10.6% recorded in October 2022. This trend is mainly due to the stabilization of food and energy prices (ECB 2024). On 17 October, the ECB implemented a reduction in three key interest rates of 25 basis points. This type of measure is in line with the ECB's long-term objectives of stabilizing inflation at 2% (ECB 2024). Using the WIRP function in Bloomberg, interest rates are priced in to go from 3% to 1.8% in October 2025.

### 2.2. Portugal

Over the last few years, Portugal has been experiencing a rather unstable growth, with COVID-19 being one of the main factors, as mentioned above. After a bad year where GDP fell 8.3% in real terms, Portugal managed a good recovery reaching 5.7% and 6.8% in 2021 and 2022, respectively. In 2023, Portugal returned to a lower growth rate reaching a modest 2.3% (World Bank Group 2024). In 2024, despite the 2.0% growth projected by Banco de Portugal in June, the economic report of October decreased this forecast by 4 percentage points to 1.6%. For the

Figure 8 - World GDP Growth (WBG)

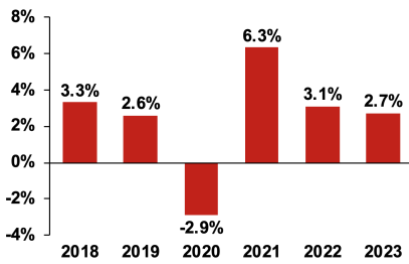


Figure 9 - EU Inflation Rate (HIPPCC-ECB)

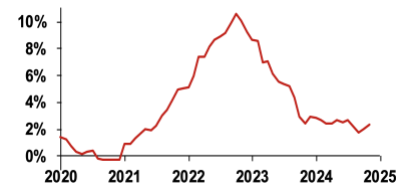


Figure 10 - ECB Fixed Interest Rates (Statista)

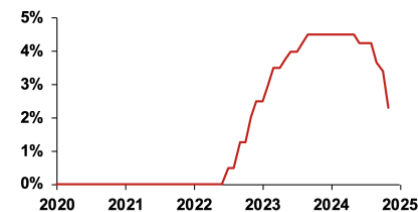


Figure 11 - Portugal GDP Growth (WBG)

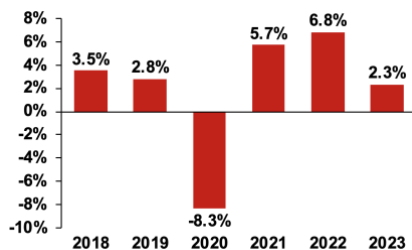
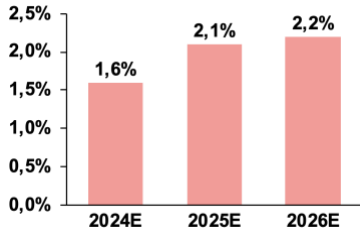


Figure 12 - Portugal GDP Growth Expected (BdP)



coming years, growths of 2.1% and 2.2% respectively are expected, standing above the Eurozone average, as mentioned above (Banco de Portugal 2024).

In the labour market, there is a positive trend, with an increase in employment of 1.1% and projections of 0.6% and 0.9% growths for the following years. Real wages for 2024 are projected to grow by 4.6%, with more modest numbers of 2.2% and 2.0% in the following two years (Banco de Portugal 2024). As for inflation, after the HICP rising by 5.3% in 2023, a growth of 2.6% is projected for 2024, and even a lower rate of 2.3% for the next two years. (Banco de Portugal 2024)

### 2.3. Spain

Following the post-pandemic recovery in 2021, marked by a GDP growth of 6.4%, Spain's economy stabilized by 2023, with growth slowing to 2.5% (Focus Economics 2024). Spain is expected to experience higher growth than Portugal, with a projected GDP increase of 3% in 2024, gradually slowing to 2.3% and 2.1% in the subsequent years. As for inflation, a decrease is also expected, similarly to Portugal, going from 2.8% in 2024 to 2.0% in 2026. Demand is projected to be one of the main drivers of economic expansion, which is sustained by consumption growth and increased investment (Economy and Finance 2024).

## 3. INDUSTRY OVERVIEW & COMPETITION

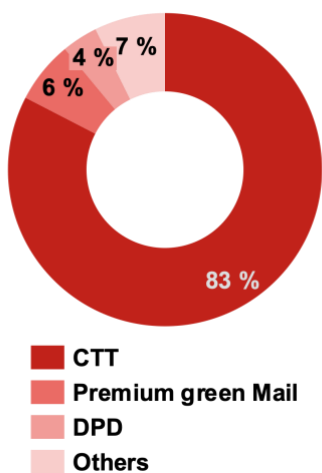
### 3.1. Market Overview: Ex-Bank

#### 3.1.1. Mail & Other Market Overview

##### 3.1.1.1. Mail

The traditional Mail segment, which includes Transactional, Editorial and Advertising Mail, Parcels (USO) and Philately, has been facing a decline in volumes since 2008 due to the increasing digitalization of communication, a process intensified during the COVID period of 2020-2022 (Anacom 2024). For reference, in the period from 2008 to 2018 the mail volume has declined by approximately 3.5% y.o.y. (International Post Corporation 2019) and until 2023 – with the impact of the pandemic – by 6.9%<sup>1</sup> y.o.y. (McKinsey & Company 2024). The unattractiveness of such markets, combined with the high barriers to enter them, due to the need for extensive logistics networks, and the long-lasting establishment of the CTT brand and recognition in the Portuguese market, made CTT a monopoly player, having over 80% of market share in the space and being the universal service provider in Portugal (Anacom 2024). This position allows

Figure 14 - PT Mail Market Share

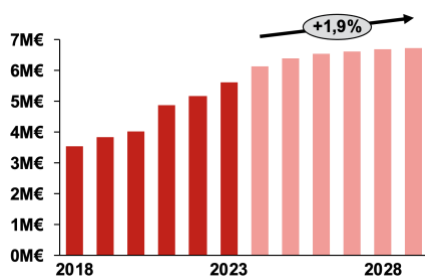


<sup>1</sup> Due to different sources and calculation methods, both numbers are not truly comparable

them to bargain better deals with both suppliers and customers, and most importantly the government. In this market, CTT faces a constant challenge to maintain the sustainability of its business and achieve positive margins. However, the lack of external competition fosters a complacency that has resulted in structurally uncompetitive labour costs, which are 20% to 40% higher than those of newer competitors (McKinsey & Company 2019). This disparity significantly impacts the competitiveness of the Express and Parcel segment.

As for Mozambique, where CTT operates in the CEP market and has recently won the tender for the Universal Postal Operator, the letter post market operates under the regulatory framework of the Mozambique Communications Regulatory Authority (INCM), which oversees postal and courier services. The market was primarily dominated by Correios de Moçambique, the national postal operator. However, the company was extinct by the government in 2021, leaving a gap in the postal market. Letter post volumes in Mozambique have seen a considerable increase in recent years, as the market does not seem mature enough to be at the peak of mail correspondence. Growth is expected to slow down in the upcoming years, reaching total revenues of 6.7M€ in 2029 (Statista 2024). The market faces significant challenges, including limited infrastructure, inconsistent service quality, and delays, particularly in rural and remote areas. Despite these challenges, letter post remains an important means of communication, especially for government correspondence, legal documents, and certain business transactions. The private sector has a growing presence in the market, with courier companies, including Corre – the subsidiary of CTT - offering faster and more reliable alternatives to traditional postal services, often targeting urban centers and international CEP services.

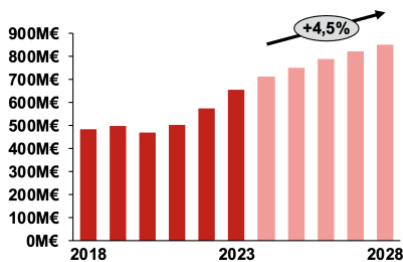
Figure 15 - Mozambique Market



3.1.1.2. Business Solutions

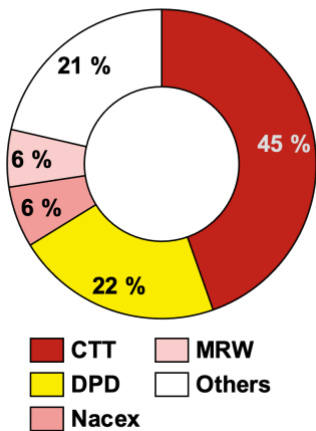
To overcome the unpromising future of the Mail segment, CTT has been creating diversification sources of growth such as Business Solutions, a high-margin segment, mostly with BPO services that return around 20-30% profit margins (Flowace 2024). In contrast with Mail, this segment has been growing due to companies pushing towards automated and compliant solutions for the sake of efficiency, regulatory and ESG compliance. The COVID pandemic accelerated this shift, making it grow at a 11.9% CAGR in the period of 2020-2023. By 2024, it is forecasted to reach a market value of around 700M€, being expected to grow at a 4.5% CAGR in the next five years (Statista Market Insights 2024). The attractiveness of Portugal in regards to a well-educated, open, flexible, (relatively) cheap and multilingual workforce, with modern infrastructure, combined with a strategic location inside the EU and stable political and economic environment, makes the country a perfect place for reliable and secure BPO services to serve as a BPO location for firms (Conectys 2024). These factors made the number of

Figure 16 - BPO PT Market Cap



players increase in this still niche market, where CTT and Accenture (Statista Market Insights 2024) have been emerging as the main players, supported by their brand name and expertise.

Figure 17 - CEP Portugal Market Share

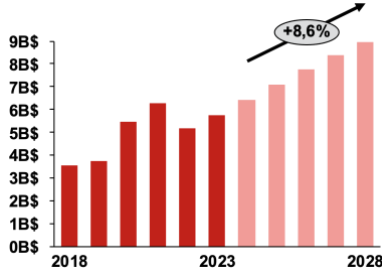


### 3.1.2. Express and Parcel Market Overview

#### 3.1.2.1. Portugal

The Express and Parcel business unit includes the CEP segment, the main driver of this business unit, and smaller segments such as Cargo, Banking Network and Logistics. Except for Logistics, these smaller segments have been subject to restructurings to maintain margins while dealing with lower volumes and revenues due to the decaying structure of these markets. The segments of CEP and Logistics have been fuelled with the huge rise of e-commerce (B2C). Driven by greater access to the internet, convenience in transactions and the continuous development of payment systems, this market has increased at a CAGR of 10.1% in Portugal between 2018 and 2023 and is expected to grow at 8.6% until 2028 rate (ECDB 2024). Such attractiveness spurred the interest of international players, including DPD, DHL, UPS and GLS. With its extensive networks, including the crucial role of the Locky lockers, which offer 24/7 convenience for last-mile deliveries, CTT captures a significant portion of the market. This allows the company to achieve a market share of 45 %, more than double of DPD's 22% (ECDB 2024).

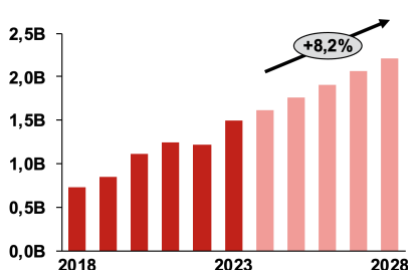
Figure 18 - E-Com PT Market Cap



#### 3.1.2.2. Spain

In Spain, the scenario is even brighter, as the market revenues are expected to grow at a CAGR of 10.4% until 2028 (ECDB 2024). Nevertheless, CTT Express does not figure in the top 5 players, despite increasing efforts to do so. Their dominance in what regards suppliers and buyers is not as evident as in Portugal, which also difficults their pricing options and consequently their margins, a characteristic seen by other players in Spain achieving lower margins (IBISWORLD s.d.). With the rising of e-commerce as the main driver of CEP markets all around the globe, the growth in volume is mostly fuelled by B2C transactions, which is also bringing a shift in the nature of items being shipped – packages are getting smaller on average, resulting in lower average prices per unit, with this trend expected to continue going forward (Investor Relations 2024).

Figure 19 - E-Com Spain Total Volume



Between 2018 and 2023, Spain's e-commerce parcel volume grew significantly, from 730M items to 1.5B items, demonstrating robust expansion (ECDB 2024). Over the same period, global parcel volumes nearly doubled, increasing from 88B items in 2018 to 185B items in 2023 (Statista 2024). This parallel growth revealed that Spain consistently accounted for approximately 0.8% of the global parcel volume throughout the years.

### 3.1.2.3. Mozambique

CTT also operates in Mozambique, which is a relatively small size market when comparing with the European counterparts, as the internet penetration ratio is much lower, at around 21% in 2023 (International Trade Administration 2024). Nevertheless, it is growing at a higher pace, expected to grow at a 11.1% CAGR until 2028 (Statista 2024). Given their 14 years of experience in the market, brand reputation, and the extensive network they built in the country, it is easier for CTT to achieve significant growth, given the rudimental characteristics of the market where players with more connection with businesses and people can benefit.

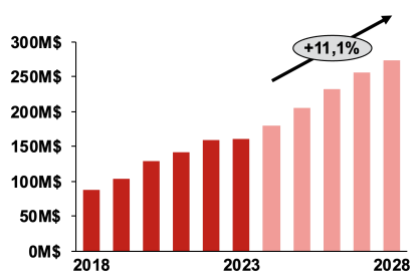
### 3.1.3. **Financial Services Market Overview**

The business unit of Financial Services, originating from the diversification strategy of CTT, takes advantage of their extensive network of branches in Portuguese territory, provides financial services such as Savings & Insurance, Payments, Money Transfers and Retail Products & Services. Under the Saving & Insurance industry, there is mostly the Public Debt Certificates, where only the Portuguese Treasury and Debt Management Agency could place these certificates, besides CTT. Despite the huge attractiveness in the high-interest rate environment started in 2022, the termination of Series E in the last half of 2023 cut the financial benefit of subscribing to the product, and consequently sharply decreased the volumes seen in this segment. In the future, the competition for the segment is set to increase, with banks now allowed to sell this service – Banco BiG already entered the market, amongst other institutions (MoneyLab 2024). The threat of substitutes such as alternative investment options with more risk/reward potential and the entry of competitors can threaten the segment in the future, with long-term attractiveness depending on macroeconomic and regulatory movements.

## 3.2. Market Overview: Banco CTT

The Portuguese banking sector is a dynamic and highly competitive market, characterized by a mix of established players and emerging challengers. Banco CTT operates as a primarily B2C-focused bank, leveraging its parent company's extensive postal branch network to offer accessible banking services. This distinct positioning introduced CTT to the hard challenge of entering in the highly competitive retail banking landscape, but also provided opportunities to serve underserved segments and attract clients. The Portuguese banking landscape is composed of big established national players such as CGD, Millenium BCP or Novo Banco, and foreign players like Banco Santander, Bankinter or ABANCA and smaller banks such as CTT or BiG. Apart from the traditional banks, giants of the fintech space like Revolut entered the Portuguese market, reaching 1.5M users (Marketeer 2024). The competitive dynamics of the industry have been changing, given today's easiness of changing banks, and CTT has position themselves as

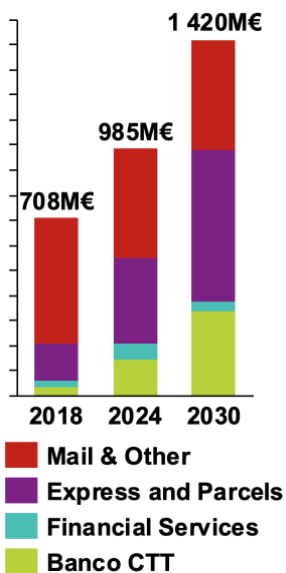
Figure 20 - Mozambique E&P Market



the number one choice for those changing banks (CTT Group 2024). Nevertheless, the entry of such substitutes creates a significant threat to Banco CTT, especially in their proposition to the younger generations, as the whole industry is also shifting for a more digital approach, which moves further from the competitive core advantage of CTT's proximity.

As for banking commissions, its evolution in Portugal reflects both regulatory changes and strategic adjustments by banks. Over the past decade, there has been an increase in fees for services such as account maintenance and loan commissions. These increases have been driven by a need to diversify income streams away from interest-dependent earnings and to cover rising operational and compliance costs. However, this upward trend has plateaued in recent years, with banking commissions stabilizing across most services. This is partly due to regulatory interventions, including EU directives such as SEPA, that capped fees on cross-border transactions, and initiatives by the Bank of Portugal to protect consumers, such as capping costs for basic bank accounts targeted at low-income customers (Banco de Portugal 2024). The growth of digital banking has also played a role in reshaping fee structures. While fees for digital transactions are generally lower to encourage online service adoption, charges for in-person services have increased. Competition from digital-only banks and fintech companies, which often offer zero or low fees, has further pressured traditional banks to keep commissions stable (ECB Banking Supervision 2021). Looking ahead, banking commissions in Portugal are not expected to rise significantly. Banks have largely reached a limit in what they can charge without risking customer dissatisfaction, especially as regulatory oversight continues to ensure consumer protection. Stabilized commission levels reflect a balance between maintaining revenue streams and adapting to a competitive and regulated market environment (Macedo Vitorino 2023).

Figure 21 - Group Revenues



## 4. FINANCIAL ANALYSIS

### 4.1. Revenues Forecasts

Overall, CTT's revenues are forecasted to grow considerably, particularly in the next few years. The company's revenue evolution has been consistent from 2020 onwards, mainly driven by the momentum of the Express & Parcels business unit witnessed in the pandemic, with total revenues rising from 708M€ in 2018 to over 985M€ in 2023 and projected to surpass 1B€ by the end of 2024. In 2025, a double-digit YoY growth of revenues is forecasted, with E&P and Banco CTT as the main contributors. Between 2024 and 2039 revenue growth is forecasted to grow at a CAGR of 3.6%, reaching 1.8B€ in 2039.

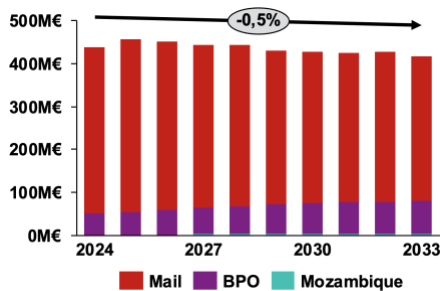
These projections reveal that the company is up for major transformation, with the revenue mix reflecting a clear shift in the company’s core business and strategic focus. The E&P business unit emerges as the central growth driver for CTT, benefiting from the ongoing structural growth of e-commerce and the successful journey of CTT Express in Spain during the last years. This segment is expected to have robust revenue expansion, becoming the main contributor to CTT’s revenues from 2026 onwards and surpassing Mail & Other.

Simultaneously, Banco CTT demonstrates great momentum, transforming from a relatively minor contributor in 2018 to a pillar of CTT’s business. Its strong revenue trajectory is key not only for its viability as a business unit itself, but also as a leveraging mechanism for CTT’s retail network, supported by the unique capillarity of the company in Portuguese territory.

While Mail & Other is forecasted to continue to face declines in mail volumes, the segment is expected to show some resilience, largely supported by the growth of the Business Solutions subsegment, which has the potential to be a successful diversification approach from CTT.

Lastly, the FS segment is not expected to keep previous years’ volumes, mainly due to the ending of the Savings Certificates Series E, which offered great returns when the EURIBOR rose, and the discontinuation of the sale of scratchcards. This BU is expected to maintain a stable revenue level during the forecasted period, whilst remaining an important tool to add value to CTT’s retail network.

Figure 22 - Mail & Other Revenues



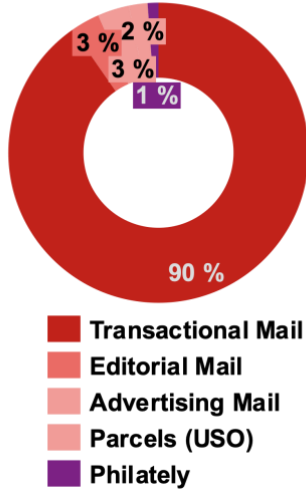
#### 4.1.1. Mail & Other Revenue Forecasts

The Mail & Other Business Unit includes Mail and Business Solutions. For Mail, the primary drivers are the volumes for the different types of mail, coupled with the average price per item which can be increased under the Universal Service Obligation contract to mitigate the effect of reduced volumes. As for Business Solutions, it is forecasted given the growth of the BPO market in Portugal and the estimated market share of CTT. Lastly, given the attribution of the Universal Postal Operator license to CTT in Mozambique, although this is not currently part of CTT’s revenue mix, a new Mail segment was considered for the entry in the Mozambican market, in which the revenue is projected with a penetration rate of the estimated postal services market size for the country (AICEP 2024).

Overall, although the mail industry is considered mature and anticipated to decline due to digitalization trends and the obsolescence of traditional postal services, revenues for Mail & Other are projected to only decrease smoothly, remaining above 400M€ in 2039. This resilience is attributed to CTT’s price and diversification strategy, in particular the growth opportunities with the Business Solutions product line, with its revenue growth catching up to Mail’s revenue decline.

The revenues for Mail & Other are forecasted to grow in 2024 (2.9%) and 2025 (4.4%), explained by the agreed aggressive mail price strategy (around 9.5%), and the growth predicted for the Business Solutions, which results in revenues of 467M€ in 2025. After this positive period, despite the softener effect from the increase of Business Solutions and the assumed activity in Mozambique, revenues are projected to fall to 407M€ in 2039, at a CAGR of -0.6% in the base case. For the optimistic and pessimistic cases, the CAGR is 0.3% and -1.4% respectively.

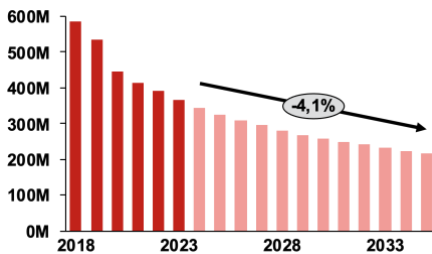
Figure 5 - Types of Mail (Revenue)



4.1.1.1. Mail Revenue Forecast

The Mail segment is composed of Transactional, Editorial, and Advertising Mail, Parcels (USO) and Philately. It achieved 379M€ of revenues in 2023, most of it coming from the Transactional Mail (90.3%), which is essentially communications needed to be delivered in physical form, e.g. bank statements, invoices, or legal and fiscal matters (registered mail), also including election (outbound) mail. The Editorial Mail represented a much lower share (3.1%), being composed of deliveries of subscribed magazines, newspapers and others. The Advertising Mail, addressed and unaddressed, represented a share of 3.4% in 2023, a decrease of 3 p.p. from 2018. Parcels in this segment is composed of parcel delivers that fall under the universal service obligation, which achieved in 2023 a 2.0% share. Philately, focused on the design, issuance, and distribution of collectible stamps and philatelic products, like the *Saint Francis of Assisi - 800 Years of the Greccio Nativity Scene* issued in 2023 (CTT Group 2024), represented 1.2% of revenues.

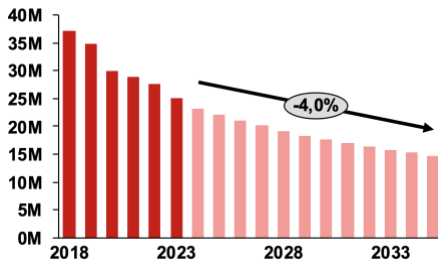
Figure 23 - Transactional Mail Volumes



Revenues in Transactional Mail have been reducing, together with an historical volume declining trend of around 4.7% in the period of 2013-2018 (CTT Group 2020). During COVID, this decline went up to 9.9%. Since then, due to digitalization trends sharpened by the pandemic and the price policy negotiated with the government – which compensated for the period of high inflation in 2023 with a hike of prices in 2023, 2024 and (expected) 2025 of around 6.4%, 9.5% and 9.5% -, the rates of decline have been higher but steadily converging to the mean. Moving forward, the Transactional volumes are expected to decrease at the mean pace between 4.7% and 6.2%, depending on how well it copes with the aggressive price increases and the effect from the pandemic. Later, it is forecasted to converge to the European declining mean of 3.5% (European Commission 2024), scenarioizing the time of achievement between 2-10 years. Despite this, revenues are not set to see such declines, due to the mentioned off-set made by the increase in prices. CTT can increase it up to the limit negotiated under the Price Convention, which mostly tracks the inflation of the transportation class and the rate of declining of volumes and efficiency. As there are variables with very few reliable predictabilities, it was deemed reasonable to forecast it with the rate of inflation of 2% for Portugal, leaving the door open to a scenario of 25bps increase, so that the key financial operating figures remain more stable and positive overtime, reflecting

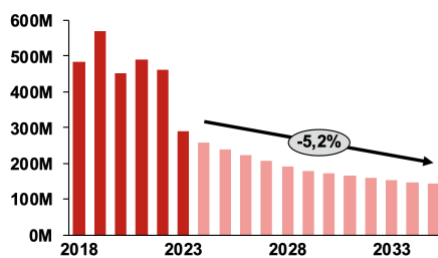
CTT's pricing power over the government. Additionally, a spike in volumes was also assumed every four years, to reflect the increase associated with legislative elections in Portugal, consistent with historical values. These effects lead to a predicted CAGR in revenues of -1.5% in the base case, -0.3% in the optimistic case, and -2.1% in the pessimistic case.

Figure 24 - Editorial Mail Volumes



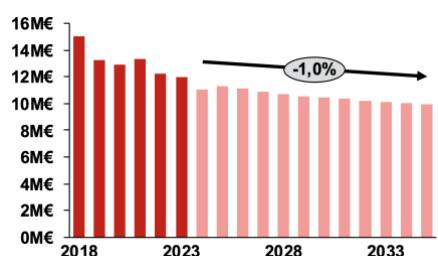
The revenues of Editorial Mail followed a similar trend as Transactional Mail, recording volume declines of around 4.7% in the period from 2013 to 2018 (CTT Group 2020). During COVID, Editorial had registered a yearly decline of 7.4%, slightly below Transactional, partially explained by the less aggressive price increases. Volumes are forecasted to decrease between 4.5% and 6.2% y.o.y. in the upcoming years, depending on how effectively the company can mitigate the fall with price increases. In the longer term, in a forecasted period of 2-10 years, it is expected to converge to a value between the European average, of -3.5% and its historical average of -4.7%, slightly worse than Transactional Mail due to the segment having a more challenging nature. The price structure uses the same logic as before. This leads to a forecasted CAGR in revenues of -1.6% in the base case, -1% in the optimistic case, and -3% in the pessimistic case.

Figure 25 - Advertisement Mail Volumes



The revenues of the Advertising segment followed a more negative trend in the past than the two segments above, decreasing by an average of -7.3% in the 2013 to 2018 period (CTT Group 2020). Nevertheless, it was the most resilient during the COVID period out of the three Mail product lines, decreasing by 6.7% between 2020-2022, driven by the *CTTAds* brand created in 2021. However, due to the rise of the price of paper, in 2023 it registered a substantial decline of 37.4%. Therefore, volume growth rates are projected to be between -7.1% and -10.5%, which is in line with the historical average and the CAGR observed after the pandemic (2021-2023). This reflects the ongoing expected increase of the price of paper in the near future. At a later stage, in an estimated period of 2-10 years, it is projected to decrease to the European mean of -3.5%. Using the same price structure as before, the assumptions lead to a predicted revenues CAGR of -2.8% in the base case, -1.1% in the optimistic case, and -5.4% in the pessimistic case.

Figure 26 - Other Segments (Revenue)



The segment of Parcels (USO) was forecasted as the average of the last 5 years, as there is no sufficient information about the item to determine a driver, nor any trend to follow, as the revenues of this item moved up and down inconsistently.

The revenues of the Philately segment, due its correlation with the volumes of the Editorial segment, were projected based on the same growth rates: -3.6% in the base case, -3.3% in the optimistic case, and -4.9% in the pessimistic case.

4.1.1.2. Business Solutions Revenue Forecast

The revenues in Business Solutions reveal that CTT has been steadily increasing its market share from 2.0% in 2018 to 6.8% in 2024 – it must be noted that the

revenues from 2022 are non-recurring, having resulted from a laptop sale project (CTT Group 2024). A key driver of this growth was the full incorporation of the acquired NewSpring Services, which enabled CTT to become a consolidated player in the growing BPO and Contact Center markets. Additionally, CTT has been expanding its portfolio of Business Solutions services throughout the last years, namely with the creation of SIGA (a digital wallet), STICO and STIAR (administrative offence management and administrative instruction system, respectively), amongst other examples (CTT Group 2024). With the continuous introduction of new services and the consolidation in the BPO market, CTT has the right conditions for further growth in the Business Solutions segment. This is exacerbated by the possibility of leveraging its other Business Units, such as introducing financial back-office services through Banco CTT, inventory management and order processes for e-commerce entities working with CTT in E&P, and others.

CTT's market share in the Portuguese BPO market is assumed to grow to almost 9.0% in 2039, and with the industry reaching near 1B€, it results in revenues for Business Solutions of nearly 86-87M€. Penetration in this market by CTT can be more or less fast, depending on the degree at which it grows its ecosystem of BPO services and how effectively it is able to obtain synergies from its other businesses. It must be noted that CTT's performance in the BPO market can be jeopardized if local competition or inefficiencies in the company's scaling process are higher than expected. For this risk, a scenario was hypothesized is said to have reached a peak in terms of the Business Solution segment and is not able to maintain its relevance in this industry, reducing its market share to less than 6% by 2039, whilst still benefiting from the momentum of the growing market, resulting in revenues of 56M€. The assumptions resulted in a predicted revenues CAGR of 3.6% in the base case, 3.7% in the optimistic case, and 2.3% in the pessimistic case.

Figure 27 - BPO Revenues

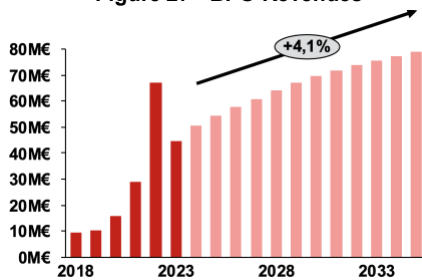
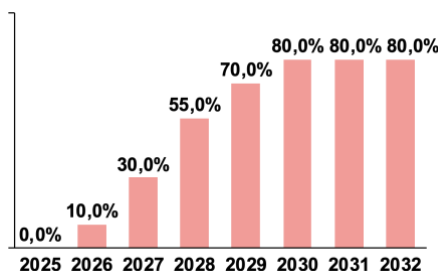


Figure 28 - Mozambique CTT market share



4.1.1.3. Mozambique Mail Revenue Forecast

With the attribution of the Universal Postal Operator license to CTT in Mozambique, it was assumed that the scope available for the company to exploit is the letter post market. In line with CTT's current Mail volume market share in Portugal of 83% (Anacom 2024), the company is expected to quickly capture between 75 and 85% of the Mozambican market within 5-6 years, nearly reaching yearly revenues of 5M€ by 2039. The revenues will grow at a CAGR of 14.8% (from 2025 until 2039) in the base case, 17.7% in the optimistic case and 19.6% in the pessimistic case (due to much lower starting point).

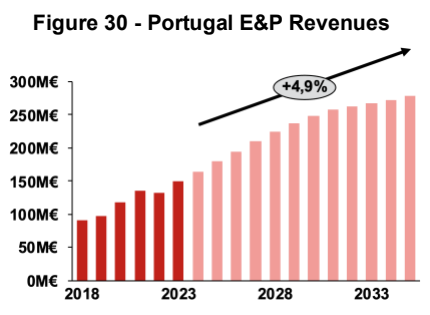
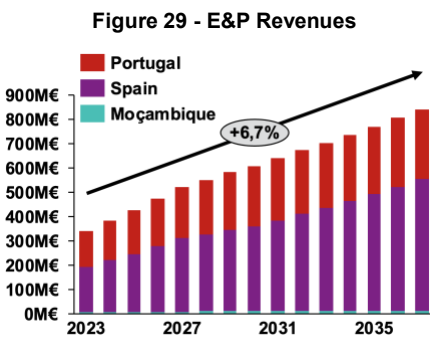
4.1.1.4. Other Revenue Forecast

The Other segment was estimated as the average of the prior five quarters, as there is not enough information about the item, despite finding seasonality.

### 4.1.2. Express & Parcels Revenue Forecast

Revenues in E&P are projected between the three segments of Portugal, Spain and Mozambique. Portugal is further split into the subsegments that CTT operates Parcels – the main driver of this BU -, Cargo, Banking Network, Logistics, and Other. For Spain, its sole product line is Parcels. As for Mozambique, it is mainly driven by e-commerce shipping, with an additional contribution from USO Parcels.

Express & Parcels is expected to be the main driver of CTT’s future growth, with significant opportunities for expansion in the Spanish market. Spain offers substantial growth potential and is a region where CTT still holds a relatively small market share. Nevertheless, the Portuguese market also offers considerable growth prospects due to the increasing adoption of e-commerce in a region where CTT already holds a strong position. Y.o.y. growth in the base case will remain strong in the upcoming years, gradually slowing down and stabilizing around 4.6% from 2032 onwards, with annual revenues reaching near 920M€ in 2039 at a CAGR of 6.0%. The optimistic scenario assumes faster growth, reaching 980M€ in 2039 growing at a CAGR of 6.2%, while the pessimistic scenario grows always slower, reaching 770M€ at a CAGR of 5.1%.



#### 4.1.2.1. Portugal Revenues Forecast

E&P revenues in Portugal reached 150M€ in FY 2023 and have been showing a strong growth in the last six years, particularly during the COVID lockdowns – in fact, the decrease in revenues between 2021 and 2022 reflects the slowdown of the e-commerce market after the pandemic, considering that the second lockdown in Portugal during 2021 strongly boosted CEP revenues (CTT Group 2023).

In general, given the weight of CTT in the Portuguese CEP market and the normalization of the e-commerce industry after the pandemic boost, it can be expected that CTT is somewhat close to maturity in Portugal for this business unit. Nevertheless, there is still a large room for growth in the next few years and the e-commerce market is not expected to stagnate any time soon. Given this, revenue growth is forecasted to decrease from 12.8% y.o.y. in 2023 to 1.9% in 2032, remaining constant from then onwards, resulting in revenues of 300M€ for 2039.

Depending on how effectively CTT can sustain its dominant market share, the CAGR for the base, optimistic and pessimistic cases are 4.1%, 4.1% (despite always having higher values), and 3.9% respectively.

##### 4.1.2.1.1. Parcels

For Parcels, the Portuguese e-commerce market was identified as the primary growth driver. In 2023, CTT was offered as a shipping provider in 44.6% of the Portuguese e-commerce market (ECDB 2024), meaning that the potential revenue of the e-commerce market attributable to CTT stood at 2.6B€. By dividing CTT

Parcels revenue for FY 2023 by this e-commerce revenue attributable to CTT, a margin of 5.3% is computed, meaning that CTT has the potential to generate 5.3 cents of revenue per euro of e-commerce product that it ships. With this, it is assumed that both this margin and the proportion of e-commerce customers who choose CTT as a shipping provider remains constant for the forecasted period, allowing for the estimation of future revenues based on the Portuguese e-commerce market growth and CTT’s market share. Given the fierce competition of other CEP players in Portugal and CTT’s already substantial share of e-commerce shipping, it is not expected that the company’s weight in shipping providers increases in the future, meaning that the proportion of the e-commerce market that offers CTT as a shipping provider remains constant at around 45% going forward. Naturally, this means that the growth momentum that Parcels has had in Portugal will slow down, with revenues growth stabilizing at 2% y.o.y. from 2032 onwards, reaching almost 300M€ in 2039.

If CTT is unable to overcome risks of the e-commerce shipping market in Portugal, such as the increasing competition of global logistics players and consequent reduction in operational margins, it ultimately may lead the company to be pushed out of strategic partnerships such as Temu. In this case, CTT will not be able to sustain its current share of the e-commerce market shipping, and it is forecasted that this proportion will reduce gradually until 36% in 2028, stagnating from there onwards, meaning that revenue growth in Parcels will be slower until 2032 in comparison with a normal scenario. Depending on CTT’s resilience, revenues for this product line will grow at a CAGR of 4.3% in the base case, 4.3% in the optimistic case, and 4.1% in the pessimistic case.

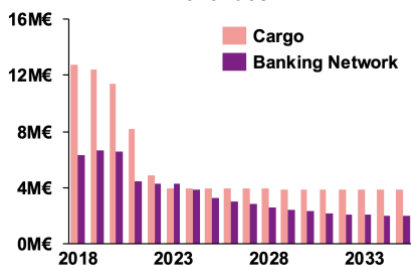
**4.1.2.1.2. Cargo**

For Cargo, CTT has attempted to turn around this business since 2021, introducing a partnership with transportation company Santos e Vale. However, this subsegment has been consistently shrinking, and it is not expected that it will evolve positively in the forecasted period. Nevertheless, it derives from important synergies with CTT’s assets and the B2B customers, and therefore it is assumed to remain around 3.8M€ of yearly revenues, growing at a CAGR of -0.2%.

**4.1.2.1.3. Banking Network**

Banking Network revenues are directly linked with the volume of shipments that bank branches in Portuguese territory generate. With current digitalization trends, it is expected that both the number of bank branches in Portugal and the amount of business that each generates for CTT will be reducing in the future. In 2023, there were 5630 active branches in Portugal, and forecasted to decrease to 4630 by 2029, after which the decrease rate is assumed to remain at 2.5%, reaching 3580 branches by 2039. CTT revenue per branch in Portugal stood at 758€, and it

Figure 32 - Cargo and Banking Network Revenues



is assumed to decrease until 450-500€, depending on the scenarios. Revenues would reach 1.8M€ by 2039, with CAGR of -5.1% in the base case, -4.9% in the optimal case, and -5.6% in the pessimistic case.

**4.1.2.1.4. Logistics**

Logistics “is a pillar of the development of the vertical integration strategy with CEP” and its evolution is based on “growth from current and new customers, both in e-commerce and B2B” (CTT Group 2024). As such, its revenues are forecasted as a percentage of the revenues of Parcels. Based on the metric from the previous two years, it is assumed that this percentage will remain at 2.9% in the forecasted period, with revenues reaching 8.2M€ by 2039 and growing at a CAGR of 4.3%.

**4.1.2.2. Spain Revenues Forecast**

CTT has exhibited tremendous growth for E&P in the Spanish market, with the region surpassing Portugal in terms of business volumes during the last years and reaching 187M€ for FY 2023. Through the rebranding of Tourline as CTT Express, the company was able to leverage its already dominant position in the Portuguese market to offer its customers one single integrated Iberian logistics solution, and this is evidenced by the increased in market share in terms of parcels volume, from 2.2% in 2020 to 4.1% in 2023, expected to stand at around 4.5% by FY 2024. For Spain, the drivers for CTT’s revenues are the market share of the company in terms of the forecasted parcel shipping volumes in the country, and the average price per parcel, which is assumed to be closely correlated with average fuel prices, given that this is one of the main sources of variable costs for transportation and logistics companies (Rodrigue 2024).

As explained before, parcel shipping volumes in Spain presented strong growth historically, consistently accounting for 0.8% of global shipping volumes. Global shipping volumes are forecasted to reach 256B items in 2027 (Statista 2024), after which it is assumed that y.o.y. growth of volumes will gradually reduce. Spain volumes are assumed to keep representing 0.8% of global volumes, in order to estimate the Spanish market size for the forecasted period, with items nearing 4.4B in 2039. Considering the historical growth in CTT’s shipping volumes, it is believed that the company will reach a market share of 5.5% in 2027, stabilizing from there.

CTT is required to have substantial increases in capacity not only to accompany the expansion of the region but even to gain market share. Nevertheless, CTT has potential for vertical integration to some extent with increased investment in its distribution system, for example through a new unit in Madrid that provides integrated customs clearance service for last-mile delivery, the expansion of the convenience stores network, or the widespread installation of Locky lockers in the Spanish territory (CTT Group 2024). For this, it is expected that CTT can grow to and stabilize at a market share of 5.5% of shipping volumes in Spain by 2027.

Figure 33 - Logistics Revenue

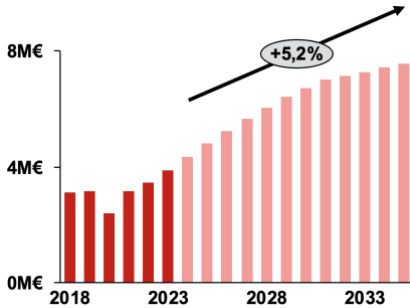


Figure 34 - E&P Spain Revenues

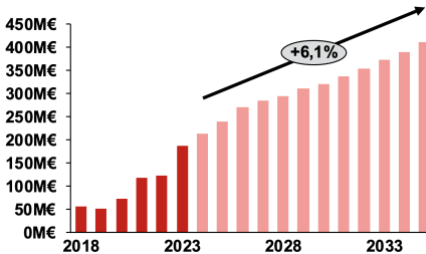


Figure 35 - E&P Volumes Total Spain Market

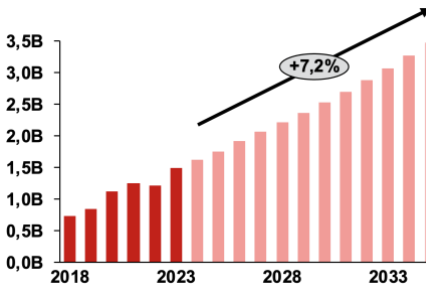


Figure 36 - E&P Market Share in Spain

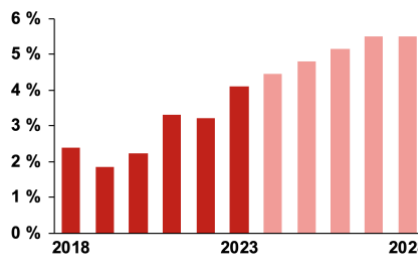
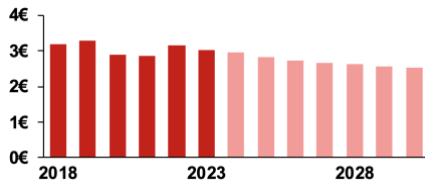


Figure 37 - Price per Parcel



As for average price per parcel, with the increasing competition in the sector for Spain as well as expected reduction in the average size per parcel, it is not foreseen that companies will be able to maintain the same proportion going forward, meaning that the average fuel price is assumed to weight 56-59% of the average parcel price from 2030 onwards. Fuel prices were forecasted with the changes in ICE Europe Low Sulphur Gasoil Energy Future contracts, considering that Diesel is the primary fuel type used in road transportation of goods (Bali 2024). As a result, average price per parcel for CTT is predicted to reduce from 3€ in 2023 to 2.5€ by 2030.

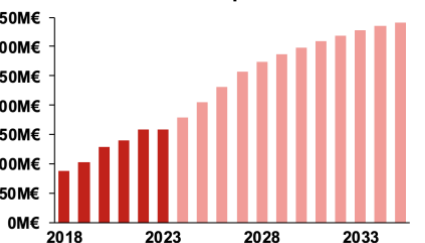
Given the growth of the market and the company’s share, despite the gradual reduction in price, CTT are expected to continue to grow strongly in the forecasted period, demonstrating that this segment has a tremendous growth potential, and with revenues reaching as high as 609M€ in 2039, growing at a CAGR of 7.3% in the base case, 7.3% in the optimistic case and 5.8% in the pessimistic case.

4.1.2.3. Mozambique Revenues Forecast

CTT operates in Mozambique in the CEP market through the subsidiary Corre. The company has been able to grow revenues in Mozambique considerably in the past, from 2M€ in 2018 to nearly 4.7M€ in 2023, and projected to sit at 4.5M€ by the end of 2024. This evolution has been mostly sustained by a new partnership with a freight forwarder in Africa (CTT Group 2023). Considering this, it was assumed that historical revenues originated from e-commerce shipping. In total, revenues in Mozambique are projected to grow strongly and reach 9.9M€ by 2039. Simultaneously, taking into account the attribution of the Universal Postal Operator license, Parcels under the Universal Services Obligation agreement are also considered for CTT’s revenues in the forecasted period, driven by the Mail Parcels market.

The e-commerce market in Mozambique grew from 88M€ in 2018 to 160M€ in 2023, projected to reach 180M€ by the end of 2024. Until 2029, this market is expected to continue to grow strongly, reaching more than 287M€ in revenues (Statista Market Insights 2024). From 2030 onwards, it is assumed that growth will continue its deceleration rate, stabilizing at 1.5-2% y.o.y. depending on the scenario. Then, assuming that operation in Mozambique was fully attributable to e-commerce, it is visible that CTT’s revenues are on average 2.4% of the e-commerce market. This margin was assumed to remain constant in the forecasted period, resulting in e-commerce revenues for CTT in Mozambique reaching 9.2M€ by 2039. As for Parcels USO, it is estimated in line with the assumptions for the mail business in Mozambique. CTT is projected to capture 75-85% of the market in the country by 2030, starting in 2025, with revenues reaching 655k€ in 2039.

Figure 38 - Mozambique E-Com Market Cap



As a result, total revenues in E&P Mozambique will reach 9.9M€ in 2039, with a CAGR of 5.4%, 5.5%, and 5.3% in the base, optimistic, and pessimistic scenarios.

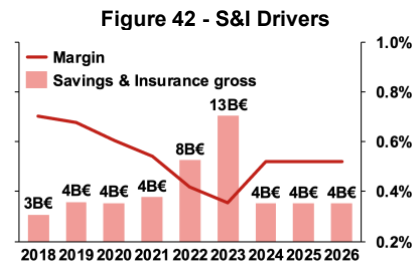
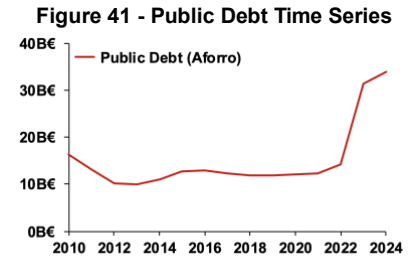
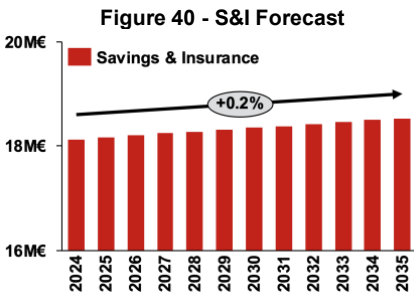
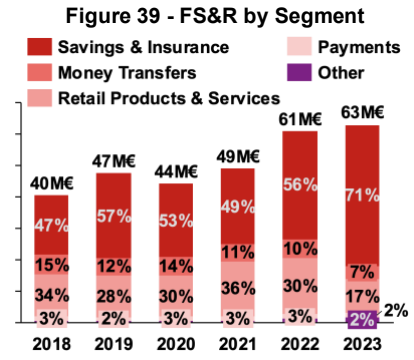
**4.1.3. Financial Services & Retail Revenue Forecast**

FS includes revenues from five streams: Savings & Insurance (S&I), Payments, Money Transfers, Retail Products & Other. It involves a series of financial services and products which CTT has been providing for the past decades such as pension vouchers, payments for tolls and utilities, and insurance and savings products.

It totalled 63M€ of revenues in 2023, expected to fall to 34M€ in 2024. S&I is the main segment, accounting for 70% of revenues in 2023. However, it faced headwinds in 2024, namely the limit in subscriptions of public debt, and the normalization of subscriptions, which will lead 2024 revenues to sit at only 18M€. The second largest segment is Retail Products & Services, the Payshop network, with revenues of 10M€ in 2023, expected to decrease 8.6M€ in 2024. Money transfers deliver around 4M€ top line, and lastly payments with around 1.5M€. Revenues for Financial Services are forecasted to grow at a CAGR of 0.5% in the base case, and 0.5% and 0.4% for the optimistic and pessimistic scenarios.

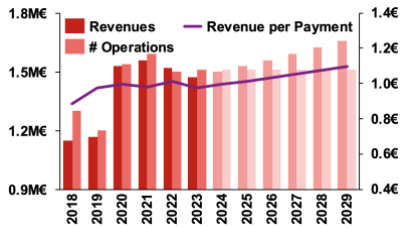
**4.1.3.1. Savings & Insurance Revenues Forecast**

For S&I, the revenue corresponds to the margin that CTT charges for providing access to either Treasury Certificates or other Insurance Products, times the total amount that is subscribed. Historically, this margin has been decreasing (as volume increases, fixed fees get diluted) stabilizing at around 0.5. Historical averages with different lengths were used for the base and optimistic scenarios, while for the pessimistic, a lower value was taken, to express the limitation in charging higher fees if the products are also less attractive. On the other hand, volume subscribed does not have a clear trend. This is because most subscriptions relate with Treasury Certificates, which historically have been providing very low returns, hindering subscriptions. However, with the introduction of the Series E, and later the rise in global interest rates, with returns based on the EURIBOR became a very attractive product very fast. This explains the tripling of subscriptions between 2021 and 2023. However, the new series F is much less interesting, and subscriptions have decreased 80% already. It is impossible to forecast the terms of future public debt, as it encompasses many different factors, from macroeconomic, geopolitical, financial, to societal. Historically, the volume of subscriptions has remained relatively stable in stable periods. As such, the average growth rate of government public debt in an interest rate stable period (2018-2021) was used to forecast the growth of S&I subscriptions resulting in a 0.2% growth. While for the forecast of 2024, the rational was slightly more complex. Using the assumed margin and given the revenues of this segment up until the 3<sup>rd</sup> quarter, the gross volume “traded” during the year was reverse engineered, as



public debt certificates were stable and decreasing. Then, in October there was a trend reversal on public debt, increasing 240M€ in around two weeks. Assuming this is due to the larger demand for public certificates associated with the increase in the maximum amount subscribed, one can find approximate the remaining volume by multiplying by the remaining fortnights of 2024. Adding both together, a value around 75% lower is reached, aligning with historical trends of 2018-2020.

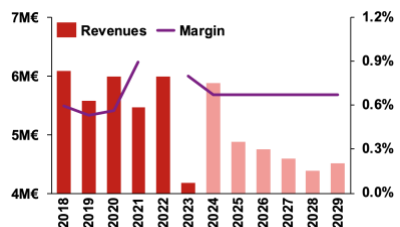
**Figure 43 - Payments Orders Revenues Forecast and Drivers**



**4.1.3.2. Payments Revenues Forecast**

The revenues of the Payments product line are the result of the number of operations times the price that CTT takes as an intermediary. Historically, the fee has been 1€, which was the value assumed going forward (growing at inflation). As for the number of transactions, it has remained very stable over the past 4 years, and assuming that trend continues (growing by 1% on optimistic, flat on base, and decreasing 0.5% on the pessimistic), then most of the growth will be coming from inflation.

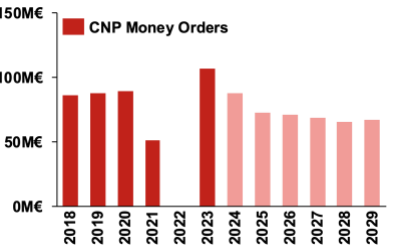
**Figure 44 - Money Orders Revenues and Driver**



**4.1.3.3. Money Orders Revenues Forecast**

Revenues have been decreasing 6.1% per year on average due to digitalization trends and easier and smoother ways to send and receive money and pensions both inside the country and across borders. To forecast this segment, the nominal balance sheet corresponding item was used as the volume, on which CTT makes a margin. While at the EOY such account only stores the pensions for the following month, assuming a uniform distribution during the year, the value can be used as is, and the margin is then divided by 12 to account for the proper CNP Money Orders volume. Different historical averages were used to compute the margins for the various scenarios, and for the CNP value as well, although the rationale was to decrease this amount due to the reasons aforementioned.

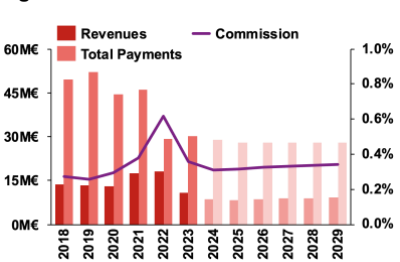
**Figure 45 - Money Order Accounts Payable**



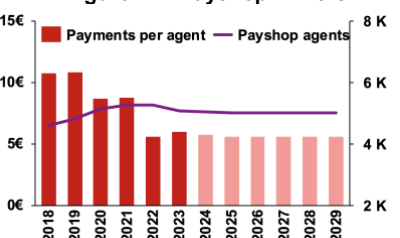
**4.1.3.4. Retail Products and Services Revenues Forecast**

This segment features the products sold in the Payshop brand. It has been steady from 2018 to 2020, with a big boost in 2021. However, in 2023, Payshop stopped distributing “Raspadinhas”, a core product, which resulted in a headwind of 2M€ in that year alone. Their business model consists of charging a fee per transaction, or a margin on a sold product. Historically, this commission has been circling around 30 cents per transaction, except for 2022, where inflation allowed the fee to double. This was therefore forecasted as this historic average on regular periods and growing at inflation. As for the number of transactions, it is useful to break this down even further as transactions per agent. The number of agents is expected to remain relatively stable, while the number of transactions per agent are expected to decrease as less people pay bills or buy Payshop products in person and start doing it digitally.

**Figure 46 - Retail Revenues and Drivers**



**Figure 47 - Payshop Drivers**



4.1.3.5. Other

The other revenues of FS were forecasted as the historical average % of revenues of the other items, which historically remained consistent between 1-2%.

4.1.4. **Banco CTT Revenue Forecast**

Banco CTT has demonstrated substantial top-line growth since 2018, with revenues reaching near 148M€ by FY 2023. This growth has been mostly driven by a rising financial margin, not only due to the higher interest rate environment but also given the considerable expansion of the bank's credit portfolio, from less than 250M€ in 2018 to almost 1.6B€ by the end of 2023, and in-route to finish FY 2024 with near 2B€ in credit conceded to its clients. There is also interest received from debt securities and other banking assets, which has grown considerably given the substantial investment the bank has made in these types of instruments, with the portfolio growing to more than 2.1B€ in FY 2023.

Historically, Banco CTT has progressively increased its Net Interest Margin, from 0.8% in 2018 to 2.7% in 2023, and estimated to reach 3.3% by the end of 2024. This margin has been evolving in the opposite direction of the industry average in Portugal, which has decreased from 3.7% in 2018 to 2.2% in 2023 (Statista 2024). The other source of Revenues for Banco CTT are commissions charged to its customers, for which revenues have been increasing essentially due to a larger amount of client accounts, from 348k clients in 2018 to 647k by the end of 2023. In the forecasted period, revenue for Banco CTT is projected to grow at a CAGR of 5.6%, 5.5% and -2.2% for the base, optimal and pessimistic cases.

4.1.4.1. Financial Margin Revenues Forecast

Financial Margin, or Net Interest Income, is the difference between the interest received from Banco CTT from its banking assets' portfolio and the interest paid to clients' deposits and other liabilities. Overall, despite the expected decrease of interest rates in the upcoming years, financial margin is projected to continue its growth trajectory, driven by the increase in interest-generating assets of Banco CTT, particularly credit to banking clients. Considering the historical improvement of Net Interest Margin for Banco CTT relative to the industry, the projections for interests received and paid set the forecasted Net Interest Margin consistently above the Portuguese average, stabilizing between 2.7-2.9% in the base case.

4.1.4.1.1. Credit to Banking Clients

The amount of interest received from Credit to Banking Clients depends on the volume of the credit portfolio and the interest rates charged on the loans. Credit conceded by Banco CTT in the future was estimated based on the expected loan-to-deposit ratio (between credit to banking clients and banking clients' deposits). Despite the increase in LDR for Banco CTT during the last years, from 28.1% in 2018 to 51.5% in 2023 – with exception for 2023 given the general slowdown for

Figure 48 - Other Revenues and Drivers

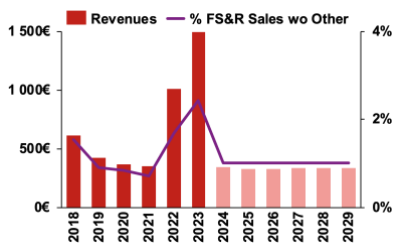


Figure 49 - Banco CTT Revenues

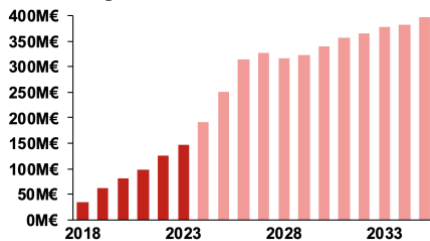


Figure 50 - Net Interest Margin

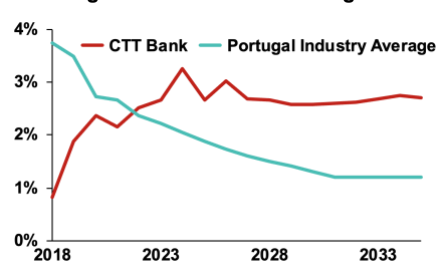


Figure 51 - Loan to Deposit Ratio

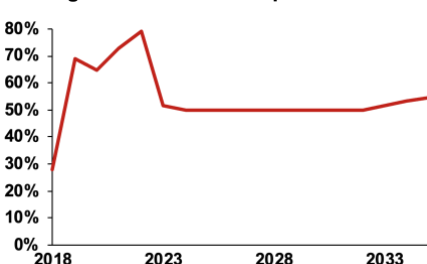
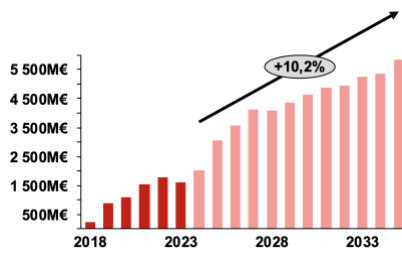
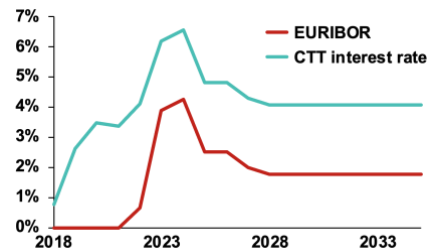


Figure 52 - Credit to Banking clients



the credit market and the attractiveness of foreign treasuries -, it is expected that this ratio remains consistent in the forecasted period, increasing slightly to a target ratio of 60%. Despite the averages of 80% for LDR in the Portuguese banking sector (Banco de Portugal 2024), it is not expected that (a smaller bank like) Banco CTT achieves the same level, given a more limited offering of credit products, which is not expected to change – auto loans has a higher weight in the credit portfolio, as opposed to mortgages or credit to companies (CTT Group 2024). With this, LDR is assumed to remain at 50% from 2024 until 2032, after which the slowdown of deposits’ growth and the maturity of the bank will allow for a higher LDR, evolving to 60% in 2038, a ratio that represents a convergence to small banks LDR (DiSalvo and Johnston 2017). Banco CTT’s credit portfolio will grow consistently to 6.9B€ in 2039.

Figure 53 - Interest Rates



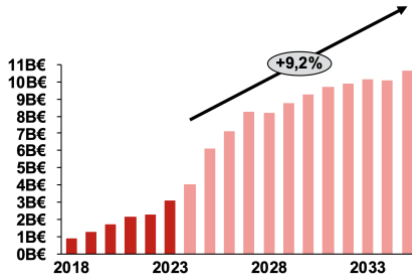
As for the interest rate, it is assumed that it will evolve together with the market forecasts for EURIBOR, whilst maintaining a target spread of 2.2-2.4%, which is in line with Banco CTT’s historical margin above EURIBOR. In recent years, the sharp increases in EURIBOR led to Banco CTT’s interest rates on credit rise to 6.2% in 2023, with an expected average of 6.5% for 2024. EURIBOR is forecasted to decrease to 2.5% by 2026 (Statista 2024), and assumed to reduce and stabilize at 1.8% from 2028 onwards, taking into account the historical data during periods of stable growth and inflation (Statista 2024). Consequently, CTT’s average interest rate is projected to follow this trend, gradually declining to reach an average of 4% from 2028 onwards.

The growth of Banco CTT’s credit portfolio, driven by the LDR through and the rise in banking clients’ deposits, will offset the expected reduction in interest rates in the next years, with revenues from credit growing from the expected 131M€ by the end of 2024 to near 178M€ by 2027, after which the growth in the credit portfolio slows down, and interest revenues start to decrease together with average interest rates. At the end of the forecasted period, the revenues are predicted to reach almost 400M€, building on the competence demonstrated in its first decade. Banco CTT faces the risk of not being able to expand on its credit as desired, especially if the product mix is less diversified than expected, resulting in a lower LDR under the pessimistic scenario. With this, the credit portfolio will grow at a CAGR of 8.6% for the base case, 8.3% (higher starting point and similar growth) for the optimistic case, and -2.2% for the pessimistic case.

**4.1.4.1.2. Banking Clients’ Deposits**

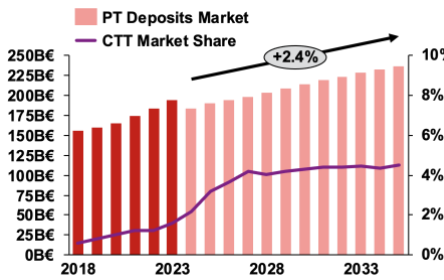
Banking Client’s Deposits in Banco CTT and interest paid on these deposits were forecasted according to the market share of Banco CTT in total retail banking deposits in Portugal and the forecasted behaviour of the interest rate. Deposits also serve as the driver for credit conceded, as mentioned above, through the LTD

Figure 54 - CTT Deposits



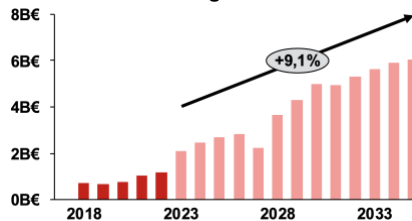
ratios assumed. Banco CTT's deposits grew significantly from 884M€ in 2018 to over 3B€ in 2023, with an expected total of 4B€ by the end of 2024. During this period, total deposits in traditional retail banks in Portugal increased from 155B€ to 194B€ between 2018 and 2023, with a projected decline to 183B€ for 2024. (Statista 2024). This means that Banco CTT's market share in deposits rose from 0.6% in 2018 to 2.2% in 2024. For the forecasted period, deposits in Banco CTT are calculated based on its assumed market share of predicted retail banking deposits in Portugal, mentioned above. The market share was benchmarked against the growth patterns presented by similar banks such as EuroBic and ActivoBank, during periods where these were comparable to the size of Banco CTT. Considering this, CTT's market share of deposits is expected to stabilize at 4.5% by 2033, resulting in Banking Clients' Deposits surpassing 11.5B€ by 2039.

Figure 55 - PT Deposits & CTT share



Interest rates paid on deposits are forecasted based on the movements of EURIBOR. The higher interest rate environment in the last couple of years led to noticeable increases in interest rates paid, a trend projected to continue in 2024 as EURIBOR remains high on average. With the projected behaviour of EURIBOR, interest rates paid on deposits are presumed to stabilize at 0.4% in the long term, resulting in interest payments surpassing 40M€ annually by 2038 in the base case, reflecting mainly the deposit growth. These will grow at a CAGR of 1.1%, 0.9% and -7.6% for the base, optimistic and pessimistic cases respectively.

Figure 56 - Debt Securities and Other Banking Assets

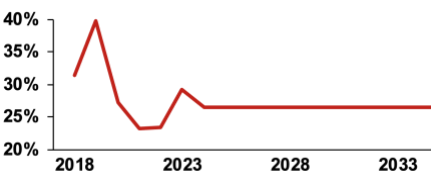


#### 4.1.4.1.3. Debt Securities and Other Banking Assets and Liabilities

Debt Securities and Other Banking Assets and Liabilities is the item used to equilibrate the Balance Sheet of Banco CTT, considering the projections made for Credit to Banking Clients and Banking Clients' Deposits, and the regulatory capital ratios that financial institutions are subject to, particularly the Common Equity Tier 1 ratio (ratio between Own Funds and Risk-Weighted Assets).

The process begins with estimating the desired CET1 ratio. RWA as a percentage of Total Assets was determined with the reported RWA value and the Total Assets value that resulted from the reformulation of the Balance Sheet, given that there is limited visibility of Banco CTT's specific asset allocation in the CTT annual reports. For Own Funds, it was decided to use Banco CTT's Equity value computed in the reformulated Balance Sheet. Historically, considering the method described above, CET1 ratio decreased from 32% in 2018 to 24% in 2022, before recovering to 29% in 2023. However, there are discrepancies between the calculated and the reported CET1, not only due to the mentioned differences in Total Assets, but also because some adjustments need to be subtracted from Equity to reach Own Funds. To address this, deductions that are detailed in CTT's annual report – such as losses for the period, intangible assets, Goodwill, and others – were subtracted from the reformulated Equity, which aligned the calculated CET1 ratio with the

Figure 57 - CET1 as % of RWA



reported value. For the forecasted period, it is assumed that the reported CET1 ratio would sit at 16.3% based on historical values, and then the historical difference between the calculated and the reported CET1 is considered to include all necessary adjustments. The resulting CET1 for the projection period was set at 26.4%, approximately 10 percentage points above the assumed reported CET1.

As for RWA as a percentage of Total Assets, this ratio averaged 39% between 2019 and 2022 and decreased to 25% in 2023. It is assumed that it will recuperate to the average of 39% until 2026 and remain stable from then onwards. With the assumption for CET1 and RWA ratios, the target value of Equity can be computed for each of the forecasted years. The difference between the target Equity and the Equity value that results from credit minus deposits is then attributed to the item Debt Securities and Other Banking Assets or Liabilities, depending on whether the difference is negative or positive. It is expected that due to the substantial increase in Banking Clients Deposits and reduction in the LTD ratio that was mentioned previously, Banco CTT will need to increase its investment in Debt Securities and Other Banking Assets to maintain the constant CET1 ratio and the consequent target Equity.

Lastly, for the interest received from these securities, similarly to other items explained, it results from the historical interest rate evolving with the EURIBOR. Interest received from Debt Securities and Other Banking Assets, given the considerable increase of the portfolio, will rise from the projected 42M€ at the end of 2024 to 120M€ in 2039 in the base scenario, growing at a CAGR of 7.3%. As for optimistic and pessimistic cases, it grows at 7.4% and 1.6% respectively.

**4.1.4.2. Commissions Revenues Forecast**

Revenues from Commissions increased from 26M€ in 2018 to 52M€ in 2022, seeing a slight decline to 49M€ to 2023, with the expectation to maintain that figure until the end of 2024. This growth has been primarily driven by an increase in the number of client accounts, which rose from 348k to 647k between 2018 and 2023, with a forecasted 658k accounts by the end of this year. Historically, the average commission revenue per account averaged approximately 74€ during this period. For the forecasted period, commissions are assumed to be driven by the number of client accounts.

The growth in client accounts is estimated based on the average deposit per account, considering the forecasts on Banco CTT’s Banking Clients’ Deposits aforementioned, compared with the average deposit per account in the Portuguese market. From 2018 to 2023, the average deposit in Portugal grew from 13k€ to 17k€ (Luz 2024), whereas Banco CTT’s average increased from 2.5k€ to 4.8k€, indicating that as Banco CTT matures, it has room for growth in average deposit per client account. The average is forecasted to grow by the historical yearly

Figure 58 - RWA as % of Total Assets

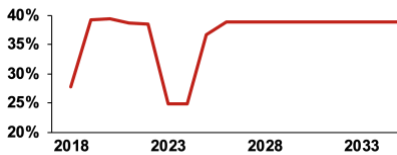


Figure 59 - Client Accounts

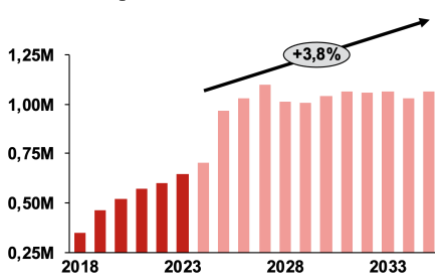
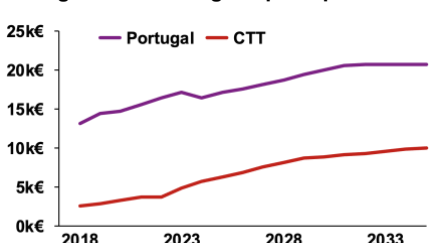


Figure 60 - Average deposit per account



increases until 2028, when it slows down going forward. Despite the growth in the average deposits, Banco CTT's client accounts are expected to grow steadily given the substantial increase in Banking Clients' Deposits, reaching approximately 1.2M accounts by 2038. The average commission per account is projected to decline slightly to 72€ by 2032, in line with industry trends indicating that commissions

As a result of a growing number of client accounts, with stable average commission per account, revenues from this stream are projected to reach 87M€ by 2038, with a CAGR of 2.5%, 2.3% and -6.4% in the base, optimistic and pessimistic cases.

## 4.2. Operating Costs Forecast

To forecast CTT's operating costs, the approach employed ensures comparability across the company's segmented income statements. The forecast is built on five core drivers: Staff Costs, External Supplies and Services (ESS), Other Costs, Impairments and Provisions, and Internal Services Rendered. In 2023, operating costs amounted to 833M€, of which staff corresponded to 383M€, ESS to 392M€, Other to 33M€ and Impairments to 25M€. In 2024, operating costs are to reach 877M€, representing around 85% of revenues, aligning with the historical trend. Costs are projected to grow at a CAGR of 3.5% in the base case, 3.6% in the optimistic case, and 2.0% in the pessimistic case (in line with growth assumptions).

### 4.2.1. Staff Costs

Staff costs are broken into two main drivers: headcount and average salary. To forecast salary, inflation rates with varying premiums were used. The rationale behind these premiums is that in negative scenarios, CTT may struggle to retain talent and could be forced to increase wages. Additionally, while wages tend to be sticky, regular increases in the minimum wage should prompt CTT to adjust salaries accordingly. Depending on the salary increases and the flexibility that CTT has to adjust the headcount relative to the top-line performance, staff costs are forecasted to grow at a 2.0% CAGR in the base case, 2.0% in the optimistic case, and 1.0% in the pessimistic scenario.

#### 4.2.1.1. Mail & Other

For the Mail segment, the staff headcount is projected to remain flat or decrease slightly. This business unit is highly geographically based, and the existing post offices and mailing routes are unlikely to be discontinued, as CTT needs to provide nationwide mail delivery. Consequently, large-scale staff reductions are not feasible, nor is there a need for significant scaling. However, it is assumed that Mail and Other can achieve some synergies, allowing for optimized routes and reduced staffing in this less promising business unit.

Figure 61 - Operating Costs by Nature

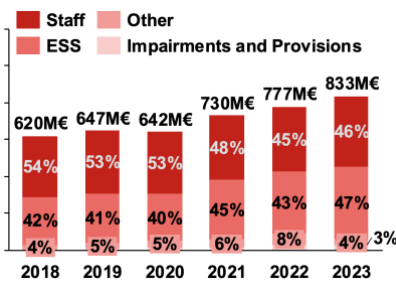


Figure 62 - Staff Costs by BU

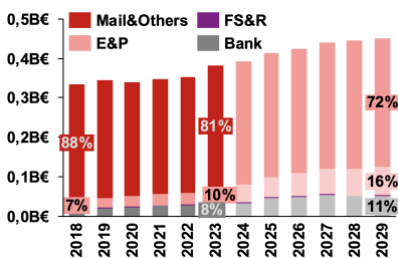


Figure 63 - Mail Staff Costs Drivers

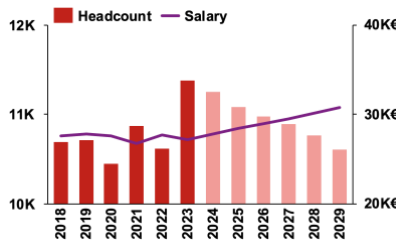
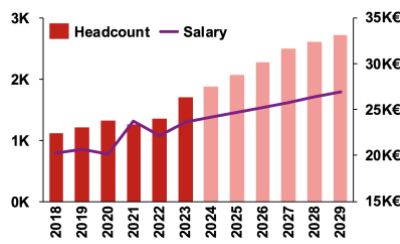


Figure 64 - E&P Staff Costs Drivers



4.2.1.2. Express & Parcels

In the E&P segment, the historical staff headcount as a proportion of sales is used to forecast future headcount. This business unit is experiencing substantial growth, and it is reasonable to assume a relationship between staff and sales, as employees are directly responsible for parcel deliveries. In the base and best-case scenarios, CTT can optimize routes and improve productivity (reflected as the inverse of staff as a percentage of sales), whereas in the pessimistic scenario, this percentage is expected to remain flat or increase slightly.

4.2.1.3. Financial Services & Retail

In the FS segment, the staff predominantly occupy back-office positions, which are correlated with the volume of transactions handled. Therefore, the headcount is estimated based on this proportion, with slight efficiency gains each year. It also must be noted that costs are tied to the amount of public debt subscribed at CTT.

4.2.1.4. Banco CTT

For Banco CTT, staff costs are forecasted based on the number of client accounts. The historical average ratio of staff to client accounts is used to estimate future headcount, with minor efficiency gains anticipated until 2027 namely related with digitalization of channels and operations, which will require less personnel, after which it is expected to stabilize.

4.2.2. External Supplies and Services

4.2.2.1. Mail & Other

For the Mail segment, ESS includes costs such as postage and delivery supplies, sorting equipment, and maintenance services. These costs are tied directly to the volume of mail processed and delivered. Therefore, it makes sense to keep ESS as a percentage of sales because these expenses scale with the revenue generated from mail services. By using the historic average in the base case and adjusting slightly for optimistic or pessimistic scenarios, it was ensured that the forecast remains realistic and reflects potential variations in operational activity.

4.2.2.2. Express & Parcels

For the E&P segment, ESS involves expenses such as parcel handling equipment, delivery vehicle maintenance, and third-party logistics services. Given the clear and steady improvement in margins historically, using the historical trend rather than the average provides a more accurate forecast. This approach captures the ongoing improvements mentioned in section 4.1.2 and aligns ESS costs with the growth in parcel delivery. The trend is to continue robustly until 2030, with smaller improvements thereafter.

Figure 65 - FS&R Staff Costs Drivers

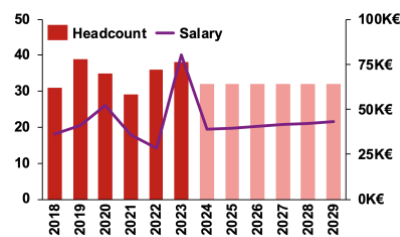


Figure 66 - CTT Bank Staff Costs



Figure 67 - CTT Bank Salaries

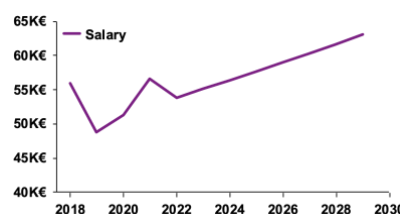


Figure 68 - Mail ESS Costs & Drivers

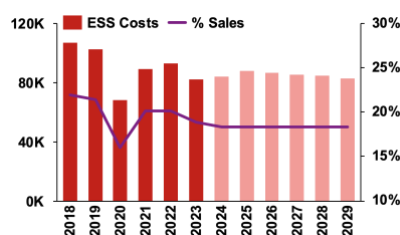
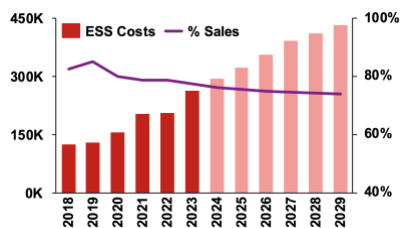


Figure 69 - E&P ESS Costs & Drivers



**4.2.2.3. Financial Services & Retail**

In FS&R, ESS comprises costs like transportation services, fuel, warehousing, and security services for the Retail segment retail sales. Additionally, the amount of public debt subscribed to at CTT plays a significant role. These costs are inherently linked to the volume of goods handled and transactions processed. Using a proportion of sales to forecast ESS here is logical as these expenses grow with the increase in logistics activities and financial service transactions. The 2024 proportion is used as a baseline because it provides a more current and representative figure, with slight adjustments for optimistic or pessimistic outlooks.

**4.2.2.4. Banco CTT**

In the banking segment, ESS costs include account management services, IT infrastructure, security, and customer service operations. These costs are more closely related to the number of client accounts rather than the volume of transactions or financial margins. Hence, forecasting ESS as a ratio of costs to the number of client accounts is more applicable. The historical average is used in the base scenario, with small efficiency gains each year and adjustments for optimistic or pessimistic scenarios to account for potential changes in account management efficiency.

**4.2.3. Other Costs**

This item has no further descriptors, therefore the historical proportion to revenues has been used to estimate it for the forecasted period.

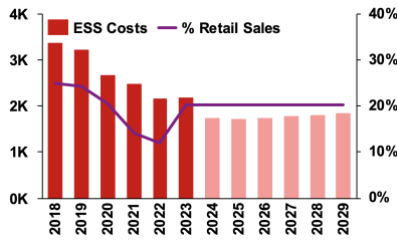
**4.2.4. Impairments and Provisions**

For Impairments and Provisions, its ratio to sales was used to forecast Mail, E&P and FS, with historical averages or values used to forecast the future. As for the bank, where this item is more significant, its proportion to the Credit Portfolio was the driver chosen, considering that historically, the vast majority of impairments recognized in Banco CTT are linked to non-performing loans. This proportion was particularly high during 2022 and 2023, despite the consistent decrease in Non-Performing Loans in Portugal since 2016 up until 2Q of 2024 (Banco de Portugal 2024). Going forward, it is assumed that the ratio for Banco CTT remains stable relative to the last three years, averaging 1.3%.

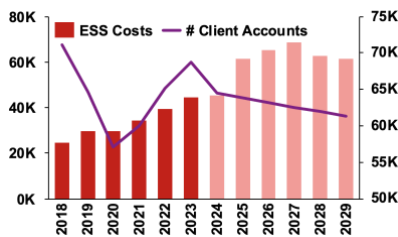
**4.2.5. Internal Services Rendered**

Lastly, for Internal Services Rendered, its counterpart (Revenues) was estimated. Then the historical proportion of for FS&R and Bank to the total was used to allocate the costs respectively. For revenues, to forecast Mail ISR, the historic proportion of sales was used, while for E&P, the historic proportion of FS Retail Products. For the costs, a rolling 3Y average was used, with around 85% of ISR going to FS&R and the remaining to the Banks.

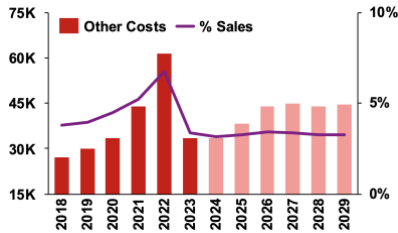
**Figure 70 - FS&R ESS Costs & Drivers**



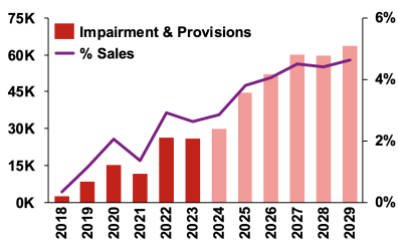
**Figure 71 - CTT Bank ESS Costs and Drivers**



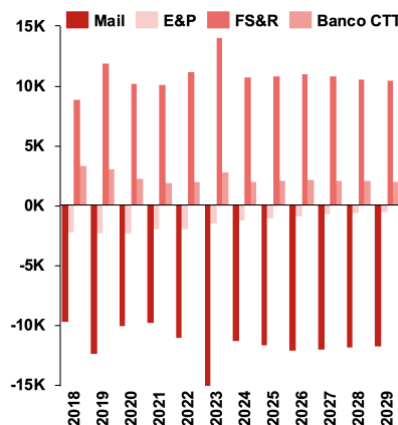
**Figure 72 - Other Costs and Drivers**



**Figure 73 - Impairments and Provisions and Drivers**



**Figure 74 - Internal Services Rendered**



### 4.3. Financing Costs

The debt of CTT is divided in three types: bank loans which amount to almost 44M€, commercial paper with roughly 36M€ and the largest of the three, lease liabilities, which surpass 157M€.

CTT’s financing arrangements are structured to meet both operational needs and sustainability goals. In 2017, the company entered a 90M€ loan agreement with BBVA and Bankinter, later renegotiated to 75M€ due to non-utilization, with nearly 19M€ used by September 30, 2024. In 2019, CTT secured a 35M€ credit facility with Novo Banco for 60 months, which was gradually reduced, leaving 14.3M€ outstanding as of the same date. In 2023, CTT launched a 35M€ sustainability-linked commercial paper program with Novo Banco and BBVA, aimed at reducing carbon emissions by 30% by 2025. From this, the balance net of commissions and interest to be paid in the next period amounts to 15.36M€ (BBVA/Bankinter) and 20.5M€ (Novo Banco). Additionally, a 60€ short-term overdraft with Novo Banco, used for liquidity at the end of 2023, was regularized in early 2024. As of September 30th, 2024, interest rates on these loans ranged from 4.105% to 4.98%. All loans are governed by covenants including debt ratio targets, cross-default clauses, and asset disposal limits, with CTT in full compliance as of December 31st, 2023. As for lease liabilities, CTT mainly leases buildings and vehicles, both essential for its day-to-day operations. The leases are subject to different discount rates ranging from 0.68% to 11.5%, depending on the asset and contract length.

For debt future costs, using the median of the interest rate of loans given by CTT (4.105% to 4.980%) and the spread to the EURIBOR 6m Futures curve, the implied financing cost for future loans is 3.9% by 2027 and 4.1% by 2031.

Figure 75 - CTT Debt

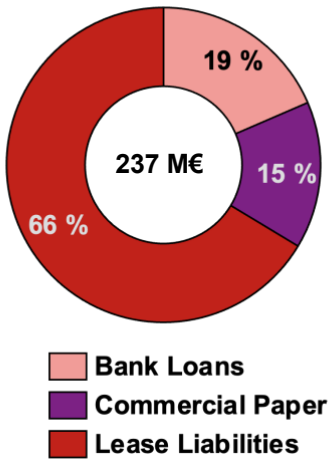
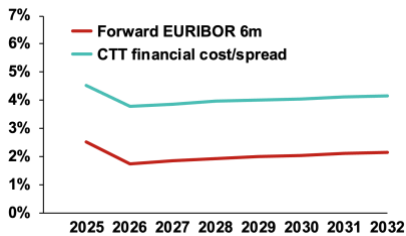


Figure 76 - CTT Financing cost



### 4.4. Margin Evolution

#### 4.4.1. EBITDA Margin

From 2019 to 2023, CTT’s EBITDA Margin showed consistent growth, increasing from 12.5% to 15.4%. This improvement is mostly due to the bank, as CTT Ex-Bank maintained a relatively stable EBITDA Margin, fluctuating around 14%, indicating steady performance, while CTT Bank saw a turnaround, with its EBITDA Margin surging from -39.4% in 2018 to 22.9% in 2023, showcasing significant strides in profitability mostly due to scale economies as the amount of deposits and credit grew significantly.

Figure 77 - EBITDA Margin

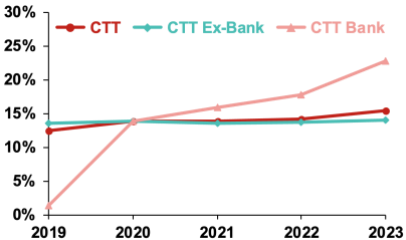
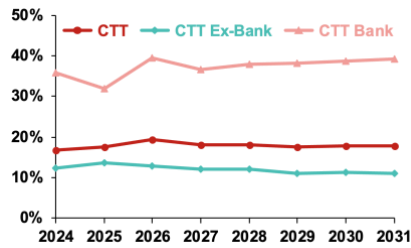
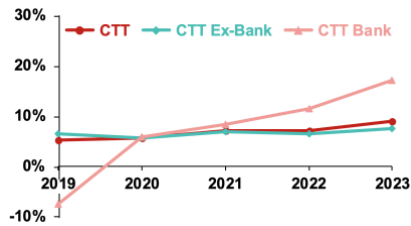


Figure 78 - EBITDA Margin Forecast



The period from 2024 to 2026 will continue to see robust growth in CTT's consolidated EBITDA Margin, reaching 19.7% by 2026. This upward trend is underscored by E&P and CTT Bank growth. However, there onwards, the margin is forecasted to decrease slightly, stabilizing at around 17.5%. This is because the CTT Bank margins will reach a scale plateau growing very slowly associated a digitalization trends and processes optimization, but ex-bank margins will decrease slightly. As Mail is still a large BU, with pricing pressures and low demand, margin will eventually become negative, counteracting the growth imposed by CTT E&P.

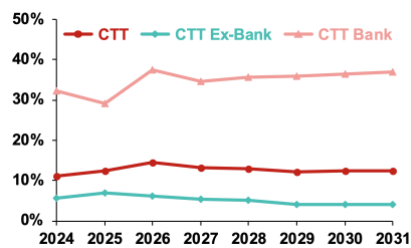
Figure 79 - EBIT Margin



**4.4.2. EBIT Margin**

The EBIT margin for CTT saw a significant increase from 4.5% in 2018 to 8.9% in 2023. Once again, this is due to CTT Bank experiencing a substantial rise from -52.8% to 17.2% while CTT Ex-Bank's EBIT margin remained relatively stable. As for the future, the same trend observed in the EBITDA Margin is present in EBIT. CTT EBIT margin seems to stabilize at 12%, as the Bank continue growing slowly, and Logistics and FS declining slowly.

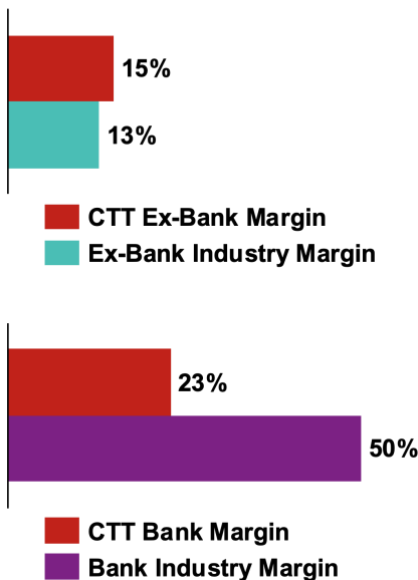
Figure 80 - EBIT Margin Forecast



**4.4.3. Net Margin**

CTT consolidated net margin increased from 3.5% in 2018 to 7.0% in 2023. CTT Ex-bank's net margin remained stable, while CTT Bank saw a significant increase from -41.8% to 13.6%, reflecting enhanced net profitability within the banking segment. As a result of the assumptions and forecasts, the net margin will continue to grow, reaching almost 11% as Mail is still a lucrative business unit, and both the Banco CTT and E&P boost revenues and margins. However, it will then decline to stabilize at around 9% as Mail becomes less profitable. These trends indicate that while CTT's consolidated performance has improved significantly, it is mostly driven by strong gains in banking, as CTT Ex-Bank will face more challenges in maintaining its margins. When accounting for the possible upside, the optimistic scenario considered yields an improved net margin that stabilizes at 10%.

Figure 81 - CTT Vs Industry margins



**4.4.4. Competitive Positioning**

When benchmarking margins, it is most appropriate to make comparisons only at the EBITDA level, to avoid incorporating differences that are due to each firm's unique capital structures.

On the Logistics space, mail services EBITDA margins sit at 13% (Courier, Postal, Freight and Land based Logistics – Refinitiv), which comparing CTT Mail's 11% showcases that there is space for innovation and investment which has not been done for mail (4.5.1). As for E&P, CTT margin is already at 11%, up from 0.5% in 2018, thus approaching the industry median vertiginously fast from 2018-2021, with a slow down during 2021-2023. Thus, the model assumes the growth to be asymptotic to the median on the base scenario, and reaching a small premium on the optimistic as materializes the strategic plan and vision for the E&P segment.

In the banking sector, margins typically hover around 50% (Refinitiv). CTT's margin was only 23% in 2023, significantly below the industry median. Nonetheless, there is a largely positive trend, which is expected to continue, with projections indicating a 33% EBITDA margin by the end of 2024, and further growth beyond that. Despite this growth, it's unlikely that CTT's bank will achieve the scale of industry giants whose larger scale drives higher margins. Therefore, the model indicates a discount of 10 percentage points compared to the industry.

## 4.5. CapEx

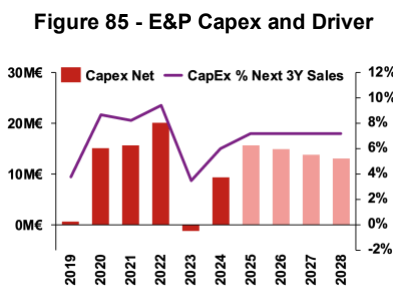
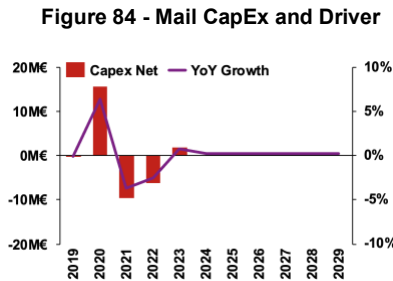
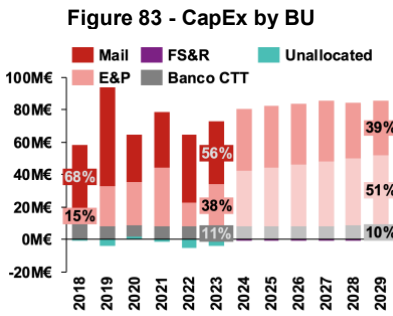
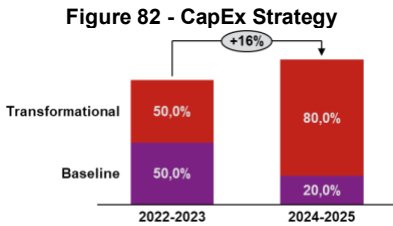
Capital expenditure is pivotal in driving CTT's strategy to solidify its position as a leading Iberian logistics provider. CTT's 2023 CAPEX amounted to 60M€, of which Banco CTT represents only 8M€, as it is mostly operating on infrastructure already deployed in the past decades for the Mail segment. Of the remaining 52M€, 55M€ correspond to depreciation. This highlights a past of underinvestment of CTT, especially in the Mail sector, where most necessary equipment is already available and depreciating quickly, namely vehicles. However, the management team is refocusing the CAPEX strategy (Figure 82), not only increasing CAPEX by 16% (Investor Relations 2024), which aligns exactly with the forecasts, but by changing the mix to feature 80% transformational CAPEX versus the previous 50%. As for the allocation of estimated CAPEX, since it is directed towards intangible and tangible fixed assets, their respective historical proportions of the total will be used.

### 4.5.1. Mail & Other

In the Mail segment, given its established nature, significant new investments are less necessary. Thus, CAPEX for Mail is projected to remain at historical levels. This forecast includes investments in maintaining existing sorting equipment and vehicle fleets, rather than expanding them, since the current infrastructure is sufficient for the projected demand. In a positive scenario, additional investments might be directed towards modernizing IT systems to enhance operational efficiency, while in a pessimistic scenario, CAPEX would be limited to essential maintenance only. This rationale is sound as the Mail segment's operational requirements do not fluctuate significantly, thus keeping CAPEX aligned with historical trends ensures stability.

### 4.5.2. Express & Parcels

For the E&P segment, substantial investment is crucial to support future growth. CAPEX is forecasted using the average revenue of the next three years to align with sales targets. This idea of targets allows to avoid forward-looking bias in the model (a strong assumption that CTT targets are in line with the estimates). Investments in this segment include expanding storage sorting capacity across Iberia (Investor Relations 2024), possibly through parcel handling equipment and establishing new distribution centres, which are essential to manage the increasing



parcel volumes. Increased sales indicate higher parcel volumes, necessitating expanded infrastructure and enhanced technology to maintain quality of service (Investor Relations 2024). Therefore, having CAPEX as a percentage of future sales is justified, as these capital outlays directly influence expected growth. For the E&P segment, substantial investment is crucial to support future growth. CAPEX is forecasted using the average revenue of the next three years to align with sales targets. This idea of targets allows to avoid forward-looking bias in the model (a strong assumption that CTT targets are in line with the estimates). Investments in this segment include expanding storage sorting capacity across Iberia (Investor Relations 2024), possibly through parcel handling equipment and establishing new distribution centres, which are essential to manage the increasing parcel volumes. Increased sales indicate higher parcel volumes, necessitating expanded infrastructure and enhanced technology to maintain quality of service (Investor Relations 2024). Therefore, having CAPEX as a percentage of future sales is justified, as these capital outlays directly influence expected growth. Additionally, the Locky network will be expanded, with upcoming significant investments. Developing this network in Portugal is a key priority of CTT, together with initiating the expansion to Spain (Investor Relations 2024).

**4.5.3. Financial Services & Retail**

As for FS, the historical average of CAPEX as a percentage of revenues was chosen to forecast CAPEX, with stabilization after 2032. This ensures that investments are aligned with revenue growth and operational needs. Investments in this segment include the modernization and maintenance of the branch network, which directly supports transaction volumes and customer interaction. Back-office infrastructure investments in IT systems (Investor Relations 2024) are also critical, but it most likely benefits from investments allocated to Banco CTT.

**4.5.4. Non allocated assets**

Regarding non-allocated assets, the forecast assumes that by the end of FY2024, all assets will be fully allocated to their respective business units, resulting in zero CAPEX for this item from 2025 onwards. This assumption is based on the historical pace of asset allocation within CTT.

**4.5.5. Banco CTT**

For Banco CTT, CAPEX is related to both the opening of new units and the ongoing investment in existing ones. Given that the number of units has remained stable over the past five years, no new openings are forecasted. Instead, CAPEX per existing unit is projected using the historical average, adjusted for inflation. This includes investments in revamping Banco CTT hubs and upgrading the core platform to improve operational efficiency and digital channels (Investor Relations 2024), as well as renovating the space even if only to reinforce quality of service.

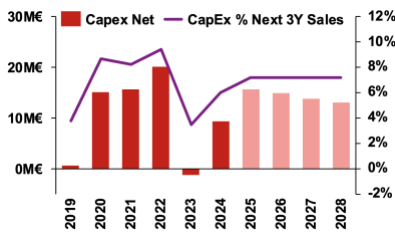


Figure 86 - FS&R CapEx and Drivers

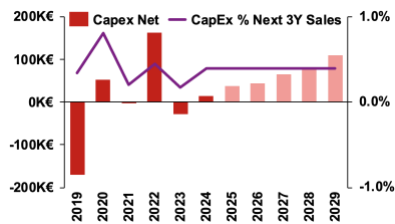


Figure 87 - NA Assets and Drivers

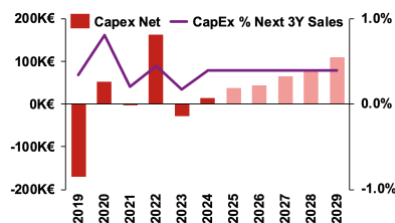
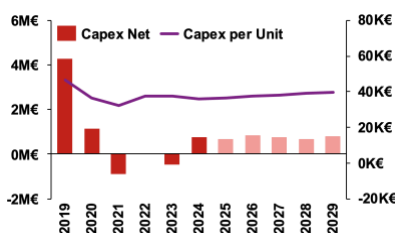


Figure 88 - Banco CTT CapEx and Drivers



On a different note, for Banco CTT, the allocation of CAPEX to intangible assets follows a different rationale, with a linear forecast used for 2024, reaching 0.5%, the value which is maintained for the subsequent analysis period. As for the proportion allocated to Tangible Fixed Assets, the historical average was used. The remaining CAPEX is attributed to D&A.

## 4.6. Depreciation & Amortization

For Mail and E&P, D&A is forecasted as the historical average proportion of D&A to intangible and tangible fixed assets (IA&TFA). This method aligns with past trends and ensures consistency. In FS, a linear forecast using a rolling window of three periods was applied, stabilizing around 4%, providing a smooth long-term estimate. For Banco CTT, D&A is calculated as the remaining portion of CAPEX not allocated to intangible or tangible fixed assets, as detailed in 7.5.5.

## 4.7. Liquidity & Capital Structure

### 4.7.1. CTT Group Ex- Bank

Group CTT presents strong liquidity ratios, measured with Cash Conversion Cycle (CCC) and Current, Quick and Cash ratios, in line with the type of business/industry it operates in, as well as within the industry peers selected, BPost (BP), Oesterreichische Post AG (OPAG) and InPost SA (IPSA).

Regarding the CCC, CTT presents healthy (negative) values in the historical period 2018-2023, with a median value of -458 days, meaning it can finance its activity with suppliers. The value is in line with industry standards, comparing with -546d (BP), -279d (OPAG) and -134d (IPSA). It is worth noting that such negative values are directly connected with the Financial Services segment which due to high debt placements with the government, whose settlement date only occurs in the month following the end of the periods, make the accounts payable skyrocket. In the future, the CCC is forecasted to worsen (less negative), given the assumptions regarding the Financial Services – it will represent less than in the historical period – which decreases the accounts payable, and therefore the CCC. Regarding the liquidity ratios, starting with current and quick Ratios, CTT presented for the period a healthy median value for both ratios of 0.9, given that it is an industry with residual levels of inventories, which is in line with industry standards: BP with 1.1, OPAG with 1 and IPSA with 0.9. The cash ratio is also in line with industry standard, with a value of 0.5, against 0.5, 0.7 and 0.2 of BP, OPAG and IPSA, respectively. The current and quick ratios are projected to decrease to 0.7 in 2024, in line with the reported quarterly results during the year and will remain stable until the end of the forecasted period in 2039, reaching 0.8.

Regarding the capital structure, CTT presents high gearing-ratios (median of 145%). The excess cash included in net debt was assumed to be mostly operating.

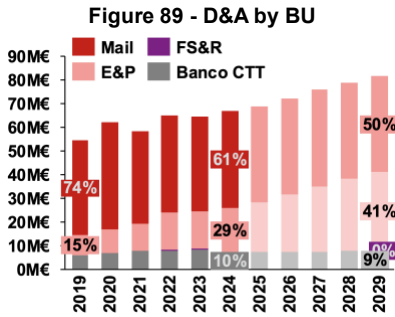


Figure 90 - CCC

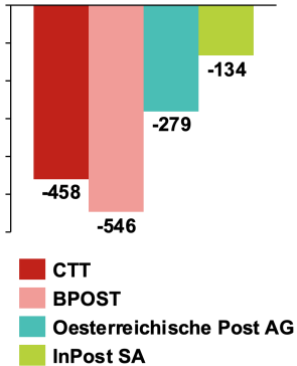
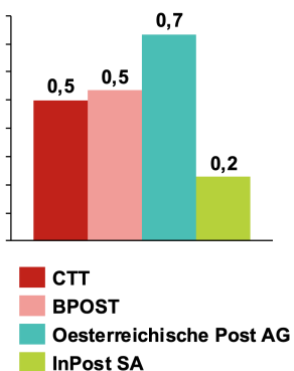
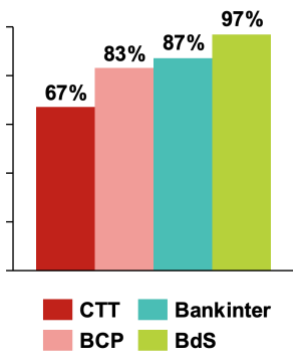


Figure 91 - Cash Ratio



This was because unallocated cash is mostly related with accounts payable items such as CNP money orders or Postal Financial Services, which is considered to be operating. Even though, a residual portion of it, will be related with non-operating mail cash that cannot be splat up from the remaining due to CTT reporting. The ratio is also penalized with a high non-core invested capital, due to employee benefits. For the forecasted period, the net debt is computed as the difference between the total invested capital and the equity attributable to CTT's shareholders (excluding the non-controlling interest), which decreases to around 80% in 2039.

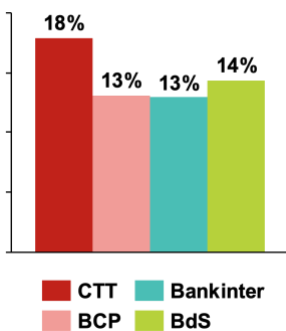
Figure 92 - LDR



#### 4.7.2. Banco CTT

The liquidity and capital structure ratios of Banco CTT are generally in line with the industry peers identified: Banco Comercial Portugues SA (BCP), Bankinter SA (BSA) and Banco de Sabadell SA (BdS). The median loan-to-deposit ratio (LDR) in the period was slightly lower than peers, 67% vs 83%, 87%, 97% of BCP, BSA and BdS, respectively, explained by the presence of these banks in all spectrums of the loan market, which does not happen with CTT, as previously mentioned. The median (equity) Tier 1 ratio for the period was 18%, higher than mandatory requirement of 8.5% and the peers, 13% (BCP), 13% (BSA) and 14% (BdS), reflecting Banco CTT's strong liquidity position. This was also reflected in the cash as a percentage of total liabilities (13%, higher than BCP's 7.2%, and in line with BSA's 13% and BdS 14.7%). The total assets as a percentage of total liabilities are in line with results seen, and within peers' values, reaching a median value of 109.9% in the period against 108.9%, 105.2% and 105.7% of the same peers. For the forecasted period, the ratios remain stable within the boundaries of the historical period. The LDR increased to 60% in 2039, as previously explained, and the RWA following it, increasing 15 p.p. to 38.9%. The total assets as a percentage of total liabilities remained constant in the period (1.1).

Figure 93 - Tier 1 Ratio



### 4.8. Shareholders Returns

#### 4.8.1. ROIC

Starting at 10% in 2019, the lagged ROIC grew steadily, reaching a peak of 27% in 2025. This is due to better allocation of capital, namely in E&P. However, post-2026, ROIC experiences a decline, dropping to 10% by 2034, as the BU reaches capacity constraints as it consolidates its market position. From 2035 onwards, ROIC stabilizes around 10%, indicating a new equilibrium in the company's operational efficiency. The ROIC breakdown shines light on the trend, as the operational margin starting at 5% in 2019, and declining to 3% by 2039, showcases difficulty in achieving profitability, namely due to ESS growing significantly, and staff costs remaining relatively constant, with small labor efficiency gains. Asset turnover fluctuates significantly, peaking at 519% in 2025 and stabilizing around

Figure 94 - Value Drivers (ROIC with Lag)

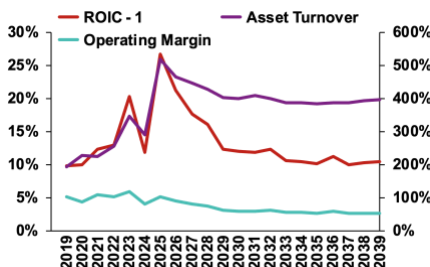
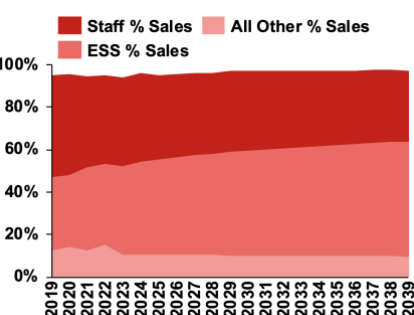


Figure 95 - Costs % Sales



400% by 2039, indicating changes in asset utilization efficiency. Additionally, the RONIC shows significant fluctuations, peaking at 56% in 2036 and hitting a low of -84% in 2029. This highlights the changing investment efficiency over time.

**4.8.2. ROE**

The ROE for CTT has been computed for the group. Since 2020, the ratio has shown a steady increase, rising from 11% to 24% in 2023. This growth reflects improved operational efficiency, profitability, and effective resource allocation across the group. When compared to the industry average, the banking sector's performance appears less favourable, which could affect the ratio if CTT Group were evaluated solely within the postal and logistics industry. CTT consistently outperforms the banking sector ratios; however, during certain periods, its performance lags behind that of its core industry. Looking ahead, ROE is forecasted to reach 27% in 2024, followed by a decline in subsequent years, stabilizing at around 11% by 2029. This projected decrease may be attributed to the growing influence of the Bank business unit within the group, given that the banking industry generally exhibits lower returns.

Figure 96 - ROE CTT Vs Industry

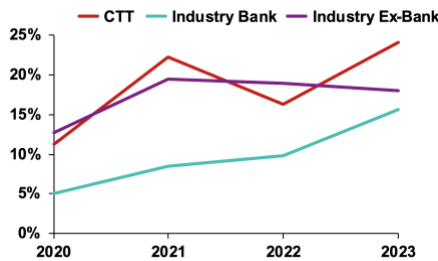


Figure 97 - CTT ROE forecast

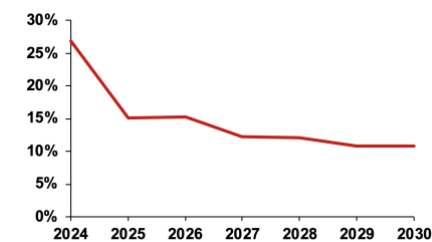
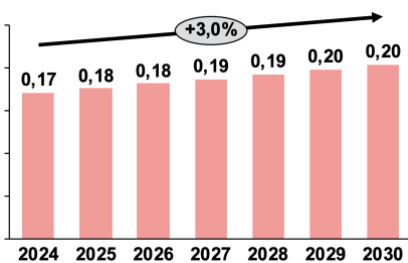


Figure 98 - Dividend per Share



**4.8.3. Dividend Policy**

In the forecast, the proposed dividend of 0.17€ per share announced by CTT for 2024 was adopted as the baseline. An annual growth rate of 3% was used to project future dividends, reflecting a conservative approach that aligns with moderate expectations for CTT's financial performance and the broader economic environment. This assumption balances the company's stated commitment to maintaining strategic financial flexibility for investment in growth initiatives with its aim to provide consistent and attractive shareholder returns (CTT Group 2024). Using this methodology, the forecast captures a steady growth trajectory in dividends while accounting for potential market and operational uncertainties.

**4.8.4. Buybacks**

CTT has an active share buyback program, with up to 20M€ allocated for repurchasing shares. As of March 14, 2024, the company held 5,949,960 shares, representing 4.13% of its share capital. This initiative aims to reduce excess capital and may result in the cancellation of up to 7.65 million shares. Notable shareholdings by management and board members further illustrate the engagement of CTT's leadership in the company's equity. For instance, Raul Catarino Galamba de Oliveira increased his shares to 40,000 in March 2023, and CEO João Afonso Ramalho Sopas Pereira Bento now holds 51,907 shares. Board members like Steven Duncan Wood have shares through investment funds such as Greenwood Builders Fund I, LP.

## 4.9. WACC

To estimate the cost of capital of CTT, the WACC of CTT Ex-bank, the Cost of Capital of Non-core and the cost of equity of Banco CTT were computed as of 01/11/2024.

### 4.9.1. Cost of Capital Core Ex-Bank

To determine the cost of capital of the Ex-bank, the CAPM model was used, resulting in a WACC of 7.1%. The estimates of the risk-free rate of 2.4%, and the market return, 8.5%, were obtained from the 10Y yield of German Bund (Investing.com 2024), and the market return of the MSCI world over the past 30 years as of November 1<sup>st</sup> (MSCI 2024). Then, the beta (levered) of the company, 0.9, was estimated by the median industry's unlevered beta (peers from relative valuation), 0.7, leveraging to the company capital structure previously mentioned, with a D/E ratio of 59%, and the tax rate of 27.2%, as estimated by Mazars for CTT Group (Anacom 2024), then adding a country premium of 1.75% (Damodaran 2024), to better reflect the return an investor requires to invest in Portugal, which is not reflected in the market return. With these, a cost of equity of 9.6% was obtained. For the cost of debt, given that CTT does not have a credit rating issued by any rating agency as of the cut-off date, it was required to estimate the cost of debt through a different approach. Given this, an assumption was made based on the interest coverage ratio of 4.6 in 2023, and the four credit implied ratings by Refinitiv. The mean estimate of those credit rating implied a BBB credit rating for CTT. Then, for the cost of the debt, the Bloomberg Value Curve was used to obtain debt yield from European "industrials" with a rating of BBB and maturity of 10y at the time of the valuation, yielding a value of 3.6%, implying a debt beta of 0.2.

### 4.9.2. Cost of Capital Non-Core Ex- Bank

The discount rate used to value the non-core segment of CTT was the risk-free rate of 2.4%. The rationale involved was that the non-core segment is not directly related to the operation and therefore could not be discounted with the same rate as the company. The unpredictability and uncorrelation with the results lead to a required rate equal to the risk-free rate.

### 4.9.3. Cost of Capital Banco CTT

To estimate the Cost of Capital of Banco CTT, the same logic was applied as for the Ex-bank cost of equity, now using the peers of Banco CTT, which resulted in a cost of capital (equity) of 10.6%. Note that for the beta of the industry, two peers were excluded, due to their capital structures being clearly outliers. The industry beta unlevered was therefore 0.68, and leveraging up with the D/E of 109.4%, it reached 1.06.

Figure 99 - Peers Beta

Company	Unl. Beta
Deutsche Post AG	0,84
Poste Italiane SpA	0,36
Bpost SA	0,69
Oesterreichische Post AG	0,28
InPost SA	0,87
PostNL NV	0,83
Jetpak Top Holding	0,19
<b>Median</b>	<b>0,69</b>

Figure 100 - Valuation

Ex-Bank	Price	Weight
DCF	€ 2,81	35%
APV	€ 3,31	35%
Comparables	€ 4,08	15%
Past Transactions	€ 3,40	15%
<b>Price</b>	<b>€ 3,26</b>	

Bank	Price	Weight
FTE	€ 2,09	60%
Comparables	€ 1,62	20%
Past Transactions	€ 1,54	20%
<b>Price</b>	<b>€ 1,89</b>	

<b>CTT's Group Share Price</b>	<b>€ 5,15</b>
<b>Premium</b>	<b>18%</b>

## 5. VALUATION

The valuation approach integrates an intrinsic valuation and a relative valuation. The intrinsic valuation includes DCF, APV, and FTE. The relative valuation incorporates the multiples approach and past transactions. The valuation yields a weighted price target of 5.15€, representing an 18% upside compared to the current share price of 4.38€ as of November 1st.

### 5.1. Intrinsic Valuation

The Intrinsic Valuation of CTT was done with the use of three methodologies: DCF, APV, and FTE. The company was segmented into two, CTT Ex-Bank and Banco CTT, considering the fundamental differences in nature between Banco CTT and the rest of the business. For the valuation of CTT Ex-Bank (Mail & Other, Express & Parcels, Financial Services & Retail), the DCF and APV models were applied. In contrast, Banco CTT was valued using the FTE method. This choice reflects the challenges in applying DCF or APV to banks and other financial institutions, where the operations are tied to financing activities. The nature of banking complicates the distinction between what are operating versus financing activities, a separation that is at the core of the DCF or APV models.

The resulting estimated premium is 18%, corresponding to a share price of 5.15€. This was derived by summing the equity values of CTT Ex-Bank and Banco CTT. For the Ex-Bank segment, the intrinsic valuation was determined as the average of the results between DCF and APV. For Banco CTT, value is a result of the FTE.

#### 5.1.1. Ex-Bank – DCF & APV

The valuation of CTT excluding Banco CTT yields different results between the DCF and the APV methods. The DCF approach results in a share price of 2.81€ for CTT Ex-Bank, which, when combined with FTE valuation of Banco CTT, leads to a total share price of 4.9€. This represents a 12% premium over the current market price. On the other hand, the APV valuation provides a higher share price for CTT Ex-Bank of 3.31€. When summed with Banco CTT's valuation, the total share price increases to 5.4€, reflecting a 23% premium over the current market price. The APV method highlights a stronger potential upside compared to the DCF, highlighting the added value from isolating the impact of financing decisions.

##### 5.1.1.1. Core Drivers

The DCF and APV models' valuation is divided in two stages, a detailed forecast period (2024–2039) and a non-detailed period (2040–2050), with the calculation of the terminal value in 2050. This aims at capturing the long-term stabilization of CTT's financial performance. The core drivers of valuation include revenue growth, EBITDA margin, and net margin.

Figure 101 - Ex-Bank Football Field

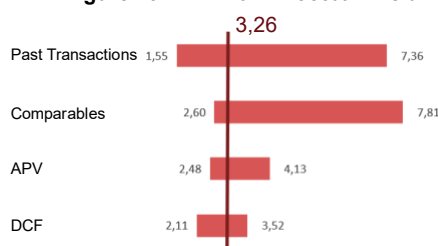
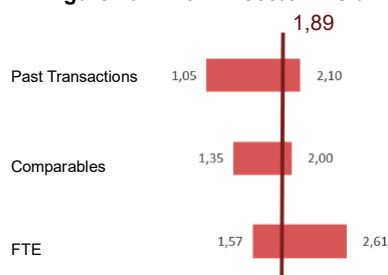


Figure 102 - Bank Football Field



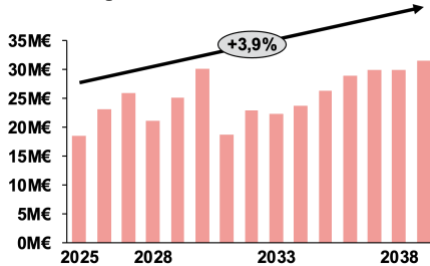
During the non-detailed period, revenue is assumed to grow at 2.5% y.o.y. for the base scenario. This rate reflects the average growth observed from 2029 onwards, meaning a stabilization of revenue expansion as the Mail segment decreases slightly and the Express & Parcels segment achieves scale. For perpetuity, revenue growth remains at 2.5%, aligned with long-term GDP growth expectations.

The EBITDA margin during the non-detailed period and in perpetuity is projected at 9.8% in the base case, consistent with the average margin during 2037–2039. This margin incorporates a gradual decline observed during the detailed forecast period, primarily driven by the diminishing profitability of the Mail segment.

Net margin is forecasted to stabilize at 2% during the non-detailed period and into perpetuity for the normal case. This assumption is consistent with the average net margin observed from 2033 onwards, reflecting the equilibrium between CTT's operational efficiency improvements and the structural challenges faced by its traditional mail business.

The terminal value, calculated in 2050, assumes a perpetuity growth rate of 2.5% for the core business and 0% for non-core, and the above-mentioned margins as the company transitions into a steady-state phase. This perpetuity growth rate is justified by its alignment with the long-term revenue growth assumption and the broader economic growth trajectory.

Figure 103 - Unlevered FCF



5.1.1.2. Free Cash Flows to Firm

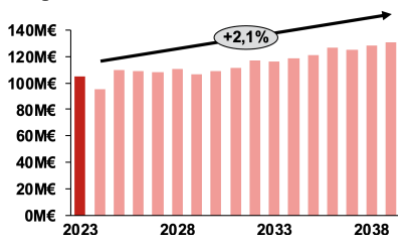
Overall, the total unlevered FCFF for CTT Ex-Bank exhibit significant fluctuations over the forecasted period. Gross Cash Flows grow steadily from 105M€ in 2023 to 116M€ by 2033, despite an initial NOPLAT decline due to revenue losses in Financial Services. NOPLAT recovers by 2025 but gradually declines thereafter, reflecting structural challenges in Mail and rising depreciation from CAPEX.

Investing Cash Flows mirror Gross Cash Flows, with CAPEX as a key driver. High CAPEX in 2024 supports growth in Express & Parcels, while Mail requires maintenance investments. Oscillations in Net Working Capital remain low and non-core cash flows are negligible, with stable employee benefits minimizing their impact on valuation.

5.1.1.2.1. Gross Cash Flows

NOPLAT presents a sharp decline from 49M€ to 35M€ between 2023 and 2024, due to the significant revenue decrease in the Financial Services segment. Following 2024, NOPLAT recovers strongly, reaching 48M€ by 2025, driven by stabilization across CTT's business units. From 2026 onwards, NOPLAT presents a gradual decline, reflecting not only a contraction in gross and EBITDA margins primarily due to the structural decline of the Mail segment, but also the increasing

Figure 104 - Gross Cash Flow Ex-Bank



depreciation & amortization levels, driven by high CAPEX required and previously explained - Depreciation & Amortization are projected to grow at a CAGR of 3.1%.

Gross Cash Flow evolves positively over the forecasted period, beginning at 105M€ in 2023 and steadily growing to 130M€ by 2039. This highlights that the decrease in margins is mainly attributable to the rising depreciation levels.

**5.1.1.2.2. Investing Cash Flows**

In general, Investing Cash Flow is correlated with the trends in Gross Cash Flow, with a multiple remaining constant at 0.8x. ICF is mainly driven by CAPEX, greatly increasing in years of high CAPEX such as 2024, before stabilizing in later years as CAPEX is moderating. Net Working Capital remains stable throughout the forecasted period, resulting in a low impact on the cash flows of Ex-Bank.

CAPEX is a significant driver of CTT’s cash flow behaviour, with investment surpassing 65M€ in 2024. This is the result of the high investments to support growth in the Express & Parcels business, whilst Mail & Others requires maintenance CAPEX, as previously addressed. CAPEX grows constantly and increases in weight relative to NOPLAT, from 1.9x in 2024 to 3x in 2035, decreasing back to 2.7x in 2039. On the non-detailed period, the Capex and D&A are assumed to be equal, reflecting the steady state.

**5.1.1.2.3. Non-Core Cash Flows**

The non-core business cash flows are residual throughout the forecasted period, reflecting their negligible contribution to the company’s overall value. Changes in non-core invested capital are minimal, driven by the assumed stability of employee benefits, which constitute the primary component of non-core assets and liabilities. This stability will result in a limited impact of non-core cash flows on the valuation.

**5.1.1.3. DCF**

The terminal value for core free cash flows was calculated in 2050, following the non-detailed period, using a perpetual growth rate of 2.5%, as derived from the KPI analysis. For non-core free cash flows, the terminal value was calculated directly in 2039 at the end of the detailed period, with a 0% growth rate due to their limited significance. In present value terms, the total terminal value amounts to 129M€, comprising 135M€ from core cash flows and -6M€ from non-core cash flows, representing 23% of the total enterprise value of CTT ex-bank under the DCF model. Core free cash flows were discounted at a WACC of 7.1%, as outlined in the cost of capital section, resulting in a core EV of 582M€. The core terminal value represents 23% of the core EV. Core EV represents 103% of the total EV, as non-core EV is slightly negative. Non-core free cash flows were discounted at the risk-free rate of 2.4%, producing a non-core EV of -18M€. The terminal value

Figure 105 - Investing Cash Flow Ex-Bank

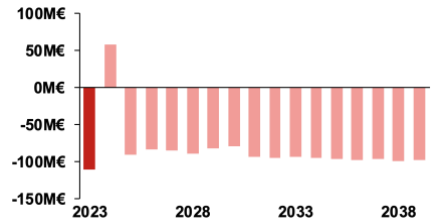
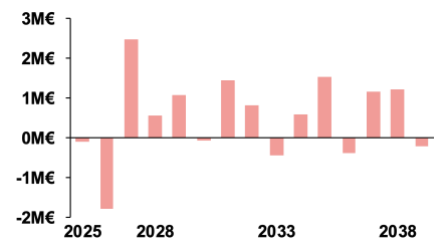


Figure 106 - Non-core Unlevered FCF



accounts for 34% of this negative EV. Given its low contribution, the non-core EV is residual in the total EV calculation.

The total EV for CTT Ex-Bank amounts to 565M€ under the DCF. After accounting for net debt of 178M€ as of today, the resulting equity value is 387M€. Dividing this equity value by the total number of shares outstanding yields a share price of 2.81€ for CTT excluding Banco CTT.

#### 5.1.1.4. APV

The terminal value for core free cash flows was calculated in 2050 using a perpetual growth rate of 2.5%. The terminal value of non-core FCF was calculated directly in 2039 at the end of the detailed period, with a 0% growth rate. Additionally, the terminal value of tax shields, derived from the interest expense on net debt, was also calculated in 2050, assuming a 2.5% growth rate in perpetuity. In present value terms, the total terminal value is 172M€, divided between 166M€ from core unlevered cash flows, €-6M from non-core unlevered cash flows, and 12M€ from the tax shield. The terminal value accounts for 27% of the total enterprise value of CTT ex-bank under the APV model.

Core unlevered free cash flows were discounted at a  $Ru$  of 6.6%, as outlined in the cost of capital section, resulting in a core unlevered enterprise value of 582M€. The core unlevered terminal value represents 27% of the core unlevered EV. Non-core free cash flows were discounted at the risk-free rate of 2.4%, similar to the DCF model, yielding a non-core EV of -18M€.

The tax shield was discounted at  $Ru$  rather than cost of debt because the debt level is dependent on firm value, as it adjusts dynamically based on transactions with shareholders and the firm's dividend policy. This dependency ties the risk of the tax shield more closely to the firm's operating cash flows, justifying the use of  $Ru$  as the discount rate. The PVTs amounts to 25M€, with the present value of the terminal value of tax shields accounting for 49% of the PVTs.

The total enterprise value under the APV model is 632M€. After accounting for net debt of 178M€, the resulting equity value is 454M€. Dividing this equity value by the total number of shares outstanding results in a share price of 3.31€ for CTT excluding Banco CTT.

The APV model yields a higher value compared to the DCF model because it explicitly separates the value of operating cash flows and financing effects, such as the tax shield. This approach captures the additional benefit of financing decisions, which, when discounted at the appropriate risk-adjusted rate, enhances the overall valuation.

### 5.1.2. Banco CTT – FTE

Based on the FTE model, the total equity value of Banco CTT is 288M€ in the base case. Dividing this by the total number of shares outstanding yields a share price of 2.09€ for Banco CTT. Under the optimistic scenario, Banco CTT share price increases to 2.77€, and in the pessimistic it is reduced to 1.95€.

#### 5.1.2.1. Core Drivers

The FTE valuation of Banco CTT is also divided into a detailed forecast period (2024–2039) and a non-detailed period (2040–2050), with the terminal value calculated in 2050. The core drivers for the non-detailed period and the perpetuity value are revenue growth, gross margin, EBIT margin, and net margin.

During the non-detailed period, revenue growth is assumed at 1.9% y.o.y. in the normal scenario, consistent with the average growth observed between 2037 and 2039. This rate reflects a stabilized growth trajectory aligned with Banco CTT's mature operational phase. In perpetuity, the same growth rate of 1.9% is assumed.

The gross margin is projected at 41% for both the non-detailed period and terminal value, based on the stability observed from 2032 onwards. This assumption reflects the average gross margin between 2032 and 2039, emphasizing the consistent profitability of Banco CTT's core operations.

The EBIT margin is assumed to stabilize at 38.7% during the non-detailed period and in perpetuity, consistent with the levels forecasted from 2031 onwards. This reflects a mature and efficient operating structure, driven by sustained cost control and efficiency gains in the bank's business model.

Net margin is projected at 28.2% for the non-detailed period and terminal value, as the average of the period between 2032 and 2039, when this margin remained considerably stable.

#### 5.1.2.2. Free Cash Flow to Equity Map

The FCFE map for Banco CTT reflects substantial fluctuations during the forecasted period, consistent with historical patterns of variability. This oscillation is caused by inconsistent changes in key variables such as credit to banking clients, investments in debt securities, and banking client deposits, all of which significantly impact the bank's cash flows.

As a result of the combined effects of gross cash flow and volatile investment cash flows, the FCFE remains positive in almost all years of the detailed forecast period but exhibits fluctuating values. This variability reflects the balance sheet adjustments necessary to sustain its growth trajectory and align with its equity targets, as explained before.

#### 5.1.2.2.1. *Gross Cash Flow*

Gross Cash Flow demonstrates consistent growth over the forecasted period, increasing from 52M€ in 2024 to 132M€ in 2039. This growth is primarily driven by the steady rise in forecasted net income, supported by an improving gross margin and expanding revenues. As Banco CTT strengthens its operational performance, the gradual improvement in gross margin leads to sustained increases in net profitability, which directly contributes to the upward trend in gross cash flow.

#### 5.1.2.2.2. *Investing and Financing Cash Flow*

Investing and Financing Cash Flows exhibit significant volatility throughout the forecasted period. While CAPEX grows gradually – from 8M€ in 2024 to 9.3M€ in 2035, stabilizing thereafter – its impact remains relatively small due to Banco CTT's fixed assets modest scale. However, changes in credit to banking clients have a considerable influence, as this metric fluctuates based on the evolving credit portfolio forecasts. Similarly, investments in debt securities and other banking assets vary substantially across the forecasted years, reflecting adjustments made to balance the balance sheet and meet target equity requirements.

Additionally, banking client deposits also have a high impact in investment cash flows. The bank's market share growth forecasts result in significant fluctuations in deposit levels, further driving the volatility of investment cash flows during the detailed period.

#### 5.1.2.3. FTE

The valuation of Banco CTT was conducted using the Flow-to-Equity model, which focuses on the cash flows available to equity holders. Banco CTT's free cash flows to equity were discounted at a cost of equity of 10.6%, as determined in the cost of capital analysis. The terminal value was calculated in 2050, reflecting the long-term growth prospects of Banco CTT. In present value terms, the terminal value amounts to 124M€, representing 43% of Banco CTT's total equity value.

#### 5.1.3. **Scenario Analysis**

To account for different assumptions in our model, all relevant variables were analyzed under Optimistic and Pessimistic scenarios, as detailed in the forecast section. The optimistic scenario increased the premium to 70%, reflecting the great potential in CTT's vision to become a leader in the logistics market in Iberia, as well as solidifying its growth in the banking business. The pessimistic case reflects a 18% downside, driven by assumptions of strategic execution failure by CTT.

The optimistic case, assumes a moderate increase on growth projected, impacting the top line CAGR in 0.3p.p. increasing to 3.9%. The EBITDA benefited from economies of scale, resulting in a 0.9p.p. higher CAGR, against the 4.1% in the base case. These implicated a FCFF increase, being 10-20M€ higher in the first 5

years of forecast and 30-40M€ until the end of the period, causing Ex-Bank price p/share to increase to 4.68€ (53%). Banco CTT ended the forecasted period with FCFE around the 100M€, 10M€ more than in the base scenario, which impacted the price p/share of the business unit in 0.8€ (33%). The overall impact was a rise of 2.3€, which resulted in an share upside of 70%.

The pessimistic case, assumes a lower growth projected in all the Business Units, projecting a top line CAGR decrease of 1.9p.p., to 1.7%. The EBITDA declines more sharply due to stickier cost structures, as costs were assumed to be stickier, resulting in a -0.1% CAGR, against the 4.1% in the base case. These implicated a FCFF drop from the 20-30M€ it generated in the Ex-Bank, to values around 0€, which impacted the price p/share of the Ex-Bank in 1.4€ (46%). Banco CTT ended the forecasted period with a FCFE plateaued around the 60M€ by 2033 onwards, also lower than the 90M€ in the base scenario, which impacted the price p/share of the business unit in 0.1€ (7%). The overall impact was a drop of 1.6€, which resulted in a share downside of 18%.

**5.1.4. Sensitivity Analysis**

The sensitivity analysis for CTT Ex-Bank and Banco CTT highlights key value drivers. For CTT Ex-Bank, the premium is moderately sensitive to WACC and terminal growth rate, with market share in Spain being the most impactful factor for Express & Parcels. In Mail & Other, staff costs and mail volumes significantly affect the premium. For Banco CTT, the cost of equity and growth rate have limited impact, while CET1, RWA, and the loan-to-deposit ratio notably influence the premium. The spread is also critical, resulting in strong variations in premium

**Figure 107 - Sensitivity 2**

		Staff Cost E&P Headcount growth				
		0,0%	-0,5%	-1,0%	-1,5%	-2,0%
Market Share in Spain	4,7%	-2,4%	-0,7%	0,9%	2,6%	4,2%
	5,2%	8,5%	10,5%	12,5%	14,5%	16,5%
	5,5%	13,3%	15,4%	17,6%	19,7%	21,9%
	5,8%	21,3%	23,7%	26,2%	28,7%	31,2%
	6,1%	32,9%	35,7%	38,6%	41,6%	44,5%

**Figure 108 - Sensitivity WACC and g**

		WACC Ex- Bank				
		6,3%	6,7%	7,05%	7,4%	7,8%
terminal growth rate	2,1%	21,4%	17,8%	15,3%	12,8%	10,4%
	2,3%	23,6%	19,0%	16,4%	13,8%	11,3%
	2,5%	25,1%	20,3%	17,6%	14,9%	12,4%
	2,7%	26,9%	21,8%	18,9%	16,1%	13,5%
	2,9%	28,8%	23,4%	20,4%	17,5%	14,7%

**5.1.4.1. CTT Ex-Bank**

Firstly, a sensitivity analysis was conducted in the WACC and the terminal growth rate of core FCF. If the terminal growth rate improves to 2.9% while holding the WACC constant at 7.05%, premium rises to 20.4%. Conversely, a more conservative scenario with a 2.1% terminal growth rate and a higher WACC of 7.8% results in the premium declining to 10.4%. This reveals that the model is somewhat robust to changes in WACC and terminal growth, sustaining a premium relative to CTT’s current share price.

**Figure 109 - Sensitivity E&P**

		Staff Cost E&P Headcount growth				
		0,0%	-0,5%	-1,0%	-1,5%	-2,0%
Market Share in Spain	4,7%	-2,4%	-0,7%	0,9%	2,6%	4,2%
	5,2%	8,5%	10,5%	12,5%	14,5%	16,5%
	5,5%	13,3%	15,4%	17,6%	19,7%	21,9%
	5,8%	21,3%	23,7%	26,2%	28,7%	31,2%
	6,1%	32,9%	35,7%	38,6%	41,6%	44,5%

Regarding Express & Parcels, whilst the sensitivity to staff headcount is medium, the model is considerably sensitive to the market share in Spain, with an increase in 0.6 p.p. already driving the premium to 38.6%, whilst a reduction in the same scale nearly neutralizes the premium. This ultimately showcases how the performance in the Spanish market is a core driver of the value of CTT.

**Figure 110 - Sensitivity Mail**

		Staff Cost Mail Headcount growth				
		-2,4%	-2,2%	-2,0%	-1,8%	-1,6%
volume growth rate transactional	-3,2%	30,9%	27,5%	24,1%	20,8%	17,4%
	-3,3%	27,5%	24,2%	20,8%	17,5%	14,2%
	-3,5%	24,2%	20,9%	17,6%	14,3%	11,0%
	-3,7%	21,0%	17,7%	14,4%	11,1%	7,9%
	-3,9%	17,8%	14,6%	11,3%	8,1%	4,8%

Lastly, in Mail & Other, staff costs and mail volumes are also highly important. If the mail segment is more resilient than expected, the premium is boosted

considerably. However, if the projected reduction in staff headcount needed to be smaller due to the lower decrease in volumes, both effects would somewhat cancel and the premium would remain at 17-18%.

**Figure 111 - Sensitivity Re and g Banco CTT**

		Cost of Equity Banco CTT				
		9,6%	10,1%	10,64%	11,2%	11,7%
terminal growth rate Banco CTT	1,5%	36,3%	24,8%	16,6%	8,6%	1,0%
	1,7%	39,6%	25,3%	17,1%	9,0%	1,3%
	1,9%	40,5%	25,9%	17,6%	9,4%	1,6%
	2,1%	41,4%	26,5%	18,1%	9,8%	1,9%
	2,3%	42,3%	27,2%	18,6%	10,2%	2,3%

**5.1.4.2. Banco CTT**

The sensitivity analysis for Banco CTT started with the cost of equity and the perpetuity growth rate. Whilst the model is not sensitive to changes in g, it is highly dependent on the cost of equity, with a 0.5 p.p. change resulting in an increase/decrease of the premium in half.

**Figure 112 - Sensitivity RWA/CET1**

		Common Equity Tier 1				
		14,7%	15,5%	16,3%	17,1%	17,9%
RWA	35,0%	41,5%	36,9%	33,2%	29,0%	24,3%
	37,0%	34,5%	28,6%	24,6%	20,1%	15,1%
	38,9%	28,1%	21,8%	17,6%	12,8%	7,5%
	40,9%	20,8%	14,2%	9,6%	4,5%	-1,1%
	42,8%	12,7%	5,6%	0,8%	-4,6%	-10,7%

Looking into the variations of CET1 and RWA, the premium of CTT's shares is highly affected by both inputs. Lower levels of CET1 or RWA result in a lower equity amount which increases leverage, thus raising the premium. For higher percentages of CET1 and RWA, CTT loses its premium, reaching a 10.7% discount in the most extreme scenario.

**Figure 113 - Sensitivity LDR**

		LDR				
		50,0%	55,0%	60,0%	65,0%	70,0%
Interest Rate Received (Spread)	1,9%	-9,7%	-8,0%	-6,2%	-4,3%	-2,3%
	2,1%	1,0%	3,3%	5,7%	8,2%	10,8%
	2,3%	11,6%	14,5%	17,6%	20,8%	24,1%
	2,5%	22,3%	25,8%	29,5%	33,4%	37,6%
	2,7%	33,0%	37,1%	41,5%	46,2%	51,1%

Additionally, loan-to-deposit ratio has a high impact, and the average spread has a substantially high impact in the valuation. Varying the spread between 1.9% and 2.7% causes the premium (discount) to oscillate between -6.2% and 41.5% while holding long-term LDR at 60%. Maintaining an optimal spread is crucial for the valuation of Banco CTT.

## 5.2. Relatives Valuation

### 5.2.1. Trading Multiples Peers

The multiples approach for CTT results in an implied share price of 5.7€, which represents a premium of 30% when compared to its actual share price of 4.38€. The pessimistic and optimistic share prices were also computed. Despite this result, it must be considered that an analysis by multiples is somewhat simplistic, since it encompasses all the future dynamics of a company only in a couple of inputs, disregarding relevant information. It is also a method that only uses past results as the main driver which may not reflect the future of a company.

**Figure 114 - Multiples Valuation**

Percentile	25th	50th	75th
Ex-Bank	€ 2,60	€ 4,08	€ 7,81
Bank	€ 1,35	€ 1,62	€ 2,00
CTT's Total	€ 3,95	€ 5,70	€ 9,82
Premium	-10%	30%	124%

#### 5.2.1.1. CTT Ex-Bank

For Ex-Bank, the peer criterion was the business model, with focus on peers with similar target customers, and a similar service and product offer focusing on postal services and logistics. In terms of location, companies with main focus in Europe were also selected. To get a better comparison, the market cap was also limited between 100M and 50B€. From these criteria, seven companies were selected.

For the analysis, the multiples used were EV/Revenues, EV/EBITDA, EV/EBIT, EV/EPS. The financials and EV-related multiples of each of the seven companies from 2023 and the last twelve months (LTM) were registered, and the ratios for both periods were then calculated. Only the actual ratio was applied to the P/E

**Figure 115 - Ex-Bank Multiple Peers**

Company	Mkt Cap (M\$)
Deutsche Post AG	48 908
Poste Italiane SpA	18 927
Bpost SA	515
Oesterreichische Post AG	2 146
InPost SA	9 754
PostNL NV	549
Jetpak Top Holding	121
CTT	318

ratio. To evaluate CTT's financials, the revenues, EBITDA, recurring EBIT, and EPS for 2023 and the LTM were consolidated across the Mail & Other, E&P, and FS segments. These totals were then multiplied by the corresponding multiples to derive an EV. Adjustments were made by subtracting net debt and non-controlling interests to arrive at the equity value (both of these values were weighted in accordance to the respective ratio for the three business units). Finally, the equity value was divided by the total number of shares to calculate the share price. In each multiple a distribution including minimum, maximum, 25<sup>th</sup>, 50<sup>th</sup>, and 75<sup>th</sup> percentile was used. Using an equal weight for each of the valuation multiples, the more realistic scenario (median of each multiple) for CTT Ex-Bank's share price was 4.08€. The 25<sup>th</sup> and 75<sup>th</sup> percentile was respectively 2.60€ and 7.81€.

### 5.2.1.2. Banco CTT

For Banco CTT, the analysis focused on banks with a strong presence in retail banking and a consumer-oriented approach. Geographically, the study included banks from Western Europe, specifically Italy, Spain, Portugal, and Greece. To ensure a more accurate comparison, major banks like Santander, which operate on a vastly different scale, were excluded. A maximum market capitalization of 12B€ was established, resulting in a selection of 10 banks for analysis.

In the banking industry, EV multiples were excluded due to the sector's unique capital structure, which could distort these ratios. Instead, multiples better suited to the banking sector were used, such as price per share (P)/Equity per share, P/Book value of Equity, P/Book value of Assets and P/Sales per Share. Similarly to CTT Ex-Bank, financials from each of the 10 companies were extracted for 2023 and LTM. Except for the P/E ratio, both period ratios were computed. Therefore, a distribution as the one represented on the left was used, obtaining a median share price for Banco CTT of 1.62€. The 25<sup>th</sup> and 75<sup>th</sup> percentile were 1.35€ and 2€.

### 5.2.2. Past Transactions

The share prices for Ex-Bank and Banco CTT were added together at the end. Combining the results, a median share price of 4.94€ for the CTT Group was obtained, representing a premium of 13% relative to the current share price of 4.38€. In the pessimistic scenario (25<sup>th</sup> percentile), the share price was estimated at 2.61€, implying a discount of 40%, while the optimistic scenario (75<sup>th</sup> percentile) resulted in a share price of 9.46€, representing a premium of 116%. As previously mentioned, the valuation approach, relying on comparable companies, has inherent limitations and associated risks that must be carefully considered.

#### 5.2.2.1. Ex-Bank

For the Ex-Bank group, comparable companies were identified by analysing historical M&A activity from Refinitiv. The data was filtered by sector (Courier Services), deals completed between 2017 and 2024, and companies located in

Figure 116 - Banco CTT Multiple Peers

Company	Mkt Cap (M\$)
Banco Comercial Portugues SA	6 715
Bankinter SA	6 707
Banco de Sabadell SA	9 534
Mediobanca Banca di Credito Fin. SpA	11 919
Piraeus Financial Holdings SA	4 892
Alpha Services and Holdings SA	3 812
National Bank of Greece SA	6 962
Eurobank Ergasias Services and Hold. SA	7 478
Banco BPM SpA	10 302
FinecoBank Banca Fineco SpA	9 185
CTT	318

Figure 117 - Multiples Banco CTT

Multiple	Weight
Price/Earnings	28,3%
Price/Book Value	28,3%
Price/Assets	15,0%
Price/Sales	28,3%

Figure 118 - Past Transactions Valuation

Percentile	25th	50th	75th
Ex-Bank	1,55	3,40	7,36
Bank	1,05	1,54	2,10
CTT's Total	2,61	4,94	9,46
Premium	-40%	13%	116%

Figure 119 - Past Transactions Companies Ex-Bank

Target Name
Mondial Relay SAS
DX (Group) PLC
MBE Worldwide SpA
P2P Mailing Ltd
Redyser Transporte SL
DHL Supply Chain Ltd
De Salute Srl
Regional Express Ltd
Cross Messengers Town AB

Europe and the United States. After excluding entities with insufficient information, the companies listed in Figure 112 were selected.

Valuation multiples such as EV/Revenues, EV/EBITDA, and EV/EBIT were used, following the methodology applied in earlier analyses. To determine the enterprise value of target companies, the deal value was divided by the percentage of the company acquired, resulting in an implied enterprise value. CTT’s financial data was then applied, and a weighted calculation of the three multiples yielded a median share price of 3.40€ for the Ex-Bank group. Extreme values were also computed, as shown in Table X.

**Figure 120 - Past Transactions Companies Banco CTT**

Target Name
Turkiye Garanti Bankasi AS
Bankia SA
Unione di Banche Italiane SpA
Biverbanca Cassa di R. di B. e V. S.p.A.
Banco Caixa Geral SA
Cassa di Risparmio di Cento SpA

**5.2.2.2. Banco CTT**

For Banco CTT unit, historical M&A data was obtained from Mergemart, covering eight acquired banks from Turkey, Spain, Italy, and Portugal, with transactions occurring between 2015 and 2024. The analysis applied valuation multiples, and the average of the results produced a median share price of 1.54€, with the 25th and 75th percentiles at 1.05€ and 2.10€, respectively.

## 6. INVESTMENT RISKS

### 6.1. Market Risks

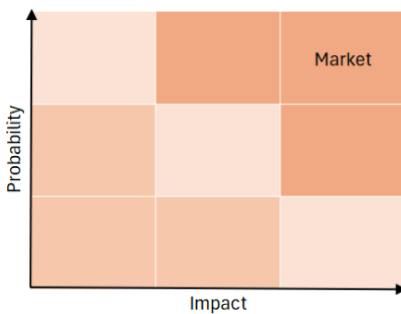
The CTT industry is highly subject and constantly exposed to the economic conditions experienced at any given moment. A recession for a couple of years has a major negative impact on demand for postal and parcel services. On the contrary, a period of economic expansion can leverage the gains expected by the company. In addition, the core and original area of CTT (mail and postal services), has been falling over the years and is increasingly a product with less demand given the digitalization and growth of the internet.

In terms of competition, as far as the express and parcels industry is concerned, more and more international players are seen growing and integrating into the Iberian market, which may reduce the growth potential of CTT. In the banking industry an increasing trend towards digitalization is observable, which allows the entry of national and international fintech’s easier, thus becoming a more competitive industry.

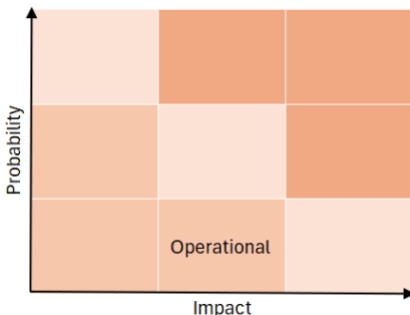
### 6.2. Operational Risks

With the rise of digitalization, CTT must stay ahead in data protection, whether protecting financial data in its banking operations or sensitive information related to distribution routes and delivery addresses. Any breach could severely damage its brand credibility with both customers and investors. To mitigate this risk, CTT conducts best practices campaigns for employees and continuously invests in

**Figure 121 - Market Risk Matrix**



**Figure 122 - Operational Risk Matrix**



cybersecurity. In the banking sector, CTT also faces the risk of defaults from customers with personal credit products.

Another risk CTT faces is the cost structure of mail services. With decreasing demand, CTT has been forced to optimize efficiency to maintain service quality, a trend that continues to pose a risk for the future. Additionally, distribution networks, both for mail and parcels, are highly sensitive to fuel price fluctuations, which can significantly increase operational costs. During peak periods like Christmas and other holidays, unprepared networks could lead to delays, negatively impacting customer satisfaction.

### 6.3. Financial Risks

Group CTT faces liquidity risk, which is the risk of not being able to meet its short-term financial obligations. This can arise from mismatches in the maturity profiles of assets and liabilities or from sudden withdrawals of deposits. To manage this risk, CTT employs various strategies, including maintaining a diversified funding base, holding high-quality liquid assets, and closely monitoring cash flow projections. By implementing these measures, CTT aims to maintain financial stability and ensure it can meet its obligations even in adverse conditions.

As stated by CTT, liquidity risk occurs if their funding sources, such as cash balances and cash inflows, do not match the group’s financial needs. Currently, CTT conducts monthly diligence to meet its obligations to customers and other stakeholders. To the metrics defined by authorities and internally, along with the balance sheet, stress tests are performed to reduce the probability of a crisis. This proactive approach helps CTT mitigate potential liquidity risks and maintain operational resilience.

### 6.4. Regulatory Risks

CTT faces significant regulatory risks, particularly in mail and postal services, as it is required under the Universal Postal Service (UPS) mandate to meet strict criteria regarding pricing, quality, and accessibility for all residents nationwide. Operations in rural areas pose a challenge to profitability, as these regions often lack sufficient demand to cover operational costs. Additionally, ANACOM plays a critical role in monitoring service quality, and failure to meet the required standards could result in fines or other penalties imposed by the regulator. Related to this, CTT is also exposed to the renegotiation risk derived from the agreement expiring in 2028, which may result in unfavourable terms for the company.

Related with other risk area, strict goals set by the European Union and the Portuguese government aim to reduce carbon emissions and drive the transition to a circular, waste-free economy.

Figure 123 - Financial Risk Matrix

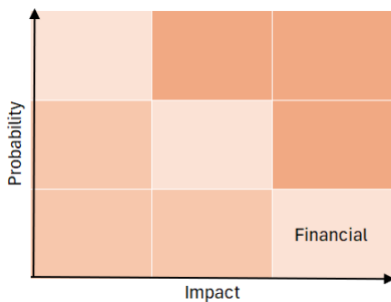


Figure 124 - Regulatory Risk Matrix

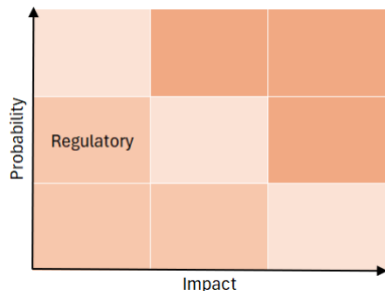
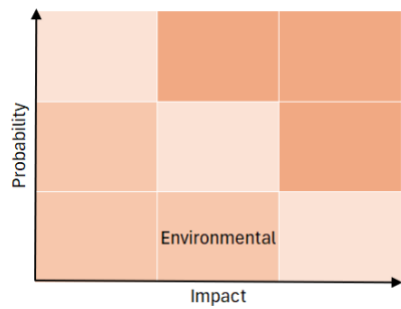


Figure 125 - Environmental Risk Matrix



## 6.5. Environmental Risks

When it comes to climate change, parts of CTT's operations are directly exposed to daily and extreme weather conditions, which can damage distribution networks. CTT's approach to ESG (Environmental, Social, and Governance) practices is under scrutiny from both investors and clients. To address this, the company has set clear objectives across all three ESG pillars, including a commitment to reducing its carbon footprint by 2030. Failing to achieve these goals could negatively impact consumer loyalty and undermine stakeholder confidence. Additionally, there is increasing pressure from stakeholders to adopt circular economic practices to minimize waste production.

## 7. ENVIRONMENT SOCIAL AND GOVERNANCE

With the increasing importance given by shareholders and investors to good environmental, social and governance practices, it also makes sense together with financial analysis to understand how the CTT is positioned in the industry and some of its goals for the next years. The graph presents a comparison of CTT scores between Bloomberg and Refinitiv versus the median industry. As observed, CTT position itself well above its peers attaining a score of 78 versus the 48 of industry (Refinitiv) and 5.92 versus 4.05 in Bloomberg. Also, over the past couple of years, CTT has always positioned itself among the top ratings in the industry.

### 7.1. Environmental

In accordance with Bloomberg, CTT scores 6.4, which is divided in three subcategories: Energy Management which rates at 6.17, Air Quality with 5.48 and GHG Emissions with 8.20. In all of those CTT is considered a leading company between its peers. The company has adopted a comprehensive strategy for managing carbon emissions, prioritizing the systematic reduction of greenhouse gas emissions across its operations

In recent years, CTT has invested heavily in making its fleet fully electric, transitioning to renewable energy sources, and developing environmentally friendly products. These efforts include recycling 99.0% of its waste and incorporating recycled materials into 87.1% of its mail and parcel services. A key milestone for the company is achieving 100% carbon neutrality in its last-mile deliveries. By 2025, CTT aims to have 50% of its vehicles classified as green, with a target of 100% by 2030. In 2024, the company achieved a 24.0% share of green vehicles, marking a 4-percentage-point increase from 2023.

Figure 126 - ESG Score (Bloomberg)

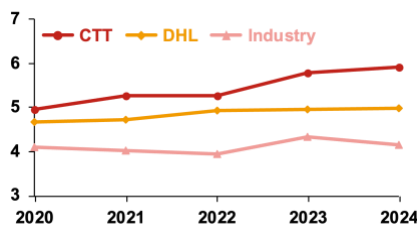


Figure 127 - Environmental Score (Bloomberg)

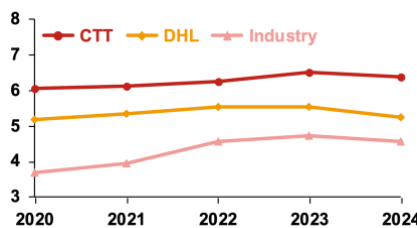
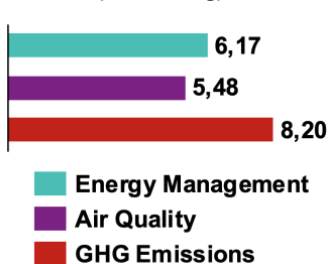
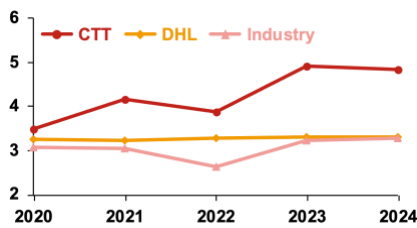


Figure 128 - Environmental (Bloomberg)



CTT has made notable progress in other areas as well. For example, it now sources 100% of its energy from renewable sources, increased its internal photovoltaic energy production by 41%, and reduced CO2 emissions across scopes 1, 2, and 3 by 29% between 2013 and 2025. However, there have been setbacks. Electricity consumption rose by 2%, contrary to the target of a 2% reduction. Additionally, while fuel consumption decreased in the first half of 2024 compared to 2023, the prior year saw a significant increase, diverging from the company’s objectives. These challenges highlight areas requiring continued focus and improvement.

Figure 129 - Social Score (Bloomberg)



## 7.2. Social

Scoring 4.85 on Social, this category is divided in three big pieces, the labour and employment practices, occupational health and safety management and product quality management. In the first one CTT is labelled as a leading company scoring 4.68, although in the second subtopic is only considered above median with 3.13. For product quality management CTT is positioned in the top performances with a 7.95 score highlighting its product quality.

Despite these scores CTT has always been in the top of the industry and has demonstrated a strong commitment to fostering community engagement, diversity, and employee participation. Through strategic initiatives, the company is driving meaningful social impact.

CTT has consistently prioritized investment in social projects, with a goal of allocating 1% of recurring EBITDA to these initiatives. After falling short in 2023, with just 0.6% invested, the company significantly increased this figure to 1.5% in 2024 — an impressive 286% rise compared to the prior year. This underscores CTT’s renewed focus on supporting social causes and addressing community needs. Additionally, its extensive presence in all municipalities, including rural areas, ensures a strong connection with communities nationwide.

CTT also aims to enhance its customer service capabilities through technology, targeting a 40% service rate via virtual assistants by 2026. Currently at 27%, this initiative presents a significant growth opportunity for improving accessibility and customer satisfaction.

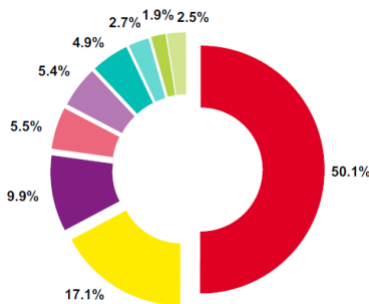
The company continues to encourage employee participation in social causes, strengthening the relationship between CTT and the communities it serves. This active engagement fosters a culture of responsibility and belonging within the organization.

In the area of diversity and inclusion, CTT has set a target of achieving 45% gender parity in management positions. While progress has been made, with a rise to 41.5% in the percentage in 2024, further efforts are needed to meet this goal.

Figure 130 - Social (Bloomberg)



Figure 131 - CTT Investment in Projects 2023



- CTT Sports, Cultural and Recreational Club (CDCR)
- Entrajuda
- Portuguese Communications Foundation
- EPIS - Entrepreneurs for Social Inclusion
- Portuguese Philatelic Federation
- Quercus Protocol - A Tree for the Forest
- Serralves Foundation
- SPECO - Portuguese Ecology Society
- Others

Conversely, the representation of employees with disabilities decreased to 1.8%, a 0.5 p.p. drop from 2023, highlighting an area requiring renewed attention.

By aligning its social initiatives with operational objectives, CTT is advancing its mission to support communities, promote inclusion, and engage employees, further solidifying its reputation as a socially responsible organization.

### 7.3. Governance

Contributing with 25% for the total ESG Bloomberg score, governance reaches 6.6 with four big components. In board composition a score of 7.8 with the board refreshment and director roles being the main drivers of the good result. For the executive compensation the company is categorized as above median with a score of 3.7. For the shareholder rights despite having a 6.8 score, director voting only gets 5.0 and position itself below median of peers. Lastly for auditing a leading score of 9.4 is obtained with maximum points in external auditors and audit outcome.

Despite this scores, corporate governance at CTT is distinguished by its transparency, accountability, and strategic sophistication. For the last 6 years, CTT has been complied with a significant set of recommendations from the Portuguese Government Institute (IPCG) thereby fulfilling the requirements for a sophisticated governance structure that is providing transparent, relevant, comprehensive and complete information. The company follows a Anglo-Saxon governance model that allows balance between management and oversight. This ensures that is managed effectively while being accountable to shareholders. The board of directors oversees the company strategy and management, while the executive committee is focused on achieving the best results in the business day-to-day. In addition, there are 5 other committees with a focus ranging from ESG to remuneration, ensuring all management processes are fair and transparent. CTT also appointed Ernst and Young, a reputable auditing firm, as their Statutory Auditor. Despite benefiting from the execution-oversight balance, and from having specialized committees, challenges arise from dual-governance such as communication speed, versatility or misaligned visions and incentives, which must be handled with the utmost regard. For instance, the 5 members of the EC are also part of the BD, which allows for effective communication.

#### 7.3.1. Board of Directors Composition

As of the Annual General Meeting on April 20, 2023, the board underwent a restructuring, transitioning from a 14-member composition of five executive and nine non-executive members (including six independent directors) to a more streamlined 11-member structure consisting of three executive and eight non-executive members, with five independent directors.

Figure 132 - Governance Score (Bloomberg)

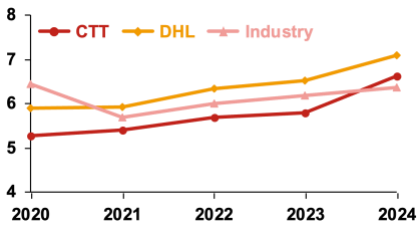


Figure 133 - Governance (Bloomberg)

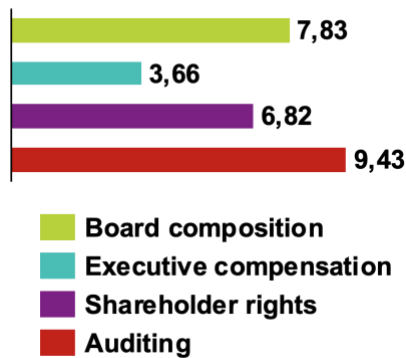
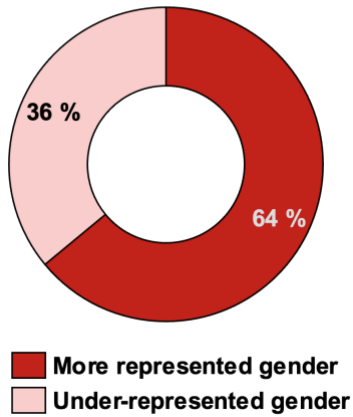


Figure 134 - Board by gender



The board's composition is designed to ensure robust oversight and decision-making. By December 31, 2023, 45% of the total board members and 62.5% of non-executive members were classified as independent, adhering to rigorous standards outlined in CMVM Regulation No. 4/2013 and international governance criteria. This not only showcases compliance with regulatory frameworks but also embodies a commitment to transparent, unbiased corporate governance.

The average tenure of the BoD is 5.6 years, with 4 members with almost 7 years of tenure, and the younger layers having already at least 4 years of CTT experience. 36% of board members compose the underrepresented gender, highlighting space to further diversify ideas and talent. 100% of the board members have a registered attendance of 100%. Note that 3 board members ceased functions in the General Meeting.

### 7.3.2. Executive Compensation

CTT's remuneration policy is crafted to align director compensation with the company's overall performance and long-term goals. The policy is structured to differentiate between executive and non-executive directors, incorporating both fixed and variable components. Non-executive directors, are included primarily on fixed compensation, including an annual salary paid 14 times a year, with additional remuneration for committee participation based on their roles and commitments.

In contrast, the compensation for executive directors is more complex and multi-faceted. It comprises three main elements: fixed remuneration, annual variable remuneration (AVR), and long-term variable remuneration (LTVR). The fixed remuneration includes a base salary, meal allowances, and other benefits, determined by the role's complexity, market benchmarks, and the company's financial standing. The AVR is performance-based and split between financial (70%) and non-financial (30%) criteria, covering metrics such as FCF per Share, Recurring Consolidated EBIT, EPS, and Revenue Growth, alongside non-financial aspects like Net Promoter Score, ESG initiatives, and operational performance. The LTVR, implemented through an Options Plan, aligns directors' interests with long-term shareholder value, with options exercisable from Jan. 1<sup>st</sup>, 2026, featuring performance and retention mechanisms tied to ESG and strategic goals.

In 2023, the total remuneration for executive directors amounted to 3M€, including the CEO's fixed salary of 563k€, AVR from previous years, and LTVR components. Non-executive directors' compensation followed a different structure, with Audit Committee receiving a combined total of 240k€, and other non-executive Board members receiving 608k€. The total remuneration for the Board of Directors in 2023 was 3.9M€, with an additional 1.5M€ in withheld taxes.

CTT's remuneration policy is supported by robust governance mechanisms, including oversight by an Independent Remuneration Committee, and is subject to

shareholder approval at the General Meeting. This ensures transparency and alignment with stakeholder interests. The policy also incorporates deferral and clawback mechanisms to ensure responsible payment of variable remuneration. Overall, CTT's approach to remuneration reflects a sophisticated strategy that balances immediate performance incentives with long-term value creation, tying compensation to both financial and non-financial metrics, including sustainability initiatives, to drive strategic objectives and enhance shareholder value.

### **7.3.3. Shareholder Structure**

CTT's share capital amounts to 72M€, represented by 143 915K ordinary shares listed on Euronext Lisbon. As of the end of 2023, the shareholder composition was notably diverse, comprising 36% institutional investors, 29% industrial shareholders, 32% retail and other investors, with 3.1% held as treasury shares. This diverse mix of shareholders underscores a balanced and strategic ownership structure.

The institutional investor base is globally distributed, with a significant portion hailing from North America (57.6%). There is also notable representation from Portugal (8.9%) and Spain (5.3%). These institutional investors employ various investment strategies: 26.2% follow a Growth at a Reasonable Price (GARP) approach, 20.3% are index-based (passive), and 20% are value-oriented (CTT Group 2024). This strategic and global distribution highlights CTT's broad appeal and the varied investment philosophies of its stakeholders.

Overall, CTT's shareholder structure reflects a complex and balanced ownership landscape, with significant institutional, industrial, and retail investor participation. This diversified approach underscores CTT's robust governance framework and its commitment to aligning the interests of a wide range of stakeholders.

## **8. INVESTMENT DECISION**

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The belief for CTT's stock is a BUY, given it is an undervalued business, with the resources, strategy team and incentives to grow and deliver strong returns to investors. CTT, a complex business with an incredible history and a highly regarded brand, operates a critical public service in mail. Over the past decade, it has faced significant challenges in leveraging its infrastructure to deliver returns to investors and find a path to growth and profitability. This is reflected in an integrated strategy that capitalizes on the mail structure to deliver parcels and packages, while also leveraging its extensive branch network and years of experience in financial services through the creation of Banco CTT.

In the past year, buoyed by economic growth, CTT has seen substantial growth. Mail operations have stabilized into profitability rather than losses, and the Express

& Parcels (E&P) segment has grown significantly, evolving from an idea into a prominent Iberian player with large revenues and strong margins for a relatively new unit in a highly competitive space. Additionally, Banco CTT is experiencing remarkable growth, expanding its assets and customer base significantly.

To ensure the accuracy of the model, these diverse segments were broken down to the smallest drivers, enabling to achieve the best estimates possible. The comprehensive macro and industry analyses provided valuable insights into CTT's positioning and broader market trends, which are reflected in the scenarios. These scenarios were developed to assess both the upside potential and downside risk of this investment, supported by a thorough sensitivity analysis. The analysis also included a detailed examination of CAPEX (where CTT seems to have been underinvesting – a trend that will reverse), margins, strongly improving over the last 5 years, and liquidity ratios, highlighting a robust balance sheet. CTT's capital structure was carefully deconstructed to calculate the WACC, which formed the basis of the valuation. Ultimately, this led to a Buy recommendation. Additionally, a relative valuation was performed, to understand how comparables are trading and to determine if CTT is undervalued compared to the industry. This analysis also resulted in a Buy recommendation, reinforcing the confidence in the valuation. Finally, when reviewing the work of other analysts, the consensus appears to align with the presented estimates, further strengthening the recommendation. The comprehensive analysis underscores CTT's potential for continued growth and profitability, making it a compelling investment opportunity, despite a relatively elevated risk, as a lot of CTT's future is relying on the ability to materialize an ambitious and risky strategic plan.

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## 11.1. Balance Sheet

1. Consolidated Balance Sheet, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>ASSETS</b>	<b>1 854 470</b>	<b>2 513 441</b>	<b>2 894 903</b>	<b>3 585 199</b>	<b>4 057 488</b>	<b>4 756 642</b>	<b>5 084 825</b>	<b>5 391 625</b>	<b>5 536 347</b>
<b>Non-current assets</b>	<b>1 108 143</b>	<b>1 734 665</b>	<b>1 984 314</b>	<b>1 970 328</b>	<b>2 253 265</b>	<b>2 354 670</b>	<b>2 378 328</b>	<b>2 405 709</b>	<b>2 451 114</b>
Tangible fixed assets	264 709	263 443	294 989	296 288	303 206	296 995	300 000	314 232	333 792
Investment properties	8 180	7 653	7 076	6 327	6 184	5 976	6 272	6 194	6 051
Intangible assets	56 771	62 013	58 017	63 507	69 409	70 640	69 580	69 180	70 294
Goodwill	9 523	70 202	70 202	81 471	80 257	80 257	80 257	80 257	80 257
Investments in associated companies	296	293	0	0	0	0	0	0	0
Investments in joint ventures	496	2 724	2 925	18	-	22	25	23	22
Other investments	1 379	1 379	6	312	961	3 201	3 201	3 693	3 143
Prepayments	-	-	-	-	-	-	-	-	2 281
Financial assets at fair value through profit or loss	-	-	2	2 262	26 220	13 532	14 222	13 942	7 554
Debt securities	429 039	424 851	465 364	299 893	409 389	364 706	364 284	361 859	361 425
<i>Debt securities at amortised cost</i>	428 181	424 323	453 091	294 987	409 389	364 706	364 284	361 859	361 425
<i>Debt securities at fair value through OCI</i>	858	528	12 274	4 907	-	-	-	-	-
Other non-current assets	1 527	1 543	1 064	1 772	1 178	3 533	3 526	3 579	3 747
Credit to banking clients	231 797	792 470	985 356	1 125 984	1 287 676	1 444 412	1 466 929	1 486 361	1 516 940
Other banking financial assets	22 692	18 764	11 421	5 238	961	-	-	-	-
Deferred tax assets	81 734	89 330	87 892	87 255	67 824	71 396	70 032	66 389	65 609
<b>Current assets</b>	<b>746 327</b>	<b>778 776</b>	<b>910 588</b>	<b>1 614 870</b>	<b>1 804 224</b>	<b>2 401 972</b>	<b>2 706 497</b>	<b>2 985 916</b>	<b>3 085 232</b>
Inventories	5 568	5 860	6 602	6 872	8 041	6 663	6 413	7 116	7 707
Accounts receivable	135 855	146 472	153 616	160 930	147 131	153 062	201 167	184 835	205 889
Credit to banking clients	16 253	93 351	107 926	415 924	489 889	148 802	152 378	157 375	161 597
Income taxes receivable	5 040	-	-	8	1 103	8	8	-	-
Prepayments	6 691	7 305	6 499	8 726	9 012	9 947	12 344	14 701	14 246
Financial assets at fair value through profit or loss	-	-	-	24 999	26 479	-	-	-	-
Debt securities	25 063	31 560	52 441	40 362	128 392	364 760	1 116 681	1 455 332	1 722 135
<i>Debt securities at amortised cost</i>	24 432	31 546	45 160	39 174	128 392	364 760	1 116 681	1 455 332	1 722 135
<i>Debt securities at fair value through OCI</i>	631	14	7 281	1 188	-	-	-	-	-
Other current assets	35 517	35 766	33 729	68 848	76 482	92 546	106 127	115 992	115 051
Other banking financial assets	93 621	14 660	29 457	9 722	461 226	1 274 575	855 295	780 360	648 849
Cash and cash equivalents	422 717	442 996	518 180	877 873	456 469	351 610	256 084	270 223	209 758
<b>Current assets without held for sale</b>	<b>746 327</b>	<b>777 970</b>	<b>908 449</b>	<b>1 614 265</b>	<b>1 804 223</b>	<b>2 401 972</b>	<b>2 706 497</b>	<b>2 985 916</b>	<b>3 085 232</b>
Non-current assets held for sale	-	806	2 139	606	0	0	0	0	0
<b>EQUITY AND LIABILITIES</b>	<b>1 854 470</b>	<b>2 513 441</b>	<b>2 894 903</b>	<b>3 585 199</b>	<b>4 057 488</b>	<b>4 756 642</b>	<b>5 084 825</b>	<b>5 391 625</b>	<b>5 536 347</b>
<b>Equity</b>	<b>135 887</b>	<b>131 415</b>	<b>150 275</b>	<b>174 546</b>	<b>224 929</b>	<b>253 253</b>	<b>286 395</b>	<b>271 979</b>	<b>276 180</b>
Share capital	75 000	75 000	75 000	75 000	72 675	71 958	71 958	71 958	69 220
Own shares	(0)	(0)	(0)	(6 405)	(10 826)	(15 625)	(22 424)	(24 734)	(8 948)
Reserves	65 837	65 853	65 920	67 078	53 844	48 113	48 113	47 533	30 510
Retained earnings	4 379	10 867	39 962	43 904	64 647	83 269	143 787	119 971	119 951
Other changes in equity	(30 993)	(49 744)	(47 600)	(43 999)	6 857	3 402	2 897	3 409	3 409
Net profit	21 499	29 197	16 669	38 404	36 407	60 511	7 433	19 812	27 752
<b>Equity attributable to CTT shareholders</b>	<b>135 722</b>	<b>131 173</b>	<b>149 951</b>	<b>173 983</b>	<b>223 603</b>	<b>251 629</b>	<b>251 763</b>	<b>237 949</b>	<b>241 894</b>
Non-controlling interests	165	242	324	563	1 326	1 624	34 632	34 030	34 286
<b>Liabilities</b>	<b>1 718 582</b>	<b>2 382 026</b>	<b>2 744 628</b>	<b>3 410 653</b>	<b>3 832 559</b>	<b>4 503 389</b>	<b>4 798 430</b>	<b>5 119 646</b>	<b>5 260 166</b>
<b>Non-current liabilities</b>	<b>364 278</b>	<b>512 833</b>	<b>493 404</b>	<b>705 282</b>	<b>789 422</b>	<b>689 633</b>	<b>665 481</b>	<b>643 878</b>	<b>626 242</b>
Medium and long term debt	100 282	148 598	164 034	149 336	136 198	161 080	162 647	170 017	178 209
<i>Of which attributable to Banco CTT</i>									
Employee benefits	244 562	267 287	264 369	260 806	185 258	149 740	148 029	154 957	158 930
Provisions	16 019	17 635	17 416	14 680	12 632	26 339	27 172	15 605	11 228
Debt securities	-	76 060	44 507	277 761	445 226	347 132	322 164	297 951	274 278
Prepayments	306	294	283	272	261	672	671	668	665
Deferred tax liabilities	3 109	2 958	2 794	2 428	9 847	4 671	4 798	4 680	2 931
<b>Current liabilities</b>	<b>1 354 304</b>	<b>1 869 193</b>	<b>2 251 224</b>	<b>2 705 371</b>	<b>3 043 136</b>	<b>3 813 756</b>	<b>4 132 950</b>	<b>4 475 768</b>	<b>4 633 924</b>
Accounts payable	322 276	373 791	375 563	350 304	525 212	373 961	356 266	410 462	400 600
Banking clients' deposits and other loans	883 951	1 321 418	1 688 465	2 121 511	2 245 330	3 090 963	3 459 457	3 772 025	3 967 918
Employee benefits	17 119	19 416	18 631	21 090	22 092	22 049	21 345	20 668	19 992
Income taxes payable	-	5 959	1 340	11 612	-	6 666	8 410	4 735	2 107
Short term debt	27 096	26 814	42 833	51 783	59 757	107 935	55 714	48 365	59 075
<i>Of which attributable to Banco CTT</i>									
Financial liabilities at fair value through profit or loss	-	-	-	-	26 345	13 744	14 396	14 109	7 773
Debt securities	-	17	11	35	352	243	315	277	279
Prepayments	2 708	3 454	3 412	3 452	3 678	5 110	5 488	5 465	5 268
Other current liabilities	86 204	100 354	99 493	118 595	114 161	145 324	143 355	139 557	141 634
Other banking financial liabilities	14 951	17 971	21 476	26 988	46 211	47 760	68 204	60 105	29 277
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

2. Notes and Reformulation Procedure, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>2.1. CASH ALLOCATION</b>									
<b>Total Cash</b>	<b>422 717</b>	<b>442 996</b>	<b>518 180</b>	<b>877 873</b>	<b>456 469</b>	<b>351 610</b>	<b>256 084</b>	<b>270 223</b>	<b>209 758</b>
Banco CTT Nominal	145 340	174 819	231 741	662 721	130 359	90 545	97 762	86 659	86 189
Banco CTT	145 340	174 819	231 741	662 721	130 359	90 545	97 762	86 659	86 189
CTT excluding bank	277 378	268 176	286 439	215 152	326 110	261 064	158 322	183 563	123 570
<b>Operating Cash</b>	<b>274 978</b>	<b>265 821</b>	<b>277 756</b>	<b>204 675</b>	<b>307 847</b>	<b>226 323</b>	<b>67 881</b>	<b>68 165</b>	<b>68 518</b>
Financial Services Operating Cash (Non-Allocated)	271 999	262 773	273 896	199 561	302 667	219 512	65 853	65 985	66 116
% Savings Gross	10.1%	6.6%	7.1%	4.5%	3.7%	1.7%	1.7%	1.7%	1.7%
E&P Operating Cash	2 978	3 048	3 860	5 114	5 180	6 812	2 028	2 180	2 401
% Revenues	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
CTT excluding bank	274 978	265 821	277 756	204 675	307 847	226 323	67 881	68 165	68 518
<b>Excess of Cash</b>	<b>147 740</b>	<b>177 174</b>	<b>240 424</b>	<b>673 198</b>	<b>148 622</b>	<b>125 286</b>	<b>188 203</b>	<b>202 058</b>	<b>141 241</b>
CTT excluding bank	2 400	2 355	8 683	10 477	18 262	34 741	90 441	115 399	55 052

**2.2. Note:**  
 Unallocated cash is mostly related with accounts payable items such as CNP money orders or Postal Financial Services. Therefore, all of non-allocated cash, is considered to be operating. Even though, a residual portion of it, will be related with non-operating mail cash that cannot be split up from the remaining due to CTT reporting. In addition to this, 2% of E&P revenues was assumed to be operating cash for that segment, as mentioned in the Financial Statement Analysis module of the Nova SBE Master's in Finance.  
 For the bank, operating cash was assumed to be 0 as it is related with other banking assets, as if cash would be earning cash.

<b>BANKING CLIENTS' DEPOSITS</b>	883 951	1 321 418	1 688 465	2 121 511	2 245 330	3 090 963	3 459 457	3 772 025	3 967 918
<b>Banking Clients' Deposits</b>	<b>883 951</b>	<b>1 283 567</b>	<b>1 688 465</b>	<b>2 121 511</b>	<b>2 245 330</b>	<b>3 090 963</b>	<b>3 459 457</b>	<b>3 772 025</b>	<b>3 967 909</b>
Core banking clients' deposits	883 951	1 283 567	1 688 465	2 121 511	2 245 330	3 090 963	3 459 457	3 772 025	3 967 909
Sight deposits	671 673	961 772	1 207 038	1 485 970	1 608 322	1 343 298	1 273 072	1 359 790	1 371 117
Term deposits	100 832	169 581	178 176	223 067	184 027	1 409 083	1 870 468	2 076 118	2 254 234
Savings deposits	111 445	152 214	303 251	412 474	452 980	338 582	315 918	336 116	342 559
Non-core banking clients' deposits	-	37 851	-	-	-	-	-	-	9

**2.3. Note:**  
 Non-core banking clients' deposits refer to one-time adjustments that should be disregarded going forward.

<b>OTHER ASSETS AND LIABILITIES</b>	37 044	37 310	34 792	70 621	77 660	96 079	109 652	119 571	118 799
<b>Other assets</b>	<b>37 044</b>	<b>37 310</b>	<b>34 792</b>	<b>70 621</b>	<b>77 660</b>	<b>96 079</b>	<b>109 652</b>	<b>119 571</b>	<b>118 799</b>
<b>Non-current other assets</b>	<b>1 527</b>	<b>1 543</b>	<b>1 064</b>	<b>1 772</b>	<b>1 178</b>	<b>3 533</b>	<b>3 526</b>	<b>3 579</b>	<b>3 748</b>
Advances to staff	254	208	321	368	2	-	-	-	-
Banco CTT	11	12	21	27	0	-	-	-	-
% Staff costs	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Other receivables from staff	2 477	2 523	2 205	2 767	2 498	2 210	2 205	2 239	2 345
Banco CTT	108	145	145	205	196	178	185	167	205
% Staff costs	0.7%	0.7%	0.7%	0.8%	0.8%	0.6%	2.2%	2.2%	2.4%
Labour compensation fund	301	444	530	932	1 143	1 217	1 215	1 233	1 292
Other non-current assets	478	467	546	454	442	486	485	492	516
Impairment	(1 983)	(2 100)	(2 539)	(2 749)	(2 907)	(380)	(380)	(385)	(404)
<b>Current other assets</b>	<b>35 517</b>	<b>35 766</b>	<b>33 729</b>	<b>68 848</b>	<b>76 482</b>	<b>92 546</b>	<b>106 127</b>	<b>115 992</b>	<b>115 051</b>
Advances to suppliers	359	307	358	254	256	258	296	323	321
Banco CTT	35	35	42	27	30	29	30	23	27
% External supplies and services	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.3%	0.3%	0.3%
Advances to staff	3 843	3 740	4 208	3 689	4 122	4 838	5 548	6 064	6 015
Banco CTT	168	215	277	274	323	389	466	451	527
% Staff costs	1.2%	1.1%	1.2%	1.1%	1.2%	1.3%	5.4%	6.1%	6.2%
Postal financial services	5 839	4 416	9 120	10 864	1 717	4 837	5 547	6 062	6 013
State and other public entities	417	1 234	4 336	12 662	5 362	8 928	10 238	11 190	11 099
Debtors by accrued revenues	5 090	7 217	3 202	10 549	8 713	4 733	5 428	5 932	5 884
Amounts collected on CTT behalf	1 480	561	56	542	568	1 936	2 220	2 426	2 406
Guaranteed	393	339	580	863	1 108	1 116	1 280	1 399	1 388
Advances to lawyers	73	79	103	47	43	4	4	5	5
Debtors by asset disposals	83	70	56	43	30	16	18	20	20
Payshop agents	407	350	346	275	262	308	354	387	383
Mobility allowances for Autonomous Regions	10 337	5 900	4 010	20 447	6 647	11 224	12 872	14 068	13 954
Office for media	209	290	1 196	1 150	541	1 530	1 755	1 918	1 902
Sundry debtors	278	340	320	215	200	217	248	271	269
Collections	2 040	1 388	1 424	1 691	15 030	15 082	17 295	18 903	18 750
Deposits	697	2 397	739	759	27 234	27 044	31 012	33 895	33 620
Customs	669	705	736	1 800	2 437	4 725	5 418	5 922	5 874
Non-core billing	1 689	1 663	1 926	1 860	1 193	1 100	1 261	1 378	1 367
Billing to partners	3 164	2 948	1 438	1 053	1 367	2 178	2 498	2 730	2 708
Automatic payment terminals	-	-	-	-	-	3 222	3 695	4 038	4 005
Automatic payment terminals per site	-	-	-	-	-	1.25	1.43	1.57	1.55
Post offices	538	539	562	570	569	569	569	569	569
Postal agencies	1 845	1 831	1 804	1 786	1 802	1 806	1 795	1 795	1 795
Number of Banco CTT branches	212	212	212	212	212	212	212	212	212
Banco CTT automatic payment terminals	-	-	-	-	-	264	304	332	330
Other current assets	5 967	10 165	9 629	10 410	11 200	10 899	12 498	13 660	13 549
Impairment	(7 517)	(8 342)	(10 053)	(10 326)	(11 548)	(11 649)	(13 359)	(14 601)	(14 482)
<b>Other liabilities</b>	<b>86 204</b>	<b>100 354</b>	<b>99 493</b>	<b>118 595</b>	<b>114 161</b>	<b>145 324</b>	<b>143 355</b>	<b>139 557</b>	<b>141 634</b>
<b>Current other liabilities</b>	<b>86 204</b>	<b>100 354</b>	<b>99 493</b>	<b>118 595</b>	<b>114 161</b>	<b>145 324</b>	<b>143 355</b>	<b>139 557</b>	<b>141 634</b>
Estimated holiday pay, holiday subsidy and other remunerations	43 327	45 438	45 499	47 519	49 206	54 969	54 224	52 788	53 573
Banco CTT	1 891	2 618	2 999	3 529	3 857	4 420	4 552	3 928	4 694
% Staff costs	13.0%	13.2%	13.4%	13.7%	14.0%	14.4%	53.0%	52.7%	55.4%
Estimated supplies and external services	30 490	40 728	41 401	57 989	50 938	74 218	73 212	71 273	72 334
Banco CTT	2 929	4 592	4 810	6 087	5 913	8 433	7 393	4 998	6 178
% External supplies and services	11.8%	15.4%	16.3%	17.7%	15.1%	19.0%	63.8%	63.8%	59.0%
Other	12 387	14 188	12 593	13 087	14 017	16 137	15 918	15 497	15 727

**2.4. Note:**  
 Discrimination of other assets and liabilities was not provided in the quarterly reports of 2024, therefore it was assumed that each item would maintain the same proportion as 2023.

## 2.5. PREPAYMENTS

Assets	6 691	7 305	6 499	8 726	9 012	9 947	12 344	14 701	16 527
Non-current prepayments	-	-	-	-	-	-	-	-	2 281
Current prepayments	6 691	7 305	6 499	8 726	9 012	9 947	12 344	14 701	14 246
<i>Banco CTT</i>	292	421	428	648	706	800	1 036	1 094	1 248
<i>% Staff costs</i>	2.0%	2.1%	1.9%	2.5%	2.6%	2.6%	12.1%	14.7%	14.7%
<b>Liabilities</b>	<b>3 014</b>	<b>3 749</b>	<b>3 695</b>	<b>3 724</b>	<b>3 939</b>	<b>5 782</b>	<b>6 159</b>	<b>6 133</b>	<b>5 933</b>
Non-current prepayments	306	294	283	272	261	672	671	668	665
Current prepayments	2 708	3 454	3 412	3 452	3 678	5 110	5 488	5 465	5 268

**Note:**

Prepayments in current assets are staff-related, and thus they are attributed to CTT ex-bank and Banco CTT according to the proportion of staff costs.

## 2.6. DEBT

Total debt	127 378	175 142	206 867	201 139	195 955	269 015	218 360	218 382	237 285
<b>Non-current</b>	<b>100 282</b>	<b>148 598</b>	<b>164 034</b>	<b>149 356</b>	<b>136 198</b>	<b>161 080</b>	<b>162 647</b>	<b>170 017</b>	<b>178 209</b>
Bank loans	24 276	81 703	74 800	62 182	40 706	33 390	33 324	26 257	16 689
Commercial paper	-	-	-	-	-	34 947	34 956	34 964	34 972
Lease liabilities	76 006	66 895	89 234	87 175	95 492	92 743	94 367	108 797	126 549
<i>Of which attributable to Banco CTT</i>	762	1 487	1 377	1 923	2 754	2 206	2 200	3 014	2 979
<b>Current</b>	<b>27 096</b>	<b>26 544</b>	<b>42 833</b>	<b>51 783</b>	<b>59 757</b>	<b>107 935</b>	<b>55 714</b>	<b>48 365</b>	<b>59 075</b>
Bank loans	6 558	9 479	16 857	22 169	29 372	82 396	28 793	19 245	27 261
Commercial paper	-	-	-	-	-	22	7	464	870
Confirming	-	-	-	1 500	-	-	-	-	-
Lease liabilities	20 538	17 064	25 976	28 114	30 385	25 517	26 914	28 656	30 944
<i>Of which attributable to Banco CTT</i>	181	702	808	730	1 172	1 152	1 277	1 468	1 520

**Note:**

CTT reports provide the amount of debt corresponding to each business unit. Additionally, the amount of debt belonging to Banco CTT correspond to lease liabilities.

## 2.7. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets	81 734	89 330	87 892	87 255	67 824	71 396	70 032	66 389	65 610
Employee benefits	73 226	79 793	79 229	78 110	58 444	48 591	48 046	49 204	49 840
<i>Healthcare</i>	70 504	76 840	75 969	73 833	53 302	43 186	42 905	42 854	42 594
<i>Pension plan</i>	77	85	74	69	52	67	65	63	61
<i>Other long-term benefits</i>	2 645	2 869	3 186	4 209	5 090	5 338	5 076	6 287	7 185
Impairment losses and provisions	3 562	5 033	4 936	4 139	2 400	6 418	6 470	3 557	2 299
Tax losses carried forward	1 293	1 290	787	2 079	2 766	3 179	2 840	2 782	3 037
Impairment losses in tangible fixed assets	283	386	409	481	1 595	671	688	710	736
Long-term variable remuneration (board of directors)	25	-	54	455	1 050	816	816	698	830
Land and buildings	452	357	356	344	333	52	52	52	53
Tangible assets' tax revaluation regime	2 245	1 924	1 604	1 283	962	528	462	396	330
Sale and leaseback transactions	-	-	-	-	-	8 784	8 653	8 522	8 392
Early termination of contracts	-	-	-	-	-	2 241	1 589	-	-
Other	647	547	517	364	274	116	418	468	94
<i>Check</i>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>
<b>Deferred tax liabilities</b>	<b>3 109</b>	<b>2 958</b>	<b>2 794</b>	<b>2 428</b>	<b>9 847</b>	<b>4 671</b>	<b>4 798</b>	<b>4 680</b>	<b>2 931</b>
Revaluation of tangible fixed assets before IFRS	2 338	2 137	1 955	1 684	1 519	485	443	402	361
Suspended capital gains	745	718	704	658	632	284	281	279	276
Non-current assets held for sale	-	83	83	43	-	-	-	-	-
PPA movements - New Spring Services	-	-	-	-	387	286	261	236	210
Fair value adjustments	-	-	-	-	7 108	3 420	3 608	3 555	1 876
Other	25	20	52	43	201	195	204	208	208
<i>Check</i>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>	<b>TRUE</b>

**Note:**

Tax assets and liabilities related to employee benefits were allocated to non-core. Items linked to operation were allocated to core, and remaining items put in non-core.

## 2.8. TANGIBLE FIXED ASSETS

	264 709	263 443	294 989	296 288	303 206	296 995	300 000	314 232	333 792
<b>Net tangible fixed assets</b>	<b>264 709</b>	<b>263 443</b>	<b>294 989</b>	<b>296 288</b>	<b>303 206</b>	<b>296 995</b>	<b>300 000</b>	<b>314 232</b>	<b>333 792</b>
Land and natural resources	31 853	31 843	31 756	32 061	32 047	32 047	31 957	31 957	31 957
Buildings and other constructions	124 003	118 985	111 570	110 618	104 366	99 482	97 329	95 387	94 189
Basic equipment	15 089	23 479	30 128	30 231	36 046	39 062	38 055	37 151	37 054
Transport equipment	170	247	208	166	144	116	102	93	83
Office equipment	5 053	6 948	5 664	5 266	6 008	8 792	8 323	8 057	7 791
Other tangible fixed assets	4 235	5 344	5 842	6 083	5 980	5 422	5 506	5 669	5 868
Tangible fixed assets in progress	2 409	3 492	6 020	3 613	4 019	1 859	5 526	6 675	7 646
Advance payments to suppliers	174	2 414	1 238	4 763	153	70	70	70	99
Rights of use	81 723	70 692	102 565	103 487	114 442	110 144	113 131	129 172	149 104
Buildings	64 338	55 785	80 730	86 008	96 943	98 102	96 065	103 412	115 246
Vehicles	16 192	13 974	21 173	16 895	14 582	10 178	15 446	24 364	31 565
Other assets	1 193	932	661	584	2 917	1 863	1 621	1 396	2 293
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Tangible fixed assets</b>	<b>827 578</b>	<b>818 865</b>	<b>881 821</b>	<b>913 264</b>	<b>928 323</b>	<b>961 897</b>	<b>977 014</b>	<b>1 004 201</b>	<b>1 037 606</b>
Land and natural resources	35 592	35 580	35 480	35 623	35 609	35 609	35 519	35 519	35 519
Buildings and other constructions	334 565	338 965	339 116	340 477	343 254	347 207	347 573	348 159	349 372
Basic equipment	143 061	156 184	168 452	169 084	181 159	188 308	188 544	188 849	189 812
Transport equipment	3 598	3 604	3 603	3 607	3 650	3 682	3 684	3 688	3 691
Office equipment	63 826	69 356	70 641	72 056	74 308	78 898	79 037	79 380	79 623
Other tangible fixed assets	26 571	29 647	26 093	27 370	28 567	29 373	29 779	30 241	30 785
Tangible fixed assets in progress	2 409	3 492	6 020	3 613	4 019	1 859	5 526	6 675	7 646
Advance payments to suppliers	174	2 414	1 238	4 763	153	70	70	70	99
Rights of use	217 781	179 624	231 179	256 672	257 605	276 891	287 283	311 620	341 059
Buildings	187 978	157 442	198 020	221 150	214 084	229 708	232 612	245 375	262 494
Vehicles	28 092	20 652	31 683	33 910	38 787	42 449	49 937	61 511	72 603
Other assets	1 712	1 529	1 475	1 611	4 734	4 734	4 734	4 734	5 963
<b>Accumulated depreciation and impairment</b>	<b>562 869</b>	<b>555 422</b>	<b>586 831</b>	<b>616 976</b>	<b>625 117</b>	<b>664 903</b>	<b>677 014</b>	<b>689 969</b>	<b>703 814</b>
Land and natural resources	3 739	3 737	3 724	3 563	3 562	3 562	3 562	3 562	3 562
Buildings and other constructions	210 563	219 980	227 546	229 858	238 888	247 725	250 244	252 772	255 183
Basic equipment	127 972	132 705	138 324	138 852	145 112	149 246	150 489	151 698	152 758
Transport equipment	3 428	3 356	3 395	3 442	3 506	3 566	3 581	3 596	3 608
Office equipment	58 773	62 408	64 977	66 790	68 300	70 106	70 714	71 323	71 832
Other tangible fixed assets	22 336	24 303	20 251	21 286	22 587	23 951	24 273	24 571	24 916
Tangible fixed assets in progress	-	-	-	-	-	-	-	-	-
Advance payments to suppliers	-	-	-	-	-	-	-	-	-
Rights of use	136 059	108 932	128 614	153 185	143 162	166 747	174 151	182 447	191 956
Buildings	123 639	101 657	117 290	135 142	117 141	131 606	136 547	141 963	147 247
Vehicles	11 900	6 678	10 510	17 015	24 205	32 271	34 491	37 147	41 038
Other assets	519	597	814	1 028	1 817	2 870	3 113	3 338	3 670
<b>Net tangible fixed assets</b>	<b>264 709</b>	<b>263 443</b>	<b>294 989</b>	<b>296 288</b>	<b>303 206</b>	<b>296 995</b>	<b>300 000</b>	<b>314 232</b>	<b>333 792</b>
Mail & Others	227 290	222 255	239 053	227 403	213 252	211 328	213 999	217 954	219 816
Express & Parcels	33 467	33 599	48 425	62 709	81 845	78 939	79 605	88 970	105 969
Financial Services & Retail	0	42	74	65	37	2	6	4	22
Banco CTT	1 588	3 205	3 151	4 228	5 453	5 589	5 503	6 244	6 483
Non-allocated	2 363	4 342	4 285	1 884	2 619	1 136	888	1 059	1 501
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

## 2.9. INTANGIBLE ASSETS

	56 771	62 013	58 017	63 507	69 409	70 640	69 580	69 180	70 294
<b>Net intangible assets</b>	<b>56 771</b>	<b>62 013</b>	<b>58 017</b>	<b>63 507</b>	<b>69 409</b>	<b>70 640</b>	<b>69 580</b>	<b>69 180</b>	<b>70 294</b>
Development projects	5	4	2	1	-	-	-	-	-
Computer software	36 793	39 481	43 039	45 979	53 570	61 230	60 035	59 716	58 499
Industrial property	4 833	6 440	5 767	5 720	5 020	4 475	4 231	3 979	3 700
Other intangible assets	-	-	-	-	1 383	1 022	932	842	752
Intangible assets in progress	15 140	16 089	9 209	11 807	9 435	3 912	4 382	4 643	7 343
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Intangible assets</b>	<b>132 298</b>	<b>151 639</b>	<b>165 026</b>	<b>184 917</b>	<b>205 183</b>	<b>223 438</b>	<b>226 964</b>	<b>231 259</b>	<b>232 769</b>
Development projects	4 381	4 381	4 381	4 381	4 381	4 381	4 381	4 381	4 381
Computer software	98 081	113 877	133 716	148 351	169 467	193 001	196 021	200 031	198 859
Industrial property	14 252	16 848	17 276	18 820	19 591	19 836	19 871	19 896	19 877
Other intangible assets	445	445	445	1 498	2 309	2 309	2 309	2 309	2 309
Intangible assets in progress	15 140	16 089	9 209	11 867	9 435	3 912	4 382	4 643	7 343
<b>Accumulated amortisation and impairment</b>	<b>75 528</b>	<b>89 626</b>	<b>107 009</b>	<b>121 409</b>	<b>135 774</b>	<b>152 799</b>	<b>157 384</b>	<b>162 079</b>	<b>162 476</b>
Development projects	4 376	4 377	4 378	4 380	4 381	4 381	4 381	4 381	4 381
Computer software	61 288	74 396	90 677	102 372	115 896	131 771	135 986	140 315	140 361
Industrial property	9 419	10 409	11 509	13 100	14 571	15 361	15 640	15 916	16 177
Other intangible assets	445	445	445	1 498	926	1 287	1 377	1 467	1 557
Intangible assets in progress	-	-	-	61	-	-	-	-	-
<b>Net intangible assets</b>	<b>56 771</b>	<b>62 013</b>	<b>58 017</b>	<b>63 507</b>	<b>69 409</b>	<b>70 640</b>	<b>69 580</b>	<b>69 180</b>	<b>70 294</b>
Mail & Others	15 706	20 427	19 193	21 290	29 227	33 065	32 714	35 164	32 977
Express & Parcels	5 115	5 514	5 634	6 849	7 734	9 372	9 366	9 826	10 519
Financial Services & Retail	357	200	167	174	364	370	460	441	555
Banco CTT	25 038	27 683	28 879	26 928	25 709	25 117	25 210	21 186	21 310
Non-allocated	10 555	8 189	4 144	8 266	6 375	2 716	1 831	2 562	4 933
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

3. Reformulated Balance Sheet: Ex-Bank + Banco CTT, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>3.1. CORE INVESTED CAPITAL EX-BANK</b>									
<b>Core assets</b>	<b>745 645</b>	<b>746 901</b>	<b>790 041</b>	<b>756 179</b>	<b>859 919</b>	<b>791 397</b>	<b>688 557</b>	<b>693 190</b>	<b>733 221</b>
<b>Core non-current assets</b>	<b>310 836</b>	<b>311 772</b>	<b>336 919</b>	<b>356 586</b>	<b>367 389</b>	<b>368 594</b>	<b>370 146</b>	<b>384 816</b>	<b>403 825</b>
Tangible fixed assets	263 120	260 238	291 838	292 060	297 753	291 406	294 497	307 988	327 309
Intangible assets	31 732	34 330	29 138	36 579	43 700	45 523	44 370	47 994	48 984
Goodwill	9 117	9 117	9 117	20 387	19 172	19 578	19 172	19 578	19 578
Deferred tax assets	6 237	7 612	7 005	7 407	7 367	10 436	10 466	7 569	6 219
Other core assets	629	474	(179)	153	(603)	1 652	1 641	1 687	1 735
Advances to staff	243	196	300	341	2	-	-	-	-
Other receivables from staff	2 369	2 378	2 060	2 561	2 302	2 032	2 020	2 072	2 139
Impairments	(1 983)	(2 100)	(2 539)	(2 749)	(2 907)	(380)	(380)	(385)	(404)
<b>Core current assets</b>	<b>434 809</b>	<b>435 129</b>	<b>453 122</b>	<b>399 593</b>	<b>492 530</b>	<b>422 802</b>	<b>318 411</b>	<b>308 374</b>	<b>329 396</b>
Inventories	5 568	5 860	6 602	6 872	8 041	6 663	6 413	7 116	7 707
Accounts receivable	135 855	146 472	153 616	160 930	147 131	153 062	201 167	184 835	205 889
Core prepayments	6 399	6 884	6 070	8 078	8 305	9 147	11 308	13 607	12 998
Other core assets	12 009	10 091	9 077	19 038	21 205	27 607	31 641	34 651	34 285
Advances to suppliers	325	273	316	227	227	229	266	301	293
Advances to staff	3 676	3 525	3 931	3 415	3 799	4 449	5 082	5 613	5 488
Postal financial services	5 839	4 416	9 120	10 864	1 717	4 837	5 547	6 062	6 013
Debtors by accrued revenues	5 090	7 217	3 202	10 549	8 713	4 733	5 428	5 932	5 884
Amounts collected on CTT behalf	1 480	561	56	542	568	1 936	2 220	2 426	2 406
Payshop agents	407	350	346	275	262	308	354	387	383
Collections	2 040	1 388	1 424	1 691	15 030	15 082	17 295	18 903	18 750
Customs	669	705	736	1 800	2 437	4 725	5 418	5 922	5 874
Automatic payment terminals	-	-	-	-	-	2 958	3 391	3 706	3 676
Impairments	(7 517)	(8 342)	(10 053)	(10 326)	(11 548)	(11 649)	(13 359)	(14 601)	(14 482)
Operating cash	274 978	265 821	277 756	204 675	307 847	226 323	67 881	68 165	68 518
<b>Core liabilities</b>	<b>394 006</b>	<b>456 221</b>	<b>458 118</b>	<b>449 692</b>	<b>619 852</b>	<b>495 887</b>	<b>477 710</b>	<b>531 506</b>	<b>521 321</b>
<b>Core non-current liabilities</b>	<b>25</b>	<b>20</b>	<b>52</b>	<b>43</b>	<b>588</b>	<b>481</b>	<b>465</b>	<b>444</b>	<b>419</b>
Deferred tax liabilities	25	20	52	43	588	481	465	444	419
<b>Core current liabilities</b>	<b>393 980</b>	<b>456 201</b>	<b>458 066</b>	<b>449 649</b>	<b>619 264</b>	<b>495 405</b>	<b>477 245</b>	<b>531 062</b>	<b>520 903</b>
Accounts payable	322 276	373 791	375 563	350 304	525 212	373 961	356 266	410 462	400 600
Postal financial services	115 409	153 140	154 325	156 372	360 890	80 228	48 255	56 188	57 930
CNP money orders	85 602	87 890	88 917	51 157	-	106 269	57 561	110 443	79 075
Other accounts payable	121 266	132 761	132 322	142 776	164 321	187 464	250 450	243 831	263 595
Core prepayments	2 708	3 454	3 412	3 452	3 678	5 110	5 488	5 465	5 268
Other core liabilities	68 996	78 956	79 091	95 893	90 374	116 334	115 491	115 135	115 035
Estimated holiday pay, holiday subsidy and other remunerations	41 436	42 820	42 500	43 991	45 349	50 549	49 672	48 860	48 880
Estimated supplies and external services	27 560	36 136	36 591	51 902	45 025	65 785	65 819	66 275	66 155
<b>Ex-Bank Invested Capital</b>	<b>351 639</b>	<b>290 680</b>	<b>331 923</b>	<b>306 487</b>	<b>240 067</b>	<b>295 510</b>	<b>210 848</b>	<b>161 684</b>	<b>211 900</b>
<b>3.2. NON-CORE BUSINESS</b>									
<b>Non-core assets</b>	<b>114 973</b>	<b>120 909</b>	<b>118 442</b>	<b>138 016</b>	<b>125 214</b>	<b>136 127</b>	<b>144 458</b>	<b>150 991</b>	<b>152 576</b>
<b>Non-core non-current assets</b>	<b>86 627</b>	<b>94 679</b>	<b>91 971</b>	<b>87 892</b>	<b>69 187</b>	<b>71 863</b>	<b>70 764</b>	<b>70 456</b>	<b>72 695</b>
Investment properties	8 180	7 653	7 076	6 327	6 184	5 976	6 272	6 194	6 051
Investments in associated companies	296	293	0	0	0	0	0	0	0
Investments in joint ventures	496	2 724	2 925	18	-	22	25	23	22
Other investments	1 379	1 379	6	312	961	3 201	3 201	3 693	3 143
Deferred tax assets	75 497	81 718	80 887	79 849	60 456	60 960	59 566	58 820	59 391
Prepayments	-	-	-	-	-	-	-	-	2 281
Other non-core assets	779	912	1 076	1 386	1 585	1 703	1 700	1 726	1 807
Labour compensation fund	301	444	530	932	1 143	1 217	1 215	1 233	1 292
Other assets	478	467	546	454	442	486	485	492	516
<b>Non-core current assets</b>	<b>28 346</b>	<b>26 230</b>	<b>26 471</b>	<b>50 124</b>	<b>56 027</b>	<b>64 264</b>	<b>73 694</b>	<b>80 536</b>	<b>79 882</b>
Income taxes receivable	5 040	-	-	8	1 103	8	8	-	-
Non-current assets held for sale	-	806	2 139	606	0	0	0	0	0
Other non-core assets	23 306	25 425	24 332	49 510	54 924	64 256	73 685	80 535	79 882
State and other public entities	417	1 234	4 336	12 662	5 362	8 928	10 238	11 190	11 099
Guaranteed	393	339	580	863	1 108	1 116	1 280	1 399	1 388
Advances to lawyers	73	79	103	47	43	4	4	5	5
Debtors by asset disposals	83	70	56	43	30	16	18	20	20
Mobility allowances for Autonomous Regions	10 337	5 900	4 010	20 447	6 647	11 224	12 872	14 068	13 954
Office for media	209	290	1 196	1 150	541	1 530	1 755	1 918	1 902
Sundry debtors	278	340	320	215	200	217	248	271	269
Deposits	697	2 397	739	759	27 234	27 044	31 012	33 895	33 620
Non-core billing	1 689	1 663	1 926	1 860	1 193	1 100	1 261	1 378	1 367
Billing to partners	3 164	2 948	1 438	1 053	1 367	2 178	2 498	2 730	2 708
Other assets	5 967	10 165	9 629	10 410	11 200	10 899	12 498	13 660	13 549
<b>Non-core liabilities</b>	<b>293 476</b>	<b>365 569</b>	<b>317 375</b>	<b>323 931</b>	<b>243 519</b>	<b>225 793</b>	<b>225 879</b>	<b>216 366</b>	<b>211 171</b>
<b>Non-core non-current liabilities</b>	<b>263 970</b>	<b>288 155</b>	<b>284 811</b>	<b>278 142</b>	<b>207 410</b>	<b>180 940</b>	<b>180 205</b>	<b>175 466</b>	<b>173 336</b>
Employee benefits	244 562	267 287	264 369	260 806	185 258	149 740	148 029	154 957	158 930
Provisions	16 019	17 635	17 416	14 680	12 632	26 339	27 172	15 605	11 228
Prepayments	306	294	283	272	261	672	671	668	665
Deferred tax liabilities	3 083	2 938	2 742	2 385	9 259	4 189	4 333	4 235	2 512
<b>Non-core current liabilities</b>	<b>29 506</b>	<b>77 414</b>	<b>32 564</b>	<b>45 789</b>	<b>36 108</b>	<b>44 853</b>	<b>45 674</b>	<b>40 900</b>	<b>37 835</b>
Employee benefits	17 119	19 416	18 631	21 090	22 092	22 049	21 345	20 668	19 992
Non-core banking clients' deposits	-	37 851	-	-	-	-	-	-	9
Income taxes payable	-	5 959	1 340	11 612	-	6 666	8 410	4 735	2 107
Other non-core liabilities	12 387	14 188	12 593	13 087	14 017	16 137	15 918	15 497	15 727
<b>Non-core Invested Capital</b>	<b>(178 503)</b>	<b>(244 660)</b>	<b>(198 933)</b>	<b>(185 915)</b>	<b>(118 304)</b>	<b>(89 665)</b>	<b>(81 421)</b>	<b>(65 374)</b>	<b>(58 595)</b>
<b>TOTAL EX-BANK INVESTED CAPITAL</b>	<b>173 136</b>	<b>46 020</b>	<b>132 990</b>	<b>120 572</b>	<b>121 763</b>	<b>205 845</b>	<b>129 426</b>	<b>96 310</b>	<b>153 305</b>
<b>3.3. FINANCING EX-BANK</b>									
<b>Net Debt</b>	<b>124 036</b>	<b>170 867</b>	<b>195 999</b>	<b>187 989</b>	<b>173 766</b>	<b>230 916</b>	<b>124 443</b>	<b>98 501</b>	<b>177 733</b>
<b>Total debt</b>	<b>126 436</b>	<b>173 223</b>	<b>204 682</b>	<b>198 466</b>	<b>192 029</b>	<b>265 657</b>	<b>214 883</b>	<b>213 899</b>	<b>232 785</b>
Medium and long term debt	99 520	147 111	162 657	147 413	133 443	158 874	160 447	167 003	175 230
Short term debt	26 915	26 112	42 024	51 053	58 585	106 783	54 437	46 896	57 555
Excess cash	2 400	2 355	8 683	10 477	18 262	34 741	90 441	115 399	55 052
Non-controlling interests	165	242	324	563	1 326	1 624	34 632	34 030	34 286
<b>Net Financial Assets Ex-Bank</b>	<b>124 201</b>	<b>171 110</b>	<b>196 323</b>	<b>188 552</b>	<b>175 092</b>	<b>232 540</b>	<b>159 074</b>	<b>132 531</b>	<b>212 020</b>
<b>EQUITY ATTRIBUTABLE TO CTT EX-BANK SHAREHOLDERS</b>	<b>48 934</b>	<b>(125 090)</b>	<b>(63 332)</b>	<b>(67 980)</b>	<b>(53 330)</b>	<b>(26 695)</b>	<b>(29 648)</b>	<b>(36 221)</b>	<b>(58 714)</b>

## 3.4. BANCO CTT

Core assets	991 160	1 642 640	1 977 031	2 679 605	3 053 063	3 793 188	4 159 867	4 430 500	4 593 724
Tangible fixed assets	1 588	3 205	3 151	4 228	5 453	5 589	5 503	6 244	6 483
Intangible assets	25 038	27 683	28 879	26 928	25 709	25 117	25 210	21 186	21 310
Goodwill	406	61 085	61 085	61 085	61 085	60 679	61 085	60 679	60 679
Credit to banking clients	248 050	885 821	1 093 282	1 541 908	1 777 565	1 593 214	1 619 307	1 643 719	1 678 537
Debt securities and other banking assets	715 755	664 655	790 426	1 045 197	1 183 026	2 108 118	2 448 244	2 698 152	2 826 153
<i>Debt securities</i>	454 102	456 411	517 805	340 255	537 781	729 466	1 480 965	1 817 191	2 083 560
<i>Financial assets at fair value through profit or loss</i>	-	-	2	27 261	52 698	13 532	14 222	13 942	7 554
<i>Other banking financial assets</i>	116 314	33 424	40 877	14 959	462 188	1 274 575	855 295	780 360	648 849
Cash	145 340	174 819	231 741	662 721	130 359	90 545	97 762	86 659	86 189
Other core assets	322	192	208	259	226	471	519	522	562
<i>Advances to staff</i>	179	12	21	27	0	-	-	-	-
<i>Other receivables from staff</i>	108	145	145	205	196	178	185	167	205
<i>Advances to suppliers</i>	35	35	42	27	30	29	30	23	27
<i>Automatic payment terminals</i>	-	-	-	-	-	264	304	332	330
<b>Core liabilities</b>	<b>904 664</b>	<b>1 387 014</b>	<b>1 764 453</b>	<b>2 438 564</b>	<b>2 777 160</b>	<b>3 516 053</b>	<b>3 879 958</b>	<b>4 157 875</b>	<b>4 294 889</b>
Debt securities and other banking liabilities	14 951	94 048	65 994	304 783	518 133	408 879	405 079	372 442	311 607
<i>Debt securities</i>	-	76 077	44 518	277 796	445 578	347 375	322 478	298 227	274 557
<i>Financial liabilities at fair value through profit or loss</i>	-	-	-	-	26 345	13 744	14 396	14 109	7 773
<i>Other banking financial liabilities</i>	14 951	17 971	21 476	26 988	46 211	47 760	68 204	60 105	29 277
Banking clients' deposits and other loans	883 951	1 283 567	1 688 465	2 121 511	2 245 330	3 090 963	3 459 457	3 772 025	3 967 909
Lease liabilities	942	2 189	2 185	2 653	3 926	3 358	3 477	4 483	4 500
Other core liabilities	4 821	7 210	7 810	9 615	9 771	12 853	11 945	8 926	10 872
<i>Estimated holiday pay, holiday subsidy and other remunerations</i>	1 891	2 618	2 999	3 529	3 857	4 420	4 552	3 928	4 694
<i>Estimated supplies and external services</i>	2 929	4 592	4 810	6 087	5 913	8 433	7 393	4 998	6 178
<b>EQUITY BANCO CTT</b>	<b>86 495</b>	<b>255 626</b>	<b>212 578</b>	<b>241 041</b>	<b>275 904</b>	<b>277 135</b>	<b>279 909</b>	<b>272 625</b>	<b>298 835</b>

## 11.2. Income Statement

## 1. Consolidated Income Statement, thousand €

	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>1.1. INCOME STATEMENT</b>									
<b>Revenues</b>	<b>708 034</b>	<b>740 285</b>	<b>745 242</b>	<b>847 871</b>	<b>906 625</b>	<b>985 219</b>	<b>263 450</b>	<b>260 871</b>	<b>267 946</b>
Sales and services rendered	685 945	688 022	672 855	757 728	788 581	844 607	229 957	226 512	231 872
<i>Services rendered</i>	665 624	669 055	631 339	728 243	738 931	829 761	228 297	224 627	230 116
<i>Sales</i>	20 321	18 967	41 516	29 485	49 650	14 846	1 660	1 885	1 756
Financial Margin	7 867	29 316	44 637	55 776	74 357	98 791	24 069	23 862	25 150
Other operating income	14 222	22 947	27 750	34 367	43 687	41 821	9 424	10 497	10 924
<b>Operating costs - EBITDA</b>	<b>620 090</b>	<b>647 424</b>	<b>641 612</b>	<b>729 771</b>	<b>777 335</b>	<b>833 340</b>	<b>229 419</b>	<b>224 148</b>	<b>228 132</b>
Staff costs	332 899	344 132	338 629	346 858	351 843	382 648	102 228	100 096	96 628
External supplies and services	257 649	264 665	254 099	327 378	337 901	391 468	114 780	111 718	122 518
Other costs	27 057	30 029	33 565	44 120	61 286	33 389	6 635	7 509	6 533
Impairment and provisions	2 485	8 598	15 319	11 415	26 305	25 835	5 776	4 825	2 453
Internal services rendered	-	-	-	-	-	-	-	-	-
IFRS 16 (impact on EBITDA)	32 300	26 873	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>120 244</b>	<b>119 734</b>	<b>103 630</b>	<b>118 100</b>	<b>129 290</b>	<b>151 879</b>	<b>34 031</b>	<b>36 723</b>	<b>39 814</b>
Depreciation/amortisation and impairment of investments, net	56 261	54 224	62 136	58 006	64 777	64 331	17 130	18 612	20 186
<b>EBIT recurring</b>	<b>63 983</b>	<b>65 510</b>	<b>41 494</b>	<b>60 094</b>	<b>64 513</b>	<b>87 548</b>	<b>16 901</b>	<b>18 111</b>	<b>19 628</b>
Specific items	18 389	18 226	6 985	(1 779)	8 387	9 773	1 960	620	4 089
<i>Business restructurings</i>	-	-	3 285	11 110	4 969	(17 395)	22	20	2 601
<i>Strategic studies and projects costs</i>	-	-	941	1 600	4 276	2 106	374	530	523
<i>Other non-recurring income and expenses</i>	-	-	2 759	(14 489)	(858)	25 062	1 564	70	965
<b>EBIT</b>	<b>45 594</b>	<b>47 284</b>	<b>34 509</b>	<b>61 873</b>	<b>56 126</b>	<b>77 775</b>	<b>14 941</b>	<b>17 491</b>	<b>15 539</b>
Financial results	(10 452)	(11 758)	(11 382)	(11 064)	(9 413)	(16 239)	(4 061)	(4 130)	(4 944)
<i>Interest expenses</i>	9 705	10 421	9 660	8 532	9 256	16 870	4 073	4 293	4 999
<i>Interest income</i>	49	64	20	25	30	631	9	165	57
<i>Gains/losses in subsidiary, associated companies and joint ventures</i>	(796)	(1 401)	(1 742)	(2 557)	(187)	-	3	(2)	(2)
<b>Earnings before taxes (EBT)</b>	<b>35 142</b>	<b>35 526</b>	<b>23 127</b>	<b>50 809</b>	<b>46 713</b>	<b>61 536</b>	<b>10 880</b>	<b>13 361</b>	<b>10 595</b>
Income tax for the period	13 622	6 242	6 359	12 216	10 372	1 096	3 399	652	2 381
<b>Net profit for the period</b>	<b>21 520</b>	<b>29 284</b>	<b>16 768</b>	<b>38 593</b>	<b>36 341</b>	<b>60 440</b>	<b>7 481</b>	<b>12 709</b>	<b>8 214</b>
Non-controlling interests	21	88	97	187	(64)	(69)	48	-	276
<b>Equity holders of parent Company</b>	<b>21 499</b>	<b>29 196</b>	<b>16 671</b>	<b>38 406</b>	<b>36 405</b>	<b>60 509</b>	<b>7 433</b>	<b>12 709</b>	<b>7 938</b>
<b>1.2. OTHER COMPREHENSIVE INCOME</b>									
<b>Net profit for the period</b>	<b>21 520</b>	<b>29 284</b>	<b>16 768</b>	<b>38 593</b>	<b>36 341</b>	<b>60 440</b>	<b>7 481</b>	<b>12 709</b>	<b>8 214</b>
<b>Other comprehensive income for the period after taxes</b>	<b>1 587</b>	<b>(18 868)</b>	<b>2 094</b>	<b>3 324</b>	<b>51 652</b>	<b>(3 761)</b>	<b>(499)</b>	<b>15</b>	<b>(40)</b>
Adjustments from applications of the equity method (non re-classifiable adjustment to profit and loss)	(2)	(8)	(16)	69	(5)	33	7	4	(20)
Changes to fair value reserves	(50)	48	67	(431)	(27)	-	-	-	-
Employee benefits (non re-classifiable adjustments to profit and loss)	2 182	(25 769)	2 917	4 999	70 558	(5 716)	-	-	-
Deferred tax/Employee benefits (non re-classifiable adjustment to profit and loss)	(540)	7 019	(773)	(1 398)	(19 702)	1 555	-	-	-
Other changes in equity	(2)	(158)	(102)	85	827	367	(505)	11	(20)
<b>Comprehensive income for the period</b>	<b>23 107</b>	<b>10 416</b>	<b>18 862</b>	<b>41 917</b>	<b>87 993</b>	<b>56 679</b>	<b>6 982</b>	<b>12 724</b>	<b>8 174</b>
Attributable to non-controlling interests	19	51	81	269	763	298	48	339	256
Attributable to shareholders of CTT	23 089	10 365	18 779	41 647	87 231	56 383	6 934	12 384	7 919

2. Notes and Reformulation Procedure, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>2.1. INCOME TAXES FOR THE PERIOD</b>									
EBT	35 142	35 526	23 127	50 809	46 713	61 536	10 880	13 361	10 595
<b>Income taxes for the period</b>	<b>13 622</b>	<b>6 242</b>	<b>6 359</b>	<b>12 217</b>	<b>10 371</b>	<b>1 095</b>	<b>3 399</b>	<b>652</b>	<b>2 380</b>
<b>Statutory Taxes</b>	<b>7 380</b>	<b>7 460</b>	<b>4 857</b>	<b>10 670</b>	<b>9 810</b>	<b>12 923</b>	<b>2 285</b>	<b>2 806</b>	<b>2 225</b>
<i>Statutory Tax Rate</i>	21%	21%	21%	21%	21%	21%	21%	21%	21%
<b>Tax adjustments</b>	<b>6 242</b>	<b>(1 218)</b>	<b>1 503</b>	<b>1 547</b>	<b>562</b>	<b>(11 827)</b>	<b>1 114</b>	<b>(2 154)</b>	<b>155</b>
Tax Benefits	(412)	(432)	(414)	(282)	(276)	(454)	(48)	(281)	(143)
Accounting capital gains/(losses)	(1 969)	(92)	(142)	(85)	(68)	420	(2)	(5)	(5)
Tax capital gains/(losses)	854	0	80	137	34	(3 147)	1	2	3
Equity method	188	294	366	529	-	-	-	-	-
Provisions not considered in the calculation of deferred taxes	21	(48)	68	(100)	590	91	79	14	6
Impairment losses and reversals	215	664	544	607	315	(316)	4	10	(6)
Compensation for insurable events	130	217	56	139	101	230	3	46	21
Depreciation and car rental charges	100	57	51	29	34	93	30	30	1
Credits uncollectible	23	25	13	51	47	283	16	32	24
Difference between current and deferred tax rates	212	(2)	(12)	(13)	117	598	322	(166)	71
Fines, interest, compensatory interest and other charges	21	35	42	19	189	79	13	14	(17)
Difference between tax asset amount and contract amount	-	-	-	-	-	1 394	-	-	-
Tangible assets sale & leaseback transactions	-	-	-	-	-	(8 784)	131	131	(262)
Early termination of contracts	-	-	-	-	-	-	-	2 241	-
Amounts not subject to taxation	-	-	-	-	-	-	-	(647)	(432)
Other situations, net	402	982	(331)	(846)	612	766	30	(198)	(381)
Adjustments related with - autonomous taxation	554	567	754	795	587	550	-	284	133
Impact of the change in income tax rate (deferred tax)	540	-	-	-	-	-	-	-	-
Adjustments related with - undistributed variable remuneration	540	256	894	93	1	-	-	-	-
Tax losses without deferred tax	1 606	-	-	10	-	-	-	-	-
SIFIDE tax credit	-	-	(3 300)	(2 387)	(2 917)	(5 203)	(144)	(357)	(361)
Insufficiency/(Excess) estimated income tax	659	(7 685)	944	118	(775)	(1 470)	92	(3 907)	(94)
Mistake in CTT quarterly report	-	-	-	-	-	-	138	(138)	-
Adjustments related with - Municipal Surcharge	698	913	561	793	637	881	162	219	400
Adjustments related with - State Surcharge	1 862	3 030	1 330	1 941	1 334	2 164	286	521	1 199

**Note:**

Statutory tax rate of 21% is considered for Core business, in line with CTT's reports. All tax adjustments, discriminated above, are considered non-core.

**2.2. IFRS 16 IMPACT**

This item only appears in 2018 and 2019 due to changes in accounting standards by CTT and thus it is considered non-core.

**2.3. SPECIFIC ITEMS**

Specific items appear in CTT's reports as non-recurrent items, and thus are considered non-core.

**2.4. OCI ADJUSTMENTS**

All Other Comprehensive Income items are considered non-core.

**2.5. INTEREST EXPENSES AND INCOME**

Interest expenses	9 705	10 421	9 660	8 532	9 256	16 870	4 073	4 293	4 999
<i>% Average interest rate</i>	7.6%	6.0%	4.7%	4.2%	4.7%	6.3%	1.9%	2.0%	2.1%
Bank loans	77	1 109	1 679	1 725	1 703	5 579	1 462	1 479	1 782
<i>% Bank loans</i>	0.3%	1.2%	1.8%	2.0%	2.4%	4.8%	2.4%	3.2%	4.1%
Lease liabilities	4 195	3 663	3 271	3 067	3 168	3 549	1 003	1 225	1 608
<i>% Lease liabilities</i>	4.3%	4.4%	2.8%	2.7%	2.5%	3.0%	0.8%	0.9%	1.0%
Other interest	83	0	151	18	183	33	10	(10)	21
Interest costs from employee benefits	5 271	5 437	4 467	3 586	3 895	7 210	1 477	1 477	1 477
Other interest costs	78	212	92	136	308	500	121	123	111
<b>Interest income</b>	<b>49</b>	<b>64</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>631</b>	<b>9</b>	<b>165</b>	<b>57</b>
Deposits in credit institutions	44	39	20	19	30	631	9	133	73
Other supplementary income	5	24	-	6	-	0	-	33	(16)
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

**Note:**

Lease liabilities interest expenses are attributed to Banco CTT as a percentage of lease liabilities in the Balance Sheet. Interest costs from employee benefits are attributed to non-core, since it relates to employee benefits. Interest income is also considered non-core.

**2.6. BANCO CTT FINANCIAL MARGIN**

	8 560	30 958	45 962	57 815	80 960	132 653	
<b>Interest income</b>	<b>8 560</b>	<b>30 958</b>	<b>45 962</b>	<b>57 815</b>	<b>80 960</b>	<b>132 653</b>	
Loans and advances to customers	1 856	23 272	37 853	51 972	72 711	98 350	
% Credit to banking clients	0.7%	2.6%	3.5%	3.4%	4.1%	6.2%	
<b>Debt securities and other banking assets</b>	<b>6 704</b>	<b>7 686</b>	<b>8 109</b>	<b>5 843</b>	<b>8 249</b>	<b>34 303</b>	
% Debt securities and other banking assets	0.9%	1.2%	1.0%	0.6%	0.7%	1.6%	
Interest on loans and advances to credit institutions repayable on demand	0	-	-	-	169	972	
Loans and advances to credit institutions	454	567	416	282	1 983	24 342	
Debt securities	6 250	7 121	7 695	5 562	6 036	7 925	
Debt securities at amortised cost	6 226	7 110	7 520	5 461	6 002	7 925	
Debt securities at fair value through OCI	24	11	175	102	34	-	
Other	-	(1)	(2)	(2)	61	1 065	
<b>Interest expenses</b>	<b>693</b>	<b>1 643</b>	<b>1 325</b>	<b>2 039</b>	<b>6 602</b>	<b>33 862</b>	
Resources from customers	693	974	863	472	493	15 892	
% Banking clients' deposits	0.1%	0.1%	0.1%	0.0%	0.0%	0.5%	
<b>Debt securities and other banking liabilities</b>	<b>0</b>	<b>668</b>	<b>462</b>	<b>1 567</b>	<b>6 110</b>	<b>17 970</b>	
% Debt securities and other banking liabilities	0.0%	0.7%	0.7%	0.5%	1.2%	4.4%	
Debt securities issued	-	766	460	528	4 877	17 546	
Interest on deposits at the Bank of Portugal	-	-	-	1 000	1 202	-	
Resources from credit institutions	(3)	(102)	2	1	0	1	
Other	4	4	-	38	30	423	
<b>Financial margin</b>	<b>7 867</b>	<b>29 316</b>	<b>44 637</b>	<b>55 776</b>	<b>74 357</b>	<b>98 791</b>	
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	

**Note:**

CTT does not disclose the breakdown of financial margin in the quarterly reports for 2024.

**2.7. DEPRECIATION**

	56 261	54 224	62 136	58 006	64 777	64 331	17 130	18 612	20 186
<b>Depreciation and amortization</b>	<b>56 261</b>	<b>54 224</b>	<b>62 136</b>	<b>58 006</b>	<b>64 777</b>	<b>64 331</b>	<b>17 130</b>	<b>18 612</b>	<b>20 186</b>
<b>Depreciation</b>	<b>45 747</b>	<b>40 922</b>	<b>44 219</b>	<b>44 843</b>	<b>48 608</b>	<b>52 156</b>	<b>12 504</b>	<b>13 874</b>	<b>15 173</b>
Land and natural resources	-	-	-	-	-	-	-	-	-
Buildings and other constructions	9 932	9 446	9 351	8 881	9 017	10 259	2 531	2 528	2 545
Basic equipment	6 074	5 641	6 429	6 508	7 044	4 874	1 388	1 382	1 412
Transport equipment	46	57	59	60	63	65	14	14	14
Office equipment	3 082	2 342	2 589	1 685	1 717	1 821	607	609	601
Other tangible fixed assets	1 253	1 804	1 317	1 310	1 377	1 469	322	334	347
Tangible fixed assets in progress	-	-	-	-	-	-	-	-	-
Advance payments to suppliers	-	-	-	-	-	-	-	-	-
Rights of use	25 361	21 632	24 474	26 398	29 390	33 668	7 642	9 008	10 254
Buildings	18 060	15 252	18 005	19 348	21 125	24 193	5 108	5 675	6 252
Vehicles	6 073	6 016	6 150	6 835	7 384	8 421	2 291	3 108	3 670
Other assets	1 228	364	319	214	880	1 054	243	224	332
<b>Amortisation</b>	<b>11 416</b>	<b>13 538</b>	<b>17 887</b>	<b>13 123</b>	<b>16 266</b>	<b>17 034</b>	<b>4 579</b>	<b>4 692</b>	<b>4 967</b>
Development projects	4	1	1	1	1	-	-	-	-
Computer software	10 745	12 755	16 685	11 695	14 211	15 455	4 216	4 329	4 603
Industrial property	666	782	1 201	1 367	1 572	1 218	273	274	274
Other intangible assets	-	-	-	-	481	361	90	90	90
Intangible assets in progress	-	-	-	61	-	-	-	-	-
<b>Non-core adjustments</b>	<b>(902)</b>	<b>(236)</b>	<b>30</b>	<b>40</b>	<b>(97)</b>	<b>(4 859)</b>	<b>47</b>	<b>45</b>	<b>46</b>
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

3. Reformulated Income Statement, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>3.1. CORE BUSINESS</b>									
<b>Revenues</b>	<b>708 034</b>	<b>740 285</b>	<b>745 242</b>	<b>847 871</b>	<b>906 625</b>	<b>985 219</b>	<b>263 450</b>	<b>260 871</b>	<b>267 946</b>
Sales and services rendered	685 945	688 022	672 855	757 728	788 581	844 607	229 957	226 512	231 872
<i>Services rendered</i>	665 624	669 055	631 339	728 243	738 931	829 761	228 297	224 627	230 116
<i>Sales</i>	20 321	18 967	41 516	29 485	49 650	14 846	1 660	1 885	1 756
Financial Margin	7 867	29 316	44 637	55 776	74 357	98 791	24 069	23 862	25 150
Other operating income	14 222	22 947	27 750	34 367	43 687	41 821	9 424	10 497	10 924
<b>Operating costs</b>	<b>620 090</b>	<b>647 424</b>	<b>641 612</b>	<b>729 771</b>	<b>777 335</b>	<b>833 340</b>	<b>229 419</b>	<b>224 148</b>	<b>228 132</b>
Staff costs	332 899	344 132	338 629	346 858	351 843	382 648	102 228	100 096	96 628
External supplies and services	257 649	264 665	254 099	327 378	337 901	391 468	114 780	111 718	122 518
Other costs	27 057	30 029	33 565	44 120	61 286	33 389	6 635	7 509	6 533
Impairment and provisions	2 485	8 598	15 319	11 415	26 305	25 835	5 776	4 825	2 453
Internal services rendered	-	-	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>87 944</b>	<b>92 861</b>	<b>103 630</b>	<b>118 100</b>	<b>129 290</b>	<b>151 879</b>	<b>34 031</b>	<b>36 723</b>	<b>39 814</b>
Depreciation/amortisation and impairment of investments, net	56 261	54 224	62 136	58 006	64 777	64 331	17 130	18 612	20 186
<b>Core Result Before Taxes</b>	<b>31 683</b>	<b>38 637</b>	<b>41 494</b>	<b>60 094</b>	<b>64 513</b>	<b>87 548</b>	<b>16 901</b>	<b>18 111</b>	<b>19 628</b>
Statutory Taxes	6 653	8 114	8 714	12 620	13 548	18 385	3 549	3 803	4 122
<b>Core Result</b>	<b>25 030</b>	<b>30 523</b>	<b>32 780</b>	<b>47 474</b>	<b>50 965</b>	<b>69 163</b>	<b>13 352</b>	<b>14 308</b>	<b>15 506</b>
<b>3.2. FINANCING</b>									
<b>Interest expenses</b>	<b>4 434</b>	<b>4 984</b>	<b>5 193</b>	<b>4 946</b>	<b>5 361</b>	<b>9 660</b>	<b>2 596</b>	<b>2 816</b>	<b>3 522</b>
Bank loans	77	1 109	1 679	1 725	1 703	5 579	1 462	1 479	1 782
Lease liabilities	4 195	3 663	3 271	3 067	3 168	3 549	1 003	1 225	1 608
Other interests	162	212	243	155	491	532	132	113	132
<b>Financial Result Before Taxes</b>	<b>(4 434)</b>	<b>(4 984)</b>	<b>(5 193)</b>	<b>(4 946)</b>	<b>(5 361)</b>	<b>(9 660)</b>	<b>(2 596)</b>	<b>(2 816)</b>	<b>(3 522)</b>
Statutory Taxes	(931)	(1 047)	(1 091)	(1 039)	(1 126)	(2 029)	(545)	(591)	(740)
Non-controlling interests	19	51	81	269	763	298	48	339	256
<b>Financial Result</b>	<b>(3 521)</b>	<b>(3 989)</b>	<b>(4 184)</b>	<b>(4 176)</b>	<b>(4 998)</b>	<b>(7 930)</b>	<b>(2 099)</b>	<b>(2 564)</b>	<b>(3 039)</b>
<b>3.3. NON-CORE BUSINESS</b>									
IFRS 16 (impact on EBITDA)	32 300	26 873	-	-	-	-	-	-	-
Interest expenses	5 271	5 437	4 467	3 586	3 895	7 210	1 477	1 477	1 477
Interest income	49	64	20	25	30	631	9	165	57
Gains/(losses) in subsidiary, associated companies and joint ventures	(796)	(1 401)	(1 742)	(2 557)	(187)	-	3	(2)	(2)
(-) Specific Items	18 389	18 226	6 985	(1 779)	8 387	9 773	1 960	620	4 089
<b>Non-core Result Before Taxes and OCI</b>	<b>7 892</b>	<b>1 873</b>	<b>(13 174)</b>	<b>(4 339)</b>	<b>(12 439)</b>	<b>(16 352)</b>	<b>(3 425)</b>	<b>(1 933)</b>	<b>(5 510)</b>
Statutory Taxes	1 657	393	(2 767)	(911)	(2 612)	(3 434)	(719)	(406)	(1 157)
Tax Adjustments	6 242	(1 218)	1 503	1 547	562	(11 827)	1 114	(2 154)	155
OCI adjustments	1 587	(18 868)	2 094	3 324	51 652	(3 761)	(499)	15	(40)
<b>Non-core Result</b>	<b>1 579</b>	<b>(16 171)</b>	<b>(9 816)</b>	<b>(1 650)</b>	<b>41 263</b>	<b>(4 852)</b>	<b>(4 318)</b>	<b>641</b>	<b>(4 549)</b>
<b>Total Comprehensive Income for CTT Shareholders</b>	<b>23 088</b>	<b>10 364</b>	<b>18 780</b>	<b>41 648</b>	<b>87 230</b>	<b>56 382</b>	<b>6 934</b>	<b>12 385</b>	<b>7 918</b>
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

4. Reformulated Income Statement per Business Unit, thousand €	2018	2019	2020	2021	2022	2023	2024 1Q	2024 2Q	2024 3Q
<b>4.1. CORE BUSINESS</b>									
<b>Revenues</b>	<b>708 034</b>	<b>740 285</b>	<b>745 242</b>	<b>847 871</b>	<b>906 625</b>	<b>985 219</b>	<b>263 450</b>	<b>260 871</b>	<b>267 945</b>
Mail & Other	498 747	477 586	426 096	444 438	460 920	434 113	120 344	120 286	107 527
Express & Parcels	148 906	152 415	193 000	255 688	259 014	340 586	101 396	109 002	120 067
Financial Services & Retail	26 774	47 387	44 043	48 878	60 713	62 780	5 503	5 644	6 214
Banco CTT	33 607	62 897	82 103	98 867	125 978	147 740	36 207	25 939	34 137
<b>Operating costs</b>	<b>620 090</b>	<b>647 424</b>	<b>641 612</b>	<b>729 772</b>	<b>777 335</b>	<b>833 340</b>	<b>229 419</b>	<b>224 147</b>	<b>228 134</b>
Mail & Other	411 688	400 161	364 620	387 913	409 281	388 185	107 717	104 960	97 406
Express & Parcels	148 099	159 869	183 072	231 857	234 695	305 024	91 416	96 350	104 129
Financial Services & Retail	13 470	25 333	23 248	26 969	29 757	26 251	2 555	2 917	2 563
Banco CTT	46 833	62 061	70 672	83 033	103 602	113 880	27 731	19 920	24 036
<b>Staff costs</b>	<b>332 899</b>	<b>344 132</b>	<b>338 629</b>	<b>346 858</b>	<b>351 843</b>	<b>382 648</b>	<b>102 228</b>	<b>100 096</b>	<b>96 628</b>
Mail & Other	294 583	297 847	287 898	290 134	293 488	308 905	81 707	80 198	75 033
Express & Parcels	22 656	24 868	26 587	29 927	29 756	39 934	11 572	12 080	12 881
Financial Services & Retail	1 128	1 592	1 822	1 041	1 017	3 040	367	370	248
Banco CTT	14 532	19 825	22 322	25 756	27 582	30 769	8 582	7 448	8 466
<b>External supplies and services</b>	<b>257 649</b>	<b>264 665</b>	<b>254 099</b>	<b>327 378</b>	<b>337 901</b>	<b>391 468</b>	<b>114 780</b>	<b>111 718</b>	<b>122 518</b>
Mail & Other	106 583	102 265	67 908	89 165	92 692	81 792	23 495	20 728	20 439
Express & Parcels	122 940	129 332	154 005	201 373	203 822	263 008	79 204	82 557	91 074
Financial Services & Retail	3 373	3 228	2 663	2 476	2 160	2 188	490	599	540
Banco CTT	24 753	29 840	29 523	34 364	39 227	44 480	11 591	7 834	10 465
<b>Other costs</b>	<b>27 057</b>	<b>30 029</b>	<b>33 565</b>	<b>44 120</b>	<b>61 286</b>	<b>33 389</b>	<b>6 635</b>	<b>7 509</b>	<b>6 532</b>
Mail & Other	20 608	11 903	15 853	20 292	36 636	14 033	3 373	4 540	3 261
Express & Parcels	2 346	2 874	1 766	1 554	1 847	1 936	280	594	884
Financial Services & Retail	179	8 697	8 596	13 408	13 433	7 089	320	335	319
Banco CTT	3 924	6 555	7 350	8 866	9 370	10 331	2 662	2 040	2 068
<b>Impairment and provisions</b>	<b>2 485</b>	<b>8 598</b>	<b>15 319</b>	<b>11 415</b>	<b>26 305</b>	<b>25 835</b>	<b>5 776</b>	<b>4 825</b>	<b>2 454</b>
Mail & Other	(314)	583	3 041	(1 831)	(2 460)	(1 447)	986	508	(42)
Express & Parcels	2 457	5 143	3 023	1 030	1 228	1 672	447	1 200	(544)
Financial Services & Retail	-	-	-	-	2 040	7	-	-	-
Banco CTT	342	2 872	9 255	12 216	25 497	25 603	4 343	3 117	3 040
<b>Internal services rendered</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>2</b>
Mail & Other	(9 772)	(12 437)	(10 080)	(9 847)	(11 075)	(15 098)	(1 844)	(1 014)	(1 285)
Express & Parcels	(2 300)	(2 348)	(2 309)	(2 027)	(1 958)	(1 526)	(87)	(81)	(166)
Financial Services & Retail	8 790	11 816	10 167	10 044	11 107	13 927	1 378	1 613	1 456
Banco CTT	3 282	2 969	2 222	1 831	1 926	2 697	553	(519)	(3)
<b>EBITDA</b>	<b>87 944</b>	<b>92 861</b>	<b>103 630</b>	<b>118 099</b>	<b>129 290</b>	<b>151 879</b>	<b>34 031</b>	<b>36 724</b>	<b>39 811</b>
Mail & Other	87 059	77 425	61 476	56 525	51 639	45 928	12 627	15 326	10 121
Express & Parcels	807	(7 454)	9 928	23 831	24 319	35 562	9 980	12 652	15 938
Financial Services & Retail	13 304	22 054	20 795	21 909	30 956	36 529	2 948	2 727	3 651
Banco CTT	(13 226)	836	11 431	15 834	22 376	33 860	8 476	6 019	10 101
<b>Depreciation/amortisation and impairment of investments, net</b>	<b>56 261</b>	<b>54 224</b>	<b>62 136</b>	<b>58 006</b>	<b>64 777</b>	<b>64 331</b>	<b>17 130</b>	<b>18 612</b>	<b>20 187</b>
Mail & Other	43 519	40 003	45 473	38 826	40 942	39 950	10 605	12 296	12 344
Express & Parcels	7 989	8 301	9 731	11 410	15 795	15 826	4 335	4 602	5 551
Financial Services & Retail	222	332	304	100	109	136	38	40	51
Banco CTT	4 531	5 588	6 628	7 670	7 931	8 419	2 152	1 674	2 241
<b>Core Result Before Taxes</b>	<b>31 683</b>	<b>38 637</b>	<b>41 494</b>	<b>60 093</b>	<b>64 513</b>	<b>87 548</b>	<b>16 901</b>	<b>18 112</b>	<b>19 624</b>
Mail & Other	43 540	37 422	16 003	17 699	10 697	5 978	2 022	3 030	(2 223)
Express & Parcels	(7 182)	(15 755)	197	12 421	8 524	19 736	5 645	8 050	10 387
Financial Services & Retail	13 082	21 722	20 491	21 809	30 847	36 393	2 910	2 687	3 600
Banco CTT	(17 757)	(4 752)	4 803	8 164	14 445	25 441	6 324	4 345	7 860
<b>Statutory Taxes</b>	<b>6 653</b>	<b>8 114</b>	<b>8 714</b>	<b>12 620</b>	<b>13 548</b>	<b>18 385</b>	<b>3 549</b>	<b>3 804</b>	<b>4 121</b>
Mail & Other	9 143	7 859	3 361	3 717	2 246	1 255	425	636	(467)
Express & Parcels	(1 508)	(3 309)	41	2 608	1 790	4 145	1 185	1 691	2 181
Financial Services & Retail	2 747	4 562	4 303	4 580	6 478	7 643	611	564	756
Banco CTT	(3 729)	(998)	1 009	1 714	3 033	5 343	1 328	912	1 651
<b>Core Result</b>	<b>25 030</b>	<b>30 523</b>	<b>32 780</b>	<b>47 473</b>	<b>50 965</b>	<b>69 163</b>	<b>13 352</b>	<b>14 308</b>	<b>15 503</b>
Mail & Other	34 397	29 563	12 642	13 982	8 451	4 723	1 597	2 394	(1 756)
Express & Parcels	(5 674)	(12 446)	156	9 813	6 734	15 591	4 460	6 360	8 206
Financial Services & Retail	10 335	17 160	16 188	17 229	24 369	28 750	2 299	2 123	2 844
Banco CTT	(14 028)	(3 754)	3 794	6 450	11 412	20 098	4 996	3 433	6 209

**4.2. FINANCING EX-BANK**

<b>Interest expenses</b>	<b>4 393</b>	<b>4 889</b>	<b>5 131</b>	<b>4 876</b>	<b>5 262</b>	<b>9 560</b>	<b>2 568</b>	<b>2 776</b>	<b>3 477</b>
Bank loans	77	1 109	1 679	1 725	1 703	5 579	1 462	1 479	1 782
Lease liabilities	4 154	3 568	3 209	2 996	3 069	3 448	974	1 185	1 562
Other interests	162	212	243	155	491	532	132	113	132
<b>Financial Result Before Taxes</b>	<b>(4 393)</b>	<b>(4 889)</b>	<b>(5 131)</b>	<b>(4 876)</b>	<b>(5 262)</b>	<b>(9 560)</b>	<b>(2 568)</b>	<b>(2 776)</b>	<b>(3 477)</b>
Statutory Taxes	(922)	(1 027)	(1 078)	(1 024)	(1 105)	(2 007)	(539)	(583)	(730)
Non-controlling interests	19	51	81	269	763	298	48	339	256
<b>Financial Result</b>	<b>(3 489)</b>	<b>(3 913)</b>	<b>(4 135)</b>	<b>(4 120)</b>	<b>(4 920)</b>	<b>(7 850)</b>	<b>(2 077)</b>	<b>(2 532)</b>	<b>(3 003)</b>

**4.3. FINANCING BANCO CTT**

<b>Interest expenses</b>	<b>41</b>	<b>96</b>	<b>62</b>	<b>71</b>	<b>99</b>	<b>101</b>	<b>29</b>	<b>40</b>	<b>46</b>
Lease liabilities	41	96	62	71	99	101	29	40	46
<b>Financial Result Before Taxes</b>	<b>(41)</b>	<b>(96)</b>	<b>(62)</b>	<b>(71)</b>	<b>(99)</b>	<b>(101)</b>	<b>(29)</b>	<b>(40)</b>	<b>(46)</b>
Statutory Taxes	(9)	(20)	(13)	(15)	(21)	(21)	(6)	(8)	(10)
Non-controlling interests	-	-	-	-	-	-	-	-	-
<b>Financial Result</b>	<b>(32)</b>	<b>(75)</b>	<b>(49)</b>	<b>(56)</b>	<b>(78)</b>	<b>(80)</b>	<b>(23)</b>	<b>(32)</b>	<b>(36)</b>
<i>Check</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>



1.1.2. EXPRESS & PARCELS

	148 906	152 415	193 000	255 688	259 015	340 586	381 508	423 818
<b>Revenues</b>								
YoY growth		2.4%	26.6%	32.5%	1.3%	31.5%	12.0%	11.1%
<b>Portugal</b>	<b>91 392</b>	<b>98 192</b>	<b>118 007</b>	<b>135 139</b>	<b>132 185</b>	<b>149 078</b>	<b>163 898</b>	<b>179 632</b>
YoY growth		7.4%	20.2%	14.5%	-2.2%	12.8%	9.9%	9.6%
<b>Parcels</b>	<b>67 780</b>	<b>75 025</b>	<b>96 509</b>	<b>118 471</b>	<b>118 886</b>	<b>135 830</b>	<b>151 308</b>	<b>167 118</b>
YoY growth		10.7%	28.6%	22.8%	0.4%	14.3%	11.4%	10.4%
<b>eCommerce Market Portugal (USD)</b>	<b>3 572 400</b>	<b>3 755 800</b>	<b>5 494 000</b>	<b>6 292 200</b>	<b>5 181 000</b>	<b>5 769 100</b>	<b>6 426 500</b>	<b>7 098 000</b>
YoY growth		5.1%	46.3%	14.5%	-17.7%	11.4%	11.4%	10.4%
CTT market share	35.9%	37.8%	33.3%	35.7%	43.5%	44.6%	46.1%	46.1%
							44.6%	44.6%
							40.1%	38.9%
<b>eCommerce revenues to CTT</b>	<b>1 283 952</b>	<b>1 421 194</b>	<b>1 828 164</b>	<b>2 244 188</b>	<b>2 252 050</b>	<b>2 573 019</b>	<b>2 866 219</b>	<b>3 165 708</b>
Shipping margin of eCommerce to CTT	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
<b>Annual volume</b>	<b>19 800</b>	<b>22 000</b>	<b>28 400</b>	<b>32 700</b>	<b>33 100</b>	<b>38 900</b>		
YoY growth		11.1%	29.1%	15.1%	1.2%	17.5%		
<b>Cargo</b>	<b>12 775</b>	<b>12 421</b>	<b>11 408</b>	<b>8 177</b>	<b>4 889</b>	<b>3 950</b>	<b>3 940</b>	<b>3 930</b>
YoY growth		-2.8%	-8.2%	-28.3%	-40.2%	-19.2%	-0.3%	-0.3%
<b>Banking network</b>	<b>6 318</b>	<b>6 651</b>	<b>6 559</b>	<b>4 427</b>	<b>4 279</b>	<b>4 266</b>	<b>3 857</b>	<b>3 290</b>
YoY growth		5.3%	-1.4%	-32.5%	-3.3%	-0.3%	-0.7%	-0.7%
<b>Banking branches Portugal</b>	<b>6 63</b>	<b>6 46</b>	<b>6 15</b>	<b>5 75</b>	<b>5 82</b>	<b>5 63</b>	<b>5 39</b>	<b>5 21</b>
YoY growth		-2.6%	-4.8%	-6.5%	1.2%	-3.3%	-4.3%	-3.3%
Revenue per branch	953	1 030	1 067	770	735	758	716	648
							716	631
							716	583
<b>Logistics</b>	<b>3 100</b>	<b>3 146</b>	<b>2 407</b>	<b>3 153</b>	<b>3 433</b>	<b>3 895</b>	<b>4 339</b>	<b>4 792</b>
YoY growth		1.5%	-23.5%	31.0%	8.9%	13.5%	11.4%	10.4%
% Parcels	4.6%	4.2%	2.5%	2.7%	2.9%	2.9%	2.9%	2.9%
<b>Other</b>	<b>1 419</b>	<b>949</b>	<b>1 124</b>	<b>911</b>	<b>698</b>	<b>1 137</b>	<b>454</b>	<b>501</b>
YoY growth		-33.1%	18.4%	-19.0%	-23.4%	62.9%	-60.1%	10.4%
% Parcels	2.1%	1.3%	1.2%	0.8%	0.6%	0.8%	0.3%	0.3%
<b>Spain</b>	<b>55 524</b>	<b>51 775</b>	<b>72 286</b>	<b>117 329</b>	<b>122 950</b>	<b>186 814</b>	<b>213 118</b>	<b>238 995</b>
YoY growth		-6.8%	39.6%	62.3%	4.8%	51.9%	14.1%	12.1%
<b>Annual volume</b>	<b>17 500</b>	<b>15 800</b>	<b>24 900</b>	<b>41 100</b>	<b>39 200</b>	<b>61 700</b>	<b>72 285</b>	<b>84 486</b>
YoY growth		-9.7%	57.6%	65.1%	-4.6%	57.4%	17.2%	16.9%
CTT market share in Spain	2.4%	1.9%	2.2%	3.3%	3.2%	4.1%	4.7%	5.1%
Change in percentage points		-0.5%	0.4%	1.1%	-0.1%	0.9%	4.5%	4.8%
							4.5%	4.8%
<b>Spain volume</b>	<b>730 000</b>	<b>849 000</b>	<b>1 118 000</b>	<b>1 239 000</b>	<b>1 219 000</b>	<b>1 496 828</b>	<b>1 618 193</b>	<b>1 755 739</b>
YoY growth		16.3%	31.7%	10.8%	-1.6%	22.8%	8.1%	8.5%
% global volume	0.8%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%
<b>Global volume</b>	<b>87 500 000</b>	<b>103 200 000</b>	<b>131 200 000</b>	<b>159 000 000</b>	<b>161 000 000</b>	<b>185 000 000</b>	<b>200 000 000</b>	<b>217 000 000</b>
YoY growth		17.9%	27.1%	21.2%	1.3%	14.9%	8.1%	8.5%
							15.4%	-0.9%
<b>Average price per parcel</b>	<b>3.17</b>	<b>3.28</b>	<b>2.90</b>	<b>2.85</b>	<b>3.14</b>	<b>3.03</b>	<b>2.95</b>	<b>2.83</b>
Fuel price	1.16	1.21	1.07	1.23	1.79	1.56	1.52	1.48
YoY growth		4%	-12%	15%	45%	-13%	-3%	-2.4%
% price per parcel	36.6%	36.9%	36.9%	43.1%	57.0%	51.4%	50.1%	51.0%
							51.4%	52.3%
							51.4%	52.3%
<b>Mozambique</b>	<b>1 990</b>	<b>2 448</b>	<b>2 707</b>	<b>3 220</b>	<b>3 880</b>	<b>4 694</b>	<b>4 492</b>	<b>5 192</b>
YoY growth		23.0%	10.6%	19.0%	20.5%	21.0%	-4.3%	15.6%
<b>eCommerce</b>	<b>1 990</b>	<b>2 448</b>	<b>2 707</b>	<b>3 220</b>	<b>3 880</b>	<b>4 694</b>	<b>4 492</b>	<b>5 136</b>
YoY growth		23.0%	10.6%	19.0%	20.5%	21.0%	-4.3%	14.3%
<b>eCommerce market revenues</b>	<b>87 800</b>	<b>103 000</b>	<b>128 700</b>	<b>141 100</b>	<b>159 200</b>	<b>159 700</b>	<b>179 800</b>	<b>205 600</b>
YoY growth		17.3%	25.0%	9.6%	12.8%	0.3%	12.6%	14.3%
% eCommerce market	2.3%	2.4%	2.1%	2.3%	2.4%	2.9%	2.5%	2.5%
							2.4%	2.4%
							2.4%	2.4%
<b>Parcels</b>	-	-	-	-	-	-	-	<b>55</b>
<b>Parcels market revenues</b>		<b>496</b>	<b>153</b>	<b>288</b>	<b>779</b>	<b>369</b>	<b>471</b>	<b>554</b>
YoY growth			-69.2%	88.2%	171.0%	-52.6%	27.5%	17.8%
CTT market share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.0%
							0.0%	10.0%
							0.0%	7.5%

470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268
11.0%	10.8%	5.5%	5.4%	4.8%	5.5%	4.7%	4.7%	4.6%	4.6%	4.6%	4.6%	4.6%	4.5%
195 110	209 934	223 869	236 648	248 057	257 530	262 496	267 563	272 735	278 012	283 398	288 893	294 501	300 224
8.6%	7.6%	6.6%	5.7%	4.8%	3.8%	1.9%	1.9%	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%
182 366	196 951	210 704	223 309	234 436	243 772	248 648	253 621	258 693	263 867	269 144	274 527	280 018	285 618
9.1%	8.0%	7.0%	6.0%	5.0%	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
7 745 600	8 365 100	8 949 200	9 484 593	9 957 171	10 353 723	10 560 798	10 772 014	10 987 454	11 207 203	11 431 347	11 659 974	11 893 174	12 131 037
9.1%	8.0%	7.0%	6.0%	5.0%	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%	46.1%
44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%	44.6%
38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
3 454 538	3 730 835	3 991 343	4 230 129	4 440 898	4 617 761	4 710 116	4 804 318	4 900 405	4 998 413	5 098 381	5 200 349	5 304 355	5 410 443
5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
3 920	3 911	3 901	3 891	3 881	3 872	3 862	3 852	3 843	3 833	3 824	3 814	3 804	3 795
-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
3 047	2 834	2 590	2 374	2 214	2 165	2 110	2 057	2 005	1 954	1 905	1 856	1 810	1 764
-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%
5.04	4.89	4.75	4.63	4.51	4.40	4.29	4.18	4.07	3.97	3.87	3.77	3.68	3.58
-3.3%	-3.0%	-2.9%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%
620	594	559	526	526	505	505	505	505	505	505	505	505	505
605	579	545	513	513	492	492	492	492	492	492	492	492	492
558	535	503	473	473	454	454	454	454	454	454	454	454	454
5 229	5 648	6 042	6 404	6 723	6 990	7 130	7 273	7 418	7 567	7 718	7 872	8 030	8 190
9.1%	8.0%	7.0%	6.0%	5.0%	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
547	591	632	670	703	731	746	761	776	792	807	824	840	857
9.1%	8.0%	7.0%	6.0%	5.0%	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
269 315	304 541	318 953	335 391	351 518	375 070	399 824	425 813	453 065	481 608	511 468	542 667	575 227	609 166
12.7%	13.1%	4.7%	5.2%	4.8%	6.7%	6.6%	6.5%	6.4%	6.3%	6.2%	6.1%	6.0%	5.9%
98 470	113 960	121 937	130 351	139 214	148 542	158 345	168 638	179 431	190 735	202 560	214 917	227 812	241 253
16.6%	15.7%	7.0%	6.9%	6.8%	6.7%	6.6%	6.5%	6.4%	6.3%	6.2%	6.1%	6.0%	5.9%
5.4%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%
5.2%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
5.2%	5.2%	5.2%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
1 909 468	2 071 287	2 216 277	2 369 200	2 530 306	2 699 836	2 878 026	3 065 097	3 261 263	3 466 723	3 681 660	3 906 241	4 140 616	4 384 912
8.8%	8.5%	7.0%	6.9%	6.8%	6.7%	6.6%	6.5%	6.4%	6.3%	6.2%	6.1%	6.0%	5.9%
0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
236 000 000	256 000 000	273 920 000	292 820 480	312 732 273	333 685 335	355 708 567	378 829 624	403 074 720	428 468 427	455 033 470	482 790 511	511 757 942	541 951 661
8.8%	8.5%	8.0%	7.5%	7.2%	7.0%	6.8%	6.6%	6.4%	6.2%	6.0%	5.8%	5.6%	5.4%
		7.0%	6.9%	6.8%	6.7%	6.6%	6.5%	6.4%	6.3%	6.2%	6.1%	6.0%	5.9%
		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2.74	2.67	2.62	2.57	2.53	2.53	2.53	2.53	2.53	2.53	2.53	2.53	2.53	2.53
1.46	1.45	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44
-1.6%	-0.6%	-0.4%	0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
51.9%	52.8%	53.7%	54.7%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%
53.2%	54.1%	55.1%	56.1%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
53.2%	54.1%	55.1%	56.1%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
5 979	6 785	7 212	7 662	7 993	8 291	8 551	8 808	8 978	9 151	9 327	9 508	9 691	9 879
15.2%	13.5%	6.3%	6.2%	4.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
5 786	6 408	6 832	7 172	7 459	7 720	7 952	8 190	8 354	8 521	8 691	8 865	9 043	9 223
12.6%	10.8%	6.6%	5.0%	4.0%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
231 600	256 500	273 500	287 100	298 584	309 034	318 305	327 855	334 412	341 100	347 922	354 880	361 978	369 218
12.6%	10.8%	6.6%	5.0%	4.0%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
				3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
				3.0%	2.5%	2.0%	2.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
				2.5%	2.5%	2.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
194	378	379	490	534	571	599	617	624	630	636	642	649	655
646	687	542	612	667	714	749	772	779	787	795	803	811	819
16.5%	6.3%	-21.1%	12.9%	10.0%	8.0%	6.0%	4.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
				9.0%	7.0%	5.0%	3.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
				8.0%	6.0%	4.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
40.0%	60.0%	80.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
30.0%	55.0%	70.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
15.0%	40.0%	50.0%	65.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%

1.1.3. FINANCIAL SERVICES & RETAIL

	40 310	47 389	44 044	48 878	60 713	62 779	34 430	33 306
<b>Revenues</b>								
YoY growth		17.6%	-7.1%	11.0%	24.2%	3.4%	-45.2%	-3.3%
<b>Savings &amp; Insurance</b>	<b>18 929</b>	<b>26 892</b>	<b>23 166</b>	<b>23 931</b>	<b>34 152</b>	<b>44 862</b>	<b>18 131</b>	<b>18 167</b>
YoY growth		42.1%	-13.9%	3.3%	42.7%	31.4%	-59.6%	0.2%
Margin	0.7%	0.7%	0.6%	0.5%	0.4%	0.4%	0.5%	0.5%
					8 000		0.3%	0.3%
YoY growth		-3.5%	-10.9%	-10.5%	-22.3%	-15.1%	-8.3%	0.0%
<b>Savings &amp; Insurance gross</b>	<b>2 696 800</b>	<b>3 971 700</b>	<b>3 837 900</b>	<b>4 428 000</b>	<b>8 138 000</b>	<b>12 590 700</b>	<b>3 777 210</b>	<b>3 784 742</b>
YoY growth		47.3%	-3.4%	15.4%	83.8%	54.7%	-70.0%	0.2%
<b>Payments</b>	<b>1 147</b>	<b>1 167</b>	<b>1 529</b>	<b>1 558</b>	<b>1 519</b>	<b>1 470</b>	<b>1 499</b>	<b>1 529</b>
YoY growth		1.7%	31.0%	1.9%	-2.5%	-3.2%	2.0%	2.0%
<b># Operations</b>	<b>1 300</b>	<b>1 199</b>	<b>1 539</b>	<b>1 590</b>	<b>1 499</b>	<b>1 510</b>	<b>1 510</b>	<b>1 510</b>
YoY growth		-7.8%	28.4%	3.3%	-5.7%	0.7%	1.0%	1.0%
							0.0%	0.0%
							-0.5%	-0.5%
<b>Revenue per payment (units)</b>	<b>0.88</b>	<b>0.97</b>	<b>0.99</b>	<b>0.98</b>	<b>1.01</b>	<b>0.97</b>	<b>0.99</b>	<b>1.01</b>
YoY growth		10.4%	2.0%	-1.4%	3.4%	-3.9%	2.0%	2.0%
<b>Money Transfers</b>	<b>6 086</b>	<b>5 565</b>	<b>5 982</b>	<b>5 465</b>	<b>5 982</b>	<b>4 167</b>	<b>5 881</b>	<b>4 872</b>
YoY growth		-8.6%	7.5%	-8.6%	9.5%	-30.3%	41.1%	-17.1%
CNP Money Orders	85 602	87 890	88 917	51 157	-	106 269	87 469	72 472
Margin	0.6%	0.5%	0.6%	0.9%		0.8%	0.8%	0.8%
							0.6%	0.6%
<b>Retail Products &amp; Services</b>	<b>13 537</b>	<b>13 340</b>	<b>13 003</b>	<b>17 574</b>	<b>18 049</b>	<b>10 786</b>	<b>8 578</b>	<b>8 407</b>
YoY growth		-1.5%	-2.5%	35.2%	2.7%	-40.2%	-20.5%	-2.0%
Revenue per transaction	0.27	0.26	0.29	0.38	0.62	0.36	0.31	0.32
							0.30	0.30
							0.28	0.29
Payments via Payshop (# transactions)	49 500	52 220	44 600	46 200	29 200	30 300	28 999	27 865
YoY growth		5.5%	-14.6%	3.6%	-36.8%	3.8%	-4.3%	-3.9%
Payments per Payshop agent	10.76	10.83	8.69	8.78	5.54	5.98	5.76	5.55
YoY growth		0.7%	-19.8%	1.1%	-36.9%	8.0%	-3.7%	-3.7%
Payshop agents	4 600	4 821	5 133	5 261	5 271	5 063	5 033	5 023
YoY growth		4.8%	6.5%	2.5%	0.2%	-3.9%	-0.4%	-0.1%
	2.94	2.77	2.53	3.34	3.42	2.13	-0.6%	-0.2%
	0.06	0.05	0.06	0.07	0.12	0.07	-0.8%	-0.8%
<b>Other</b>	<b>611</b>	<b>425</b>	<b>364</b>	<b>350</b>	<b>1 011</b>	<b>1 494</b>	<b>341</b>	<b>330</b>
YoY growth		-30.4%	-14.4%	-3.8%	188.9%	47.8%	-77.2%	-3.3%
% sales without other	2%	1%	1%	1%	2%	2%	1.0%	1.0%
<b>33 416</b>	<b>33 489</b>	<b>33 533</b>	<b>33 919</b>	<b>34 824</b>	<b>34 797</b>	<b>34 915</b>	<b>35 162</b>	<b>35 430</b>
	0.3%	0.2%	0.1%	1.1%	2.7%	-0.1%	0.3%	0.7%
	18 203	18 240	18 276	18 312	18 349	18 386	18 422	18 459
	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3 792 290	3 799 852	3 807 430	3 815 022	3 822 630	3 830 253	3 837 891	3 845 545
	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
	1 560	1 591	1 623	1 655	1 689	1 722	1 757	1 792
	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	1 510	1 510	1 510	1 510	1 510	1 510	1 510	1 510
	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
	1.03	1.05	1.08	1.10	1.12	1.14	1.16	1.19
	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	4 746	4 580	4 380	4 515	5 160	4 876	4 733	4 713
	-2.6%	-3.5%	-4.4%	3.1%	14.3%	-5.5%	-2.9%	-0.4%
	70 596	68 126	65 156	67 155	76 749	72 532	70 102	70 031
	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
	8 576	8 747	8 922	9 100	9 282	9 468	9 657	9 851
	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	0.32	0.33	0.34	0.34	0.35	0.36	0.36	0.37
	0.31	0.31	0.32	0.33	0.33	0.34	0.35	0.36
	0.29	0.30	0.30	0.31	0.32	0.32	0.33	0.34
	27 865	27 865	27 865	27 865	27 865	27 865	27 865	27 865
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5.55	5.55	5.55	5.55	5.55	5.55	5.55	5.55
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5 023	5 023	5 023	5 023	5 023	5 023	5 023	5 023
	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	-0.5%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
	331	331	332	336	345	344	346	348
	0.3%	0.2%	0.1%	1.1%	2.7%	-0.1%	0.3%	0.7%
	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

## 1.1.4. BANCO CTT

<b>Revenues</b>	<b>33 608</b>	<b>79 483</b>	<b>82 103</b>	<b>98 867</b>	<b>125 978</b>	<b>147 739</b>	<b>190 875</b>	<b>250 374</b>
YoY growth		136.5%	3.3%	20.4%	27.4%	17.3%	29.2%	31.2%
<b>Financial margin</b>	<b>7 867</b>	<b>29 316</b>	<b>44 637</b>	<b>55 776</b>	<b>74 357</b>	<b>98 791</b>	<b>138 213</b>	<b>178 340</b>
YoY growth		272.6%	52.3%	25.0%	33.3%	32.9%	39.9%	29.0%
<b>Net Interest Margin</b>	<b>0.8%</b>	<b>1.9%</b>	<b>2.4%</b>	<b>2.2%</b>	<b>2.5%</b>	<b>2.7%</b>	<b>3.3%</b>	<b>2.7%</b>
<b>Interest received</b>	<b>8 560</b>	<b>30 958</b>	<b>45 962</b>	<b>57 815</b>	<b>80 960</b>	<b>132 653</b>	<b>173 207</b>	<b>209 699</b>
YoY growth		261.6%	48.5%	25.8%	40.0%	63.9%	30.6%	21.1%
<b>Interest received from credit to banking clients</b>	<b>1 856</b>	<b>23 272</b>	<b>37 853</b>	<b>51 972</b>	<b>72 711</b>	<b>98 350</b>	<b>131 420</b>	<b>146 459</b>
<b>Credit to banking clients</b>	<b>248 050</b>	<b>885 821</b>	<b>1 093 282</b>	<b>1 541 908</b>	<b>1 777 565</b>	<b>1 593 214</b>	<b>2 013 158</b>	<b>3 052 446</b>
YoY growth		257.1%	23.4%	41.0%	15.3%	-10.4%	26.4%	51.6%
LDR	28.1%	69.0%	64.8%	72.7%	79.2%	51.5%	50.0%	50.0%
							50.0%	50.0%
							30.0%	30.0%
<b>Total retail deposits Portugal</b>	<b>155 300 000</b>	<b>159 800 000</b>	<b>165 000 000</b>	<b>174 400 000</b>	<b>184 200 000</b>	<b>193 600 000</b>	<b>183 300 000</b>	<b>190 200 000</b>
<b>Total retail credit Portugal</b>	<b>78 770 000</b>	<b>77 560 000</b>	<b>76 300 000</b>	<b>74 920 000</b>	<b>75 270 000</b>	<b>74 670 000</b>	<b>70 420 000</b>	<b>69 310 000</b>
<b>Average retail LDR Portugal</b>	<b>50.7%</b>	<b>48.5%</b>	<b>46.2%</b>	<b>43.0%</b>	<b>40.9%</b>	<b>38.6%</b>	<b>38.4%</b>	<b>36.4%</b>
<b>Interest rate</b>	<b>0.7%</b>	<b>2.6%</b>	<b>3.5%</b>	<b>3.4%</b>	<b>4.1%</b>	<b>6.2%</b>	<b>6.5%</b>	<b>4.8%</b>
<b>EURIBOR</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>2.5%</b>
<b>Banco CTT spread</b>	<b>0.7%</b>	<b>2.6%</b>	<b>3.5%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>2.3%</b>	<b>2.4%</b>	<b>2.4%</b>
							2.3%	2.3%
							2.1%	2.1%
<b>Interest received from debt securities and other banking assets</b>	<b>6 704</b>	<b>7 686</b>	<b>8 109</b>	<b>5 843</b>	<b>8 249</b>	<b>34 303</b>	<b>41 787</b>	<b>63 240</b>
<b>Debt securities and other banking assets</b>	<b>715 755</b>	<b>664 655</b>	<b>790 426</b>	<b>1 045 197</b>	<b>1 183 026</b>	<b>2 108 118</b>	<b>2 221 694</b>	<b>3 638 209</b>
YoY growth		-7.1%	18.9%	32.2%	13.2%	78.2%	5.4%	63.8%
<b>Interest rate</b>	<b>0.94%</b>	<b>1.16%</b>	<b>1.03%</b>	<b>0.56%</b>	<b>0.70%</b>	<b>1.63%</b>	<b>2.0%</b>	<b>2.8%</b>
<b>EURIBOR</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>2.5%</b>
<b>Interest paid</b>	<b>693</b>	<b>1 643</b>	<b>1 325</b>	<b>2 039</b>	<b>6 602</b>	<b>33 862</b>	<b>34 994</b>	<b>31 359</b>
YoY growth		137.0%	-19.3%	53.9%	223.9%	412.9%	3.3%	-10.4%
<b>Interest paid on banking clients' deposits and other loans</b>	<b>693</b>	<b>974</b>	<b>863</b>	<b>472</b>	<b>493</b>	<b>15 892</b>	<b>34 994</b>	<b>31 359</b>
<b>Retail deposits in Portugal</b>	<b>155 300 000</b>	<b>159 800 000</b>	<b>165 000 000</b>	<b>174 400 000</b>	<b>184 200 000</b>	<b>193 600 000</b>	<b>183 300 000</b>	<b>190 200 000</b>
YoY growth		2.9%	3.3%	5.7%	5.6%	5.1%	-5.3%	3.8%
<b>CTT Banking clients' deposits and other loans</b>	<b>883 951</b>	<b>1 283 567</b>	<b>1 688 465</b>	<b>2 121 511</b>	<b>2 245 330</b>	<b>3 090 963</b>	<b>4 026 316</b>	<b>6 104 892</b>
YoY growth		45.2%	31.5%	25.6%	5.8%	37.7%	30.3%	51.6%
<b>CTT market share</b>	<b>0.6%</b>	<b>0.8%</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>1.6%</b>	<b>2.2%</b>	<b>3.2%</b>
<b>Change in percentage points</b>		<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>0.7%</b>	<b>0.5%</b>
							0.6%	1.0%
							0.6%	0.5%
<b>Eurobic market share (2011 as 2022)</b>					<b>1.3%</b>	<b>1.8%</b>	<b>2.8%</b>	<b>3.3%</b>
<b>Change in percentage points</b>						<b>0.5%</b>	<b>1.0%</b>	<b>0.5%</b>
<b>ActivaBank (2017 as 2018)</b>		<b>0.9%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.7%</b>	<b>1.8%</b>	
<b>Change in percentage points</b>			<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.1%</b>	
<b>Interest rate</b>	<b>0.08%</b>	<b>0.08%</b>	<b>0.05%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.51%</b>	<b>0.9%</b>	<b>0.5%</b>
<b>EURIBOR</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>2.5%</b>
<b>Interest paid on debt securities and other banking liabilities</b>	<b>0</b>	<b>668</b>	<b>462</b>	<b>1 567</b>	<b>6 110</b>	<b>17 970</b>	<b>-</b>	<b>-</b>
<b>Debt securities and other banking liabilities</b>	<b>14 951</b>	<b>94 048</b>	<b>65 994</b>	<b>304 783</b>	<b>518 133</b>	<b>408 879</b>	<b>-</b>	<b>-</b>
<b>Interest rate</b>	<b>0.0%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.5%</b>	<b>1.2%</b>	<b>4.4%</b>	<b>4.8%</b>	<b>2.8%</b>
<b>EURIBOR</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>2.5%</b>
<b>Commissions and Other</b>	<b>25 741</b>	<b>29 127</b>	<b>37 466</b>	<b>43 091</b>	<b>51 621</b>	<b>48 948</b>	<b>52 662</b>	<b>72 034</b>
YoY Growth		13.2%	28.6%	15.0%	19.8%	-5.2%	7.6%	36.8%
<b>Fees &amp; Commission Income</b>	<b>4 988</b>	<b>8 942</b>	<b>34 132</b>	<b>40 203</b>	<b>45 470</b>	<b>46 183</b>	<b>-</b>	<b>-</b>
<b>Payments &amp; other</b>	<b>20 753</b>	<b>20 185</b>	<b>20 965</b>	<b>21 298</b>	<b>24 692</b>	<b>21 728</b>	<b>-</b>	<b>-</b>
<b>Payments</b>		<b>17 631</b>	<b>18 410</b>	<b>18 410</b>	<b>18 541</b>	<b>18 963</b>	<b>-</b>	<b>-</b>
<b>Other</b>		<b>461</b>	<b>3 334</b>	<b>2 888</b>	<b>6 151</b>	<b>2 765</b>	<b>-</b>	<b>-</b>
<b># Client accounts</b>	<b>348</b>	<b>461</b>	<b>517</b>	<b>573</b>	<b>602</b>	<b>647</b>	<b>702</b>	<b>965</b>
YoY Growth		32.6%	12.2%	10.8%	5.1%	7.4%	8.6%	37.5%
<b># Bank accounts Portugal</b>	<b>11 820</b>	<b>11 020</b>	<b>11 150</b>	<b>11 180</b>	<b>11 200</b>	<b>11 230</b>	<b>11 150</b>	<b>11 070</b>
YoY Growth		-6.8%	1.2%	0.3%	0.2%	0.3%	-0.7%	-0.7%
<b>Average deposits per account Portugal</b>	<b>13 139</b>	<b>14 501</b>	<b>14 798</b>	<b>15 599</b>	<b>16 446</b>	<b>17 240</b>	<b>16 439</b>	<b>17 182</b>
YoY Growth		10.4%	2.1%	5.4%	5.4%	4.8%	-4.6%	4.5%
<b>Average deposits per account CTT</b>	<b>2 541</b>	<b>2 783</b>	<b>3 263</b>	<b>3 701</b>	<b>3 729</b>	<b>4 778</b>	<b>5 734</b>	<b>6 324</b>
YoY Growth		9.5%	17.3%	13.4%	0.7%	28.2%	20.0%	10.3%
<b>Commission per client account</b>	<b>73.98</b>	<b>63.15</b>	<b>72.41</b>	<b>75.18</b>	<b>85.73</b>	<b>75.67</b>	<b>75.67</b>	<b>75.67</b>
							<b>75.00</b>	<b>74.63</b>
							<b>74.50</b>	<b>74.13</b>
<b>321 Crédito</b>	<b>-</b>	<b>21 040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

314 325	326 022	315 439	322 814	340 593	356 660	365 153	378 354	381 203	396 227	410 466	420 799	431 573	434 188
25.5%	3.7%	-3.2%	2.3%	5.5%	4.7%	2.4%	3.6%	0.8%	3.9%	3.6%	2.5%	2.6%	0.6%
237 843	244 704	241 175	249 287	265 039	279 586	288 838	301 896	307 063	319 743	334 193	344 699	355 612	358 332
33.4%	2.9%	-1.4%	3.4%	6.3%	5.5%	3.3%	4.5%	1.7%	4.1%	4.5%	3.1%	3.2%	0.8%
3.0%	2.7%	2.7%	2.6%	2.6%	2.6%	2.6%	2.7%	2.7%	2.7%	2.8%	2.8%	2.8%	2.8%
274 429	278 650	270 582	280 682	298 297	314 540	324 474	338 453	343 340	358 020	373 217	384 484	396 173	399 684
30.9%	1.5%	-2.9%	3.7%	6.3%	5.4%	3.2%	4.3%	1.4%	4.3%	4.2%	3.0%	3.0%	0.9%
170 868	177 522	165 530	176 723	187 209	196 757	200 594	212 127	216 995	236 029	248 056	260 696	273 980	279 323
3 561 182	4 130 272	4 089 108	4 365 616	4 624 631	4 860 509	4 955 295	5 240 191	5 360 440	5 830 637	6 127 744	6 439 991	6 768 148	6 900 135
16.7%	16.0%	-1.0%	6.8%	5.9%	5.1%	2.0%	5.7%	2.3%	8.8%	5.1%	5.1%	5.1%	2.0%
50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	51.5%	53.1%	54.8%	56.5%	58.2%	60.0%	60.0%
50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	51.5%	53.1%	54.8%	56.5%	58.2%	60.0%	60.0%
30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
193 600 000	198 200 000	203 500 000	209 300 000										
68 160 000	67 520 000	67 220 000	67 590 000										
35.2%	34.1%	33.0%	32.3%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
4.8%	4.3%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
2.5%	2.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
103 561	101 128	105 052	103 959	111 088	117 783	123 880	126 326	126 345	121 992	125 161	123 789	122 194	120 362
4 309 747	5 010 828	4 958 696	5 298 770	5 618 106	5 908 922	6 025 578	6 026 498	5 818 860	5 970 028	5 904 563	5 828 482	5 741 101	5 854 621
18.5%	16.3%	-2.0%	6.9%	5.2%	2.0%	0.0%	0.0%	-3.4%	2.6%	-1.1%	-1.3%	-1.5%	2.0%
2.8%	2.3%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
2.5%	2.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
36 586	33 946	29 407	31 395	33 258	34 954	35 636	36 557	36 276	38 278	39 024	39 785	40 561	41 352
16.7%	-7.2%	-13.4%	6.8%	5.9%	5.1%	2.0%	2.6%	-0.8%	5.5%	2.0%	2.0%	2.0%	2.0%
36 586	33 946	29 407	31 395	33 258	34 954	35 636	36 557	36 276	38 278	39 024	39 785	40 561	41 352
193 600 000	198 200 000	203 500 000	209 300 000	214 637 407	219 467 012	223 746 889	228 110 228	232 558 658	237 093 837	241 717 458	246 431 246	251 236 958	256 136 387
1.8%	2.4%	2.7%	2.9%	2.6%	2.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
7 122 365	8 260 543	8 178 215	8 731 233	9 249 263	9 721 018	9 910 590	10 166 705	10 088 734	10 645 237	10 852 833	11 064 476	11 280 247	11 500 226
16.7%	16.0%	-1.0%	6.8%	5.9%	5.1%	2.0%	2.6%	-0.8%	5.5%	2.0%	2.0%	2.0%	2.0%
3.7%	4.2%	4.0%	4.2%	4.3%	4.4%	4.4%	4.5%	4.3%	4.5%	4.5%	4.5%	4.5%	4.5%
1.0%	0.5%	0.5%	-0.1%	0.2%	0.1%	0.1%	-0.6%	0.0%	-0.1%	0.2%	0.0%	0.0%	0.0%
0.5%	0.5%	-0.1%	0.2%	0.1%	0.1%	0.0%	0.0%	-0.1%	0.2%	0.0%	0.0%	0.0%	0.0%
0.5%	-0.1%	-0.1%	-0.1%	-0.1%	-0.6%	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
3.8%	3.7%	3.8%	3.9%	4.1%	3.5%	3.5%	3.4%	3.5%					
0.5%	-0.1%	0.2%	0.1%	0.1%	-0.6%	0.0%	-0.1%	0.2%					
0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
2.5%	2.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.8%	2.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2.5%	2.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
76 481	81 318	74 264	73 528	75 554	77 074	76 314	76 458	74 140	76 484	76 273	76 099	75 961	75 855
6.2%	6.3%	-8.7%	-1.0%	2.8%	2.0%	-1.0%	0.2%	-3.0%	3.2%	-0.3%	-0.2%	-0.2%	-0.1%
1 030	1 101	1 010	1 005	1 038	1 064	1 059	1 061	1 029	1 062	1 059	1 056	1 054	1 053
6.7%	6.9%	-8.2%	-0.5%	3.3%	2.5%	-0.5%	0.2%	-3.0%	3.2%	-0.3%	-0.2%	-0.2%	-0.1%
10 990	10 920	10 840	10 770	10 700	10 631	10 563	10 494	10 427	10 359	10 292	10 226	10 160	10 094
-0.7%	-0.6%	-0.7%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%
17 616	18 150	18 773	19 434	20 095	20 558	20 805	20 805	20 805	20 805	20 805	20 805	20 805	20 805
2.5%	3.0%	3.4%	3.5%	3.4%	2.3%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6 915	7 505	8 095	8 686	8 909	9 133	9 357	9 581	9 805	10 028	10 252	10 476	10 700	10 924
9.3%	8.5%	7.9%	7.3%	2.6%	2.5%	2.5%	2.4%	2.3%	2.3%	2.2%	2.2%	2.1%	2.1%
75.67	75.00	73.51	73.51	73.51	73.51	73.51	73.51	73.51	73.51	73.51	73.51	73.51	73.51
74.25	73.88	73.51	73.14	72.78	72.41	72.05	72.05	72.05	72.05	72.05	72.05	72.05	72.05
73.76	73.39	73.02	72.66	72.29	71.93	71.57	71.57	71.57	71.57	71.57	71.57	71.57	71.57
-	-	-	-	-	-	-	-	-	-	-	-	-	-

### 11.3.2. Costs

#### 1.2.1. MAIL & OTHERS

	411 688	400 161	364 620	387 913	409 281	388 185	397 625	403 614
<b>Operating costs</b>	<b>411 688</b>	<b>400 161</b>	<b>364 620</b>	<b>387 913</b>	<b>409 281</b>	<b>388 185</b>	<b>397 625</b>	<b>403 614</b>
YoY growth		-2.8%	-8.9%	6.4%	5.5%	-5.2%	2.4%	1.5%
% Sales	84.8%	83.8%	85.6%	87.3%	88.8%	89.4%	89.0%	86.5%
<b>Staff costs</b>	<b>294 583</b>	<b>297 847</b>	<b>287 898</b>	<b>290 134</b>	<b>293 488</b>	<b>308 905</b>	<b>312 220</b>	<b>314 449</b>
YoY growth		1.1%	-3.3%	0.8%	1.2%	5.3%	1.1%	0.7%
Staff headcount	10 689	10 709	10 445	10 866	10 612	11 381	11 250	11 081
YoY growth		0.19%	-2.47%	4.03%	-2.34%	7.25%	-1.0%	-2.0%
								-2.6%
								56
Staff headcount Corre Mozambique					560			
Average Salary	27.56	27.81	27.56	26.70	27.66	27.14	27.75	28.38
YoY growth		0.9%	-0.9%	-3.1%	3.6%	-1.9%	2.3%	2.3%
							2.1%	2.1%
							2.3%	2.3%
							2.3%	2.3%
<b>External supplies and services</b>	<b>106 583</b>	<b>102 265</b>	<b>67 908</b>	<b>89 165</b>	<b>92 692</b>	<b>81 792</b>	<b>83 726</b>	<b>87 437</b>
YoY growth		-4.1%	-33.6%	31.3%	4.0%	-11.8%	2.4%	4.4%
% Revenues	22.0%	21.4%	15.9%	20.1%	20.1%	18.8%	18.3%	18.3%
							18.7%	18.7%
							18.7%	18.7%
<b>Other costs</b>	<b>20 608</b>	<b>11 903</b>	<b>15 853</b>	<b>20 292</b>	<b>36 636</b>	<b>14 033</b>	<b>13 023</b>	<b>13 405</b>
YoY growth		-42.2%	33.2%	28.0%	80.5%	-61.7%	-7.2%	2.9%
% Revenues	4.2%	2.5%	3.7%	4.6%	7.9%	3.2%	3.0%	3.0%
<b>Impairment and provisions</b>	<b>(314)</b>	<b>583</b>	<b>3 041</b>	<b>(1 831)</b>	<b>(2 460)</b>	<b>(1 447)</b>	-	-
YoY growth		-285.7%	421.6%	-160.2%	34.4%	-41.2%	-100.0%	-
% Revenues	-0.1%	0.1%	0.7%	-0.4%	-0.5%	-0.3%	-0.1%	-0.1%
							0.0%	0.0%
							0.1%	0.1%
<b>Internal services rendered</b>	<b>(9 772)</b>	<b>(12 437)</b>	<b>(10 080)</b>	<b>(9 847)</b>	<b>(11 075)</b>	<b>(15 098)</b>	<b>(11 344)</b>	<b>(11 677)</b>
YoY growth		27.3%	-19.0%	-2.3%	12.5%	36.3%	-24.9%	2.9%
% Revenues	-2.0%	-2.6%	-2.4%	-2.2%	-2.4%	-3.5%	-2.6%	-2.6%

405 630	408 287	410 479	409 807	409 059	408 304	408 555	406 718	405 895	405 128	405 489	403 633	402 875	402 166
0.5%	0.7%	0.5%	-0.2%	-0.2%	-0.2%	0.1%	-0.4%	-0.2%	-0.2%	0.1%	-0.5%	-0.2%	-0.2%
88.1%	90.1%	90.8%	93.1%	93.6%	94.1%	93.7%	95.3%	95.9%	96.4%	95.9%	97.6%	98.2%	98.7%
317 565	321 571	323 972	325 563	325 433	325 302	325 172	325 042	324 912	324 782	324 652	324 522	324 393	324 263
1.0%	1.3%	0.7%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 971	10 892	10 758	10 599	10 387	10 179	9 976	9 776	9 581	9 389	9 201	9 017	8 837	8 660
-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.7%	-2.7%	-2.7%	-2.7%	-2.7%	-2.7%	-2.7%	-2.7%
168	308	392	448										
28.94	29.52	30.11	30.72	31.33	31.96	32.60	33.25	33.91	34.59	35.28	35.99	36.71	37.44
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
86 261	84 935	84 753	82 494	81 923	81 311	81 704	79 990	79 331	78 709	79 212	77 475	76 883	76 316
-1.3%	-1.5%	-0.2%	-2.7%	-0.7%	-0.7%	0.5%	-2.1%	-0.8%	-0.8%	0.6%	-2.2%	-0.8%	-0.7%
18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%	18.3%
18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%
18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%
13 999	13 811	13 598	13 569	13 208	13 116	13 018	13 081	12 807	12 701	12 602	12 682	12 404	12 309
4.4%	-1.3%	-1.5%	-0.2%	-2.7%	-0.7%	-0.7%	0.5%	-2.1%	-0.8%	-0.8%	0.6%	-2.2%	-0.8%
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
(12 194)	(12 030)	(11 845)	(11 820)	(11 505)	(11 425)	(11 340)	(11 395)	(11 156)	(11 064)	(10 977)	(11 047)	(10 805)	(10 722)
4.4%	-1.3%	-1.5%	-0.2%	-2.7%	-0.7%	-0.7%	0.5%	-2.1%	-0.8%	-0.8%	0.6%	-2.2%	-0.8%
-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%	-2.6%

1.2.2. EXPRESS & PARCELS

	148 099	159 869	183 072	231 857	234 695	305 024	340 369	376 234
<b>Operating costs</b>								
YoY growth		7.9%	14.5%	26.6%	1.2%	30.0%	11.6%	10.5%
Express & Parcels OC % Sales	99.5%	104.9%	94.9%	90.7%	90.6%	89.6%	89.2%	88.8%
<b>Staff costs</b>	<b>22 656</b>	<b>24 868</b>	<b>26 587</b>	<b>29 927</b>	<b>29 756</b>	<b>39 934</b>	<b>45 270</b>	<b>50 925</b>
YoY growth		9.8%	6.9%	12.6%	-0.6%	34.2%	13.4%	12.5%
Staff (headcount)	1 117	1 201	1 319	1 258	1 345	1 693	1 877	2 065
YoY growth		7.5%	9.8%	-4.6%	6.9%	25.9%	10.9%	10.0%
Staff % Sales	0.8%	0.8%	0.7%	0.5%	0.5%	0.5%	0.5%	0.5%
							0.5%	0.5%
							0.6%	0.6%
Average Salary	20.28	20.71	20.16	23.79	22.12	23.59	24.12	24.66
YoY growth of salary		2.1%	-2.7%	18.0%	-7.0%	6.6%	2.1%	2.1%
							2.3%	2.3%
							2.5%	2.5%
<b>External supplies and services</b>	<b>122 940</b>	<b>129 332</b>	<b>154 005</b>	<b>201 373</b>	<b>203 822</b>	<b>263 008</b>	<b>291 957</b>	<b>321 742</b>
YoY growth		5.2%	19.1%	30.8%	1.2%	29.0%	11.0%	10.2%
% Revenues	82.6%	84.9%	79.8%	78.8%	78.7%	77.2%	76.0%	75.4%
							76.5%	75.9%
							76.5%	75.9%
<b>Other costs</b>	<b>2 346</b>	<b>2 874</b>	<b>1 766</b>	<b>1 554</b>	<b>1 847</b>	<b>1 936</b>	<b>2 675</b>	<b>2 745</b>
YoY growth		22.5%	-38.6%	-12.0%	18.9%	4.8%	38.2%	2.6%
% Revenues	1.6%	1.9%	0.9%	0.6%	0.7%	0.6%	0.7%	0.6%
<b>Impairment and provisions</b>	<b>2 457</b>	<b>5 143</b>	<b>3 023</b>	<b>1 030</b>	<b>1 228</b>	<b>1 672</b>	<b>1 739</b>	<b>1 894</b>
YoY growth		109.3%	-41.2%	-65.9%	19.2%	36.2%	4.0%	8.9%
% Revenues	1.7%	3.4%	1.6%	0.4%	0.5%	0.5%	0.5%	0.4%
							0.5%	0.5%
							0.5%	0.5%
<b>Internal services rendered</b>	<b>(2 300)</b>	<b>(2 348)</b>	<b>(2 309)</b>	<b>(2 027)</b>	<b>(1 958)</b>	<b>(1 526)</b>	<b>(1 272)</b>	<b>(1 071)</b>
YoY growth		2.1%	-1.7%	-12.2%	-3.4%	-22.1%	-16.6%	-15.8%
% FS Retail Products Revenue	-17.0%	-17.6%	-17.8%	-11.5%	-10.8%	-14.1%	-16.6%	-15.8%
							-15.6%	-15.6%
							-14.8%	-14.8%

416 074	459 594	483 949	509 244	532 930	561 316	586 681	613 152	640 848	670 381	701 182	733 241	766 625	801 322
10.6%	10.5%	5.3%	5.2%	4.7%	5.3%	4.5%	4.5%	4.5%	4.6%	4.6%	4.6%	4.6%	4.5%
88.5%	88.2%	88.0%	87.8%	87.7%	87.6%	87.5%	87.3%	87.2%	87.2%	87.2%	87.2%	87.2%	87.2%
57 215	64 175	68 545	73 133	77 590	82 859	87 778	93 024	98 521	104 342	110 502	116 982	123 829	131 027
12.4%	12.2%	6.8%	6.7%	6.1%	6.8%	5.9%	6.0%	5.9%	5.9%	5.9%	5.9%	5.9%	5.8%
2 269	2 489	2 600	2 713	2 815	2 940	3 046	3 157	3 270	3 387	3 508	3 632	3 760	3 891
9.9%	9.7%	4.5%	4.3%	3.8%	4.4%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%
0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%

25.22	25.78	26.36	26.96	27.56	28.18	28.82	29.47	30.13	30.81	31.50	32.21	32.93	33.67
2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

354 608	390 587	410 086	430 476	449 365	472 116	492 224	513 137	534 808	558 152	582 409	607 592	633 709	660 768
10.2%	10.1%	5.0%	5.0%	4.4%	5.1%	4.3%	4.2%	4.2%	4.4%	4.3%	4.3%	4.3%	4.3%
74.9%	74.4%	74.0%	73.7%	73.5%	73.2%	72.9%	72.6%	72.3%	72.1%	71.9%	71.7%	71.6%	71.4%
75.4%	74.9%	74.6%	74.3%	74.0%	73.7%	73.4%	73.1%	72.8%	72.6%	72.4%	72.2%	72.1%	71.9%
75.4%	74.9%	74.6%	74.3%	74.0%	73.7%	73.4%	73.1%	72.8%	72.6%	72.4%	72.2%	72.1%	71.9%

3 093	3 355	3 644	3 784	3 974	4 187	4 399	4 592	4 807	5 030	5 264	5 503	5 754	6 015
12.7%	8.5%	8.6%	3.9%	5.0%	5.3%	5.1%	4.4%	4.7%	4.6%	4.6%	4.5%	4.6%	4.5%
0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%

2 060	2 237	2 313	2 389	2 454	2 537	2 602	2 669	2 940	3 049	3 169	3 301	3 446	3 609
8.8%	8.6%	3.4%	3.3%	2.7%	3.4%	2.6%	2.6%	10.1%	3.7%	3.9%	4.2%	4.4%	4.7%
0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%

(902)	(760)	(640)	(539)	(454)	(382)	(322)	(271)	(228)	(192)	(162)	(136)	(115)	(97)
-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%
-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%	-15.8%
-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%	-15.6%
-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%	-14.8%

1.2.3. FINANCIAL SERVICES & RETAIL

	13 470	25 333	23 248	26 969	29 757	26 251	17 086	17 074
<b>Operational costs</b>								
YoY growth		88.1%	-8.2%	16.0%	10.3%	-11.8%	-34.9%	-0.1%
FS and Retail OC % Sales	33.4%	53.5%	52.8%	55.2%	49.0%	41.8%	49.6%	51.3%
<b>Staff costs</b>	<b>1 128</b>	<b>1 592</b>	<b>1 822</b>	<b>1 041</b>	<b>1 017</b>	<b>3 040</b>	<b>1 238</b>	<b>1 266</b>
YoY growth		41.1%	14.4%	-42.9%	-2.3%	198.9%	-59.3%	2.3%
Staff (headcount)	31	39	35	29	36	38	32	32
% of payments	2.4%	3.3%	2.3%	1.8%	2.4%	2.5%	2.1%	2.1%
Average Salary	36	41	52	36	28	80	39	40
YoY growth		12.2%	27.5%	-31.0%	-21.3%	183.2%	2.1%	2.1%
							2.3%	2.3%
							2.5%	2.5%
<b>External supplies and services</b>	<b>3 373</b>	<b>3 228</b>	<b>2 663</b>	<b>2 476</b>	<b>2 160</b>	<b>2 188</b>	1 740	1 705
YoY growth		-4.3%	-17.5%	-7.0%	-12.8%	1.3%	-20.5%	-2.0%
% Retail Sales	25%	24%	20%	14%	12%	20%	19%	19%
							20%	20%
							21%	21%
External supplies % sales	8.4%	6.8%	6.0%	5.1%	3.6%	3.5%	5.1%	5.1%
<b>Other costs</b>	<b>179</b>	<b>8 697</b>	<b>8 596</b>	<b>13 408</b>	<b>13 433</b>	<b>7 089</b>	<b>3 443</b>	<b>3 331</b>
YoY growth		4758.7%	-1.2%	56.0%	0.2%	-47.2%	-51.4%	-3.3%
Other costs % sales	0.4%	18.4%	19.5%	27.4%	22.1%	11.3%	10.0%	10.0%
<b>Impairment and provisions</b>	-	-	-	-	2 040	7	-	-
YoY growth		-	-	-	-	-99.7%	-100.0%	-
<b>Internal services rendered</b>	<b>8 790</b>	<b>11 816</b>	<b>10 167</b>	<b>10 044</b>	<b>11 107</b>	<b>13 927</b>	<b>10 665</b>	<b>10 772</b>
YoY growth		34.4%	-14.0%	-1.2%	10.6%	25.4%	-23.4%	1.0%
Total internal services	12 072	14 785	12 389	11 874	13 033	16 624	12 617	12 748
Internal services % of Total internal services	72.8%	79.9%	82.1%	84.6%	85.2%	83.8%	84.5%	84.5%

	17 347	17 224	17 026	17 012	16 846	16 782	16 741	16 843	16 706	16 703	16 716	16 864	16 747	16 772
1.6%	-0.7%	-1.2%	-0.1%	-1.0%	-0.4%	-0.2%	0.6%	-0.8%	0.0%	0.1%	0.9%	-0.7%	0.2%	
51.9%	51.4%	50.8%	50.2%	48.4%	48.2%	47.9%	47.9%	46.8%	46.8%	46.4%	46.4%	45.7%	45.4%	
<b>1 294</b>	<b>1 323</b>	<b>1 353</b>	<b>1 383</b>	<b>1 415</b>	<b>1 446</b>	<b>1 479</b>	<b>1 512</b>	<b>1 546</b>	<b>1 581</b>	<b>1 617</b>	<b>1 653</b>	<b>1 690</b>	<b>1 728</b>	
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	
32	32	32	32	32	32	32	32	32	32	32	32	32	32	
2.0%	2.0%	1.9%	1.9%	1.8%	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	
40	41	42	43	44	45	46	47	48	49	51	52	53	54	
2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	
2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
1 740	1 774	1 810	1 846	1 883	1 921	1 959	1 998	2 038	2 079	2 121	2 163	2 206	2 250	
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	
20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	
5.2%	5.3%	5.4%	5.4%	5.4%	5.5%	5.6%	5.7%	5.8%	5.8%	5.9%	5.9%	6.0%	6.1%	
3 342	3 349	3 353	3 392	3 482	3 480	3 491	3 516	3 543	3 573	3 606	3 638	3 662	3 691	
0.3%	0.2%	0.1%	1.1%	2.7%	-0.1%	0.3%	0.7%	0.8%	0.8%	0.9%	0.9%	0.7%	0.8%	
10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10 972	10 778	10 510	10 391	10 066	9 935	9 811	9 817	9 578	9 471	9 373	9 410	9 188	9 103	
1.9%	-1.8%	-2.5%	-1.1%	-3.1%	-1.3%	-1.2%	0.1%	-2.4%	-1.1%	-1.0%	0.4%	-2.4%	-0.9%	
13 096	12 790	12 485	12 359	11 959	11 807	11 661	11 666	11 384	11 256	11 139	11 183	10 920	10 819	
83.8%	84.3%	84.2%	84.1%	84.2%	84.1%	84.1%	84.2%	84.1%	84.1%	84.1%	84.1%	84.1%	84.1%	

1.2.4. BANCO CTT

	46 833	62 061	70 672	83 033	103 602	113 880	122 407	170 648
<b>Operating costs</b>								
YoY growth		32.5%	13.9%	17.5%	24.8%	9.9%	7.5%	39.4%
Banco CTT OC % Sales	139.3%	78.1%	86.1%	84.0%	82.2%	77.1%	64.1%	68.2%
<b>Staff costs</b>	<b>14 532</b>	<b>19 825</b>	<b>22 322</b>	<b>25 756</b>	<b>27 582</b>	<b>30 769</b>	<b>32 814</b>	<b>45 717</b>
YoY growth		36.4%	12.6%	15.4%	7.1%	11.6%	6.6%	39.3%
Staff headcount	260	406	435	455	513	558	582	793
Staff % Client accounts	74.7%	88.0%	84.1%	79.4%	85.2%	86.3%	82.9%	82.1%
Average Salary	56	49	51	57	54	55	56	58
YoY growth of average salary		-12.6%	5.1%	10.3%	-5.0%	2.6%	2.1%	2.1%
							2.3%	2.3%
							2.5%	2.5%
<b>External supplies and services</b>	<b>24 753</b>	<b>29 840</b>	<b>29 523</b>	<b>34 364</b>	<b>39 227</b>	<b>44 480</b>	<b>45 260</b>	<b>61 598</b>
YoY growth		20.6%	-1.1%	16.4%	14.2%	13.4%	1.8%	36.1%
x # client accounts	71.14	64.69	57.06	59.95	65.14	68.76	63.81	63.18
							64.46	63.81
							67.68	67.00
<b>Other costs</b>	<b>3 924</b>	<b>6 555</b>	<b>7 350</b>	<b>8 866</b>	<b>9 370</b>	<b>10 331</b>	<b>14 197</b>	<b>18 622</b>
YoY growth		67.0%	12.1%	20.6%	5.7%	10.3%	37.4%	31.2%
% Revenues	11.7%	8.2%	9.0%	9.0%	7.4%	7.0%	7.4%	7.4%
<b>Impairments and provisions</b>	<b>342</b>	<b>2 872</b>	<b>9 255</b>	<b>12 216</b>	<b>25 497</b>	<b>25 603</b>	<b>28 184</b>	<b>42 734</b>
YoY growth		739.8%	222.2%	32.0%	108.7%	0.4%	10.1%	51.6%
% Credit portfolio	0.1%	0.3%	0.8%	0.8%	1.4%	1.6%	1.3%	1.3%
							1.3%	1.3%
							1.4%	1.4%
<b>Internal services rendered</b>	<b>3 282</b>	<b>2 969</b>	<b>2 222</b>	<b>1 831</b>	<b>1 926</b>	<b>2 697</b>	<b>1 952</b>	<b>1 976</b>
YoY growth		-9.5%	-25.2%	-17.6%	-5.2%	40.0%	-27.6%	1.2%
Internal services % of Total internal services	27.2%	20.1%	17.9%	15.4%	14.8%	16.2%	15.5%	15.5%

189 771	206 327	195 341	199 698	208 774	216 856	218 778	224 663	223 507	235 649	241 305	246 972	252 907	255 652
11.2%	8.7%	-5.3%	2.2%	4.5%	3.9%	0.9%	2.7%	-0.5%	5.4%	2.4%	2.3%	2.4%	1.1%
60.4%	63.3%	61.9%	61.9%	61.3%	60.8%	59.9%	59.4%	58.6%	59.5%	58.8%	58.7%	58.6%	58.9%
<b>49 339</b>	<b>53 403</b>	<b>50 106</b>	<b>50 981</b>	<b>53 803</b>	<b>56 463</b>	<b>57 397</b>	<b>58 826</b>	<b>58 318</b>	<b>61 503</b>	<b>62 740</b>	<b>64 001</b>	<b>65 287</b>	<b>66 677</b>
7.9%	8.2%	-6.2%	1.7%	5.5%	4.9%	1.7%	2.5%	-0.9%	5.5%	2.0%	2.0%	2.0%	2.1%
837	886	813	809	835	857	852	854	828	854	852	850	848	847
81.3%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%	80.5%

59	60	62	63	64	66	67	69	70	72	74	75	77	79
2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

65 072	68 839	62 552	61 620	63 000	63 945	62 997	62 484	59 984	61 261	60 482	59 740	59 035	58 364
5.6%	5.8%	-9.1%	-1.5%	2.2%	1.5%	-1.5%	-0.8%	-4.0%	2.1%	-1.3%	-1.2%	-1.2%	-1.1%
62.54	61.92	61.30	60.69	60.08	59.48	58.88	58.29	57.71	57.13	56.56	56.00	55.44	54.88
63.18	62.54	61.92	61.30	60.69	60.08	59.48	58.88	58.29	57.71	57.13	56.56	56.00	55.44
66.33	65.67	65.01	64.36	63.72	63.08	62.45	61.83	61.21	60.60	59.99	59.39	58.80	58.21

23 379	24 249	23 462	24 010	25 333	26 528	27 159	28 141	28 353	29 470	30 530	31 298	32 099	32 294
25.5%	3.7%	-3.2%	2.3%	5.5%	4.7%	2.4%	3.6%	0.8%	3.9%	2.3%	2.5%	2.6%	0.6%
7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%

49 857	57 824	57 248	61 119	64 745	68 047	69 374	73 363	75 046	81 629	85 788	90 160	94 754	96 602
16.7%	16.0%	-1.0%	6.8%	5.9%	5.1%	2.0%	5.7%	2.3%	8.8%	5.1%	5.1%	5.1%	2.0%
1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%

2 125	2 012	1 975	1 968	1 892	1 872	1 851	1 849	1 805	1 785	1 766	1 773	1 732	1 716
7.5%	-5.3%	-1.8%	-0.3%	-3.8%	-1.1%	-1.2%	-0.1%	-2.4%	-1.1%	-1.1%	0.4%	-2.4%	-0.9%
16.2%	15.7%	15.8%	15.9%	15.8%	15.9%	15.9%	15.8%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%

11.3.3. CapEx

2.1.1. CTT EX-BANK

Capex	-	48 352	81 916	58 000	69 659	51 388	65 246	77 459
YoY growth			69.4%	-29.2%	20.1%	-26.2%	27.0%	18.7%
<b>TFA + IA</b>	<b>294 852</b>	<b>294 568</b>	<b>320 976</b>	<b>328 639</b>	<b>341 453</b>	<b>336 929</b>	<b>342 347</b>	<b>358 009</b>
Tangible Fixed Assets, net	263 120	260 238	291 838	292 060	297 753	291 406	307 111	321 066
Intangible Assets, net	31 732	34 330	29 138	36 579	43 700	45 523	35 236	36 943
Depreciation	51 730	48 636	55 508	50 336	56 846	55 912	59 827	61 797
Check Capex		TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

80 059	82 113	84 274	86 550	88 719	90 746	92 609	94 283	95 743	96 968	97 940	98 643	99 065	99 199
3.4%	2.6%	2.6%	2.7%	2.5%	2.3%	2.1%	1.8%	1.5%	1.3%	1.0%	0.7%	0.4%	0.1%
<b>372 906</b>	<b>386 674</b>	<b>399 662</b>	<b>412 169</b>	<b>424 165</b>	<b>435 620</b>	<b>446 485</b>	<b>456 698</b>	<b>466 184</b>	<b>474 866</b>	<b>482 662</b>	<b>489 494</b>	<b>495 289</b>	<b>499 982</b>
333 121	344 291	355 838	368 222	378 730	388 640	398 211	407 407	416 017	423 686	430 576	436 653	441 826	446 000
39 786	42 383	43 824	43 947	45 436	46 980	48 274	49 291	50 167	51 180	52 086	52 842	53 463	53 982
65 162	68 345	71 287	74 043	76 722	79 291	81 744	84 070	86 257	88 287	90 144	91 811	93 270	94 507
TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

2.1.2. MAIL & OTHERS

	8.3%	14.3%	6.6%	7.5%	9.6%	9.1%	
Capex	39 743	60 983	29 273	34 728	41 865	40 652	40 652
YoY growth		53.4%	-52.0%	18.6%	20.5%	-2.9%	0.0%
TFA + IA	242 996	242 736	258 246	248 693	242 479	244 393	244 393
YoY growth		-0.1%	6.4%	-3.7%	-2.5%	0.8%	0.2%
							0.0%
							-0.9%
Intangible Assets, net	15 706	20 481	19 193	21 290	29 227	33 065	24 446
YoY growth		30.4%	-6.3%	10.9%	37.3%	13.1%	-26.1%
% TFA&IA	6%	8%	7%	9%	12%	14%	10.0%
Tangible Fixed Assets, net	227 290	222 255	239 053	227 403	213 252	211 328	219 948
YoY growth		-2.2%	7.6%	-4.9%	-6.2%	-0.9%	4.1%
% TFA&IA	94%	92%	93%	91%	88%	86%	90.0%
							89.7%
D&A	43 519	40 003	45 473	38 826	40 942	39 950	40 652
D&A % of net TFA-1		16.5%	18.7%	15.0%	16.5%	16.5%	16.6%
							16.6%

2.1.3. EXPRESS & PARCELS

	8.833	24 677	26 908	35 816	14 558	28 310	36 676
Capex							
YoY growth		179.4%	9.0%	33.1%	-59.4%	94.5%	29.6%
Capex % of next 3-year revenues		3.7%	8.7%	8.2%	9.4%	3.4%	6.0%
Capex % Revenues		5.8%	12.8%	10.5%	13.8%	4.3%	7.1%
TFA + IA	38 582	39 114	54 060	69 558	89 579	88 311	97 568
Intangible Assets, net	5 115	5 514	5 634	6 849	7 734	9 372	10 462
% TFA&IA	13%	14%	10%	10%	9%	11%	10.7%
Tangible Fixed Assets, net	33 467	33 599	48 425	62 709	81 845	78 939	87 106
% TFA&IA	87%	86%	90%	90%	91%	89%	89.3%
							90.0%
39 276	41 329	43 490	45 765	47 929	49 957	51 820	53 494
7.1%	5.2%	5.2%	5.2%	4.7%	4.2%	3.7%	2.7%
7.1%	7.1%	7.1%					2.2%
							1.7%
							1.2%
							0.7%
							0.2%
128 047	141 750	154 658	167 055	178 942	190 292	201 057	211 172
12 770	14 172	15 885	17 044	18 070	19 236	20 378	21 462
10.0%	10.0%	10.3%	10.2%	10.1%	10.1%	10.1%	10.2%
10.0%	10.0%	10.3%	10.2%	10.1%	10.1%	10.1%	10.1%
115 278	127 578	138 773	150 011	160 872	171 057	180 678	189 711
90.0%	90.0%	89.7%	89.8%	89.9%	89.9%	89.9%	89.9%
90.0%	90.0%	89.7%	89.8%	89.9%	89.9%	89.9%	89.9%
24 421	27 626	30 583	33 367	36 042	38 607	41 056	43 378
21.6%	21.6%	21.6%	21.6%	21.6%	21.6%	21.6%	21.6%
21.6%	21.6%	21.6%	21.6%	21.6%	21.6%	21.6%	21.6%
							21.6%
							21.6%

2.1.4. FINANCIAL SERVICES & RETAIL

	162	357	98	271	108	136	131
Capex							
YoY growth		119.8%	-72.6%	177.5%	-60.3%	26.0%	-3.3%
YoY growth							
Capex % of next 3-year revenues		0.3%	0.8%	0.2%	0.4%	0.2%	0.4%
TFA + IA	357	188	241	239	401	373	386
Intangible Assets, net	357	146	167	174	364	370	328
% TFA&IA	100%	78%	69%	73%	91%	99%	85.0%
Tangible Fixed Assets, net	0	42	74	65	37	2	58
% TFA&IA	0%	22%	31%	27%	9%	1%	15.0%
D&A	222	332	304	100	109	136	122
D&A % of net TFA&IA t-1	92.9%	161.9%	41.5%	45.7%	33.9%		32.8%
							24.6%
132	132	132	134	137	137	137	137
0.3%	0.2%	0.1%	1.1%	2.7%	-0.1%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
466	531	611	721	830	935	1 035	1 132
396	451	519	612	705	794	880	962
85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
70	80	92	108	125	141	156	170
15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
89	67	52	24	28	32	36	40
21.1%	14.4%	9.9%	3.9%	3.9%	3.9%	3.9%	3.9%
21.1%	14.4%	9.9%	3.9%	3.9%	3.9%	3.9%	3.9%

2.1.5. NON-ALLOCATED ASSETS

	(387)	(4 101)	1 721	(1 156)	(5 142)	(3 852)	-
Capex							
YoY growth		959.5%	-142.0%	-167.2%	344.8%	-25.1%	-
Non Allocated Assets							
Intangible Assets, net	10 555	8 189	4 144	8 266	6 375	2 716	-
Δ		(2 366)	(4 044)	4 122	(1 891)	(3 659)	(2 716)
Tangible Fixed Assets, net	2 363	4 342	4 285	1 884	2 619	1 136	-
Δ		1 979	(57)	(2 401)	735	(1 483)	(1 136)

2.1.6. BANCO CTT

Capex	-	9 849	7 771	6 795	7 937	7 963	7 617	7 769
YoY growth			-21.1%	-12.6%	16.8%	0.3%	-4.3%	2.0%
TFA + IA	26 627	30 887	32 031	31 155	31 162	30 706	31 484	32 175
Tangible Fixed Assets, net	1 588	3 205	3 151	4 228	5 453	5 589	6 331	6 984
Intangible Assets, net	25 038	27 683	28 879	26 928	25 709	25 117	25 153	25 191
Depreciation	4 531	5 588	6 628	7 670	7 931	8 419	6 838	7 079
Check		TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
Capex		9 849	7 771	6 795	7 937	7 963	7 617	7 769
YoY growth			-21.1%	-12.6%	16.8%	0.3%	-4.3%	2.0%
Number of Units		212	212	212	212	212	212	212
Capex p/unit		46	37	32	37	38	36	37
TFA + IA	26 627	30 887	32 031	31 155	31 162	30 706	31 484	32 175
Intangible Assets, net	25 038	27 683	28 879	26 928	25 709	25 117	25 153	25 191
Δ		2 644	1 196	(1 951)	(1 219)	(592)	37	37
Δ % Capex		27%	15%	-29%	-15%	-7%	0.5%	0.5%
Tangible Fixed Assets, net	1 588	3 205	3 151	4 228	5 453	5 589	6 331	6 984
Δ Change		1 616	(53)	1 076	1 225	136	742	653
Δ % Capex		16%	-1%	16%	15%	2%	9.7%	8.4%
D&A	4 531	5 588	6 628	7 670	7 931	8 419	6 838	7 079
D&A % of net TFA&IA t-1		21.0%	21.5%	23.9%	25.5%	27.0%	22.3%	22.5%
Check		TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

7 927	8 089	8 254	8 423	8 592	8 763	8 939	9 117	9 300	9 300	9 300	9 300	9 300	9 300
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
33 024	33 799	34 486	35 290	36 099	36 933	37 762	38 602	39 475	40 346	41 215	42 082	42 950	43 819
7 795	8 531	9 178	9 942	10 709	11 500	12 286	13 083	13 911	14 737	15 562	16 383	17 206	18 031
25 229	25 268	25 308	25 348	25 390	25 432	25 475	25 519	25 564	25 609	25 654	25 699	25 744	25 788
7 078	7 313	7 567	7 619	7 783	7 930	8 109	8 277	8 426	8 429	8 430	8 433	8 432	8 430
TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

7 927	8 089	8 254	8 423	8 592	8 763	8 939	9 117	9 300	9 300	9 300	9 300	9 300	9 300
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
212	212	212	212	212	212	212	212	212	212	212	212	212	212
37	38	39	40	41	41	42	43	44	44	44	44	44	44
33 024	33 799	34 486	35 290	36 099	36 933	37 762	38 602	39 475	40 346	41 215	42 082	42 950	43 819
25 229	25 268	25 308	25 348	25 390	25 432	25 475	25 519	25 564	25 609	25 654	25 699	25 744	25 788
38	39	40	41	41	42	43	44	45	45	45	45	45	45
0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
7 795	8 531	9 178	9 942	10 709	11 500	12 286	13 083	13 911	14 737	15 562	16 383	17 206	18 031
811	736	647	763	767	792	786	796	829	826	825	822	823	825
10.2%	9.1%	7.8%	9.1%	8.9%	9.0%	8.8%	8.7%	8.9%	8.9%	8.9%	8.8%	8.8%	8.9%
7 078	7 313	7 567	7 619	7 783	7 930	8 109	8 277	8 426	8 429	8 430	8 433	8 432	8 430
22.0%	22.1%	22.4%	22.1%	22.1%	22.0%	22.0%	21.9%	21.8%	21.4%	20.9%	20.5%	20.0%	19.6%
TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

11.3.4. Consolidation

1.3.1. CTT

Revenues	708 035	756 873	745 243	847 872	906 626	985 218	1 053 644	1 174 132
YoY growth		6.9%	-1.5%	13.8%	6.9%	8.7%	6.9%	11.4%
Mail & Other	485 211	477 586	426 096	444 439	460 920	434 114	446 832	466 635
Express & Parcels	148 906	152 415	193 000	255 688	259 015	340 586	381 508	423 818
Financial Services & Retail	40 310	47 389	44 044	48 878	60 713	62 779	34 430	33 306
Banco CTT	33 608	79 483	82 103	98 867	125 978	147 739	190 875	250 374
Operating Costs	620 090	647 424	641 612	729 772	777 335	833 340	877 487	967 569
YoY growth		4.4%	-0.9%	13.7%	6.5%	7.2%	5.3%	10.3%
Gross margin		12.4%	14.5%	13.9%	14.3%	15.4%	16.7%	17.6%
Staff Costs	332 899	344 132	338 629	346 858	351 843	382 648	391 542	412 357
External supplies and services	257 649	264 665	254 099	327 378	337 901	391 468	422 683	472 482
Other costs	27 057	30 029	33 565	44 120	61 286	33 389	33 338	38 102
Impairments and provisions	2 485	8 598	15 319	11 415	26 305	25 835	29 924	44 628
Internal services rendered	-	-	-	1	-	-	-	-
EBITDA	87 945	109 449	103 631	118 100	129 291	151 878	176 157	206 563
EBITDA margin		12.4%	14.5%	13.9%	14.3%	15.4%	16.7%	17.6%
YoY growth		24.5%	-5.3%	14.0%	9.5%	17.5%	16.0%	17.3%
Depreciation	56 261	54 224	62 136	58 006	64 777	64 331	66 665	68 876
EBIT	31 684	163 673	165 767	176 106	194 068	216 209	242 822	275 439

1 278 502	1 334 054	1 351 317	1 376 692	1 420 194	1 466 290	1 506 980	1 542 590	1 574 788	1 620 777	1 673 454	1 711 721	1 757 928	1 797 648
8.9%	4.3%	1.3%	1.9%	3.2%	3.2%	2.8%	2.4%	2.1%	2.9%	3.3%	2.3%	2.7%	2.3%
460 357	453 283	452 312	440 258	437 209	433 942	436 041	426 890	423 378	420 054	422 738	413 472	410 311	407 287
470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268
33 416	33 489	33 533	33 919	34 824	34 797	34 915	35 162	35 430	35 726	36 058	36 382	36 624	36 905
314 325	326 022	315 439	322 814	340 593	356 660	365 153	378 354	381 203	396 227	410 466	420 799	431 573	434 188
1 028 823	1 091 432	1 106 795	1 135 761	1 167 608	1 203 258	1 230 754	1 261 376	1 286 956	1 327 862	1 364 692	1 400 711	1 439 154	1 475 913
6.3%	6.1%	1.4%	2.6%	2.8%	3.1%	2.3%	2.5%	3.2%	2.0%	2.8%	2.6%	2.7%	2.6%
19.5%	18.2%	18.1%	17.5%	17.8%	17.9%	18.3%	18.2%	18.3%	18.1%	18.5%	18.2%	18.1%	17.9%
425 414	440 472	443 976	451 061	458 241	466 071	471 826	478 404	483 298	492 209	499 510	507 158	515 199	523 695
507 680	546 136	559 201	576 437	596 172	619 292	638 884	657 609	676 161	700 200	724 223	746 971	771 834	797 699
43 813	44 764	44 057	44 756	45 997	47 310	48 068	49 331	49 510	50 774	52 001	53 121	53 920	54 309
51 916	60 061	59 561	63 508	67 199	70 584	71 976	77 986	84 678	88 958	93 461	98 200	100 211	100 211
249 680	242 622	244 522	240 930	252 585	263 032	276 225	281 213	287 833	292 915	308 762	311 010	318 774	321 735
19.5%	18.2%	18.1%	17.5%	17.8%	17.9%	18.3%	18.2%	18.3%	18.1%	18.5%	18.2%	18.1%	17.9%
20.9%	-2.8%	0.8%	-1.5%	4.8%	4.1%	5.0%	1.8%	2.4%	1.8%	5.4%	0.7%	2.5%	0.9%
72 240	75 659	78 854	81 662	84 505	87 221	89 853	92 348	94 683	96 716	98 574	100 244	101 703	102 937
321 920	318 281	323 377	322 592	337 091	350 252	366 079	373 561	382 515	389 631	407 337	411 254	420 477	424 672

1.3.2. CTT EX-BANK

<b>Revenues</b>	<b>674 427</b>	<b>677 390</b>	<b>663 140</b>	<b>749 005</b>	<b>780 648</b>	<b>837 479</b>	<b>862 769</b>	<b>923 759</b>
YoY growth		0.4%	-2.1%	12.9%	4.2%	7.3%	3.0%	7.1%
Mail & Other	485 211	477 586	426 096	444 439	460 920	434 114	446 832	466 635
Express & Parcels	148 906	152 415	193 000	255 688	259 015	340 586	381 508	423 818
Financial Services & Retail	40 310	47 389	44 044	48 878	60 713	62 779	34 430	33 306
<b>Operating Costs</b>	<b>573 257</b>	<b>585 363</b>	<b>570 940</b>	<b>646 739</b>	<b>673 733</b>	<b>719 460</b>	<b>755 080</b>	<b>796 921</b>
YoY growth		2.1%	-2.5%	13.3%	4.2%	6.8%	5.0%	5.5%
Gross margin	15.0%	13.6%	13.9%	13.7%	13.7%	14.1%	12.5%	13.7%
Staff Costs	318 367	324 307	316 307	321 102	324 261	351 879	358 728	366 640
External supplies and services	232 896	234 825	224 576	293 014	298 674	346 988	377 423	410 884
Other costs	23 133	23 474	26 215	35 254	51 916	23 058	19 141	19 480
Impairments and provisions	2 143	5 726	6 064	(801)	808	232	1 739	1 894
Internal services rendered	(3 282)	(2 969)	(2 222)	(1 830)	(1 926)	(2 697)	(1 952)	(1 976)
<b>EBITDA</b>	<b>101 170</b>	<b>92 027</b>	<b>92 200</b>	<b>102 266</b>	<b>106 915</b>	<b>118 019</b>	<b>107 689</b>	<b>126 837</b>
EBITDA margin	15.0%	13.6%	13.9%	13.7%	13.7%	14.1%	12.5%	13.7%
YoY growth		-9.0%	0.2%	10.9%	4.5%	10.4%	-8.8%	17.8%
Depreciation	51 730	48 636	55 508	50 336	56 846	55 912	59 827	61 797
<b>EBIT</b>	<b>49 440</b>	<b>43 391</b>	<b>36 692</b>	<b>51 930</b>	<b>50 069</b>	<b>62 107</b>	<b>47 862</b>	<b>65 040</b>

<b>964 178</b>	<b>1 008 033</b>	<b>1 035 879</b>	<b>1 053 877</b>	<b>1 079 601</b>	<b>1 109 629</b>	<b>1 141 827</b>	<b>1 164 236</b>	<b>1 193 585</b>	<b>1 224 551</b>	<b>1 262 988</b>	<b>1 290 922</b>	<b>1 326 355</b>	<b>1 363 461</b>
4.4%	4.5%	2.8%	1.7%	2.4%	2.8%	2.9%	2.0%	2.5%	2.6%	3.1%	2.2%	2.7%	2.8%
460 357	453 283	452 312	440 258	437 209	433 942	436 041	426 890	423 378	420 054	422 738	413 472	410 311	407 287
470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268
33 416	33 489	33 533	33 919	34 824	34 797	34 915	35 162	35 430	35 726	36 058	36 382	36 624	36 905
<b>839 051</b>	<b>885 105</b>	<b>911 453</b>	<b>936 063</b>	<b>958 835</b>	<b>986 402</b>	<b>1 011 977</b>	<b>1 036 713</b>	<b>1 063 449</b>	<b>1 092 213</b>	<b>1 123 386</b>	<b>1 153 738</b>	<b>1 186 247</b>	<b>1 220 261</b>
5.3%	5.5%	3.0%	2.7%	2.4%	2.9%	2.6%	2.4%	2.6%	2.7%	2.9%	2.7%	2.8%	2.9%
13.0%	12.2%	12.0%	11.2%	11.2%	11.1%	11.4%	11.0%	10.9%	10.8%	11.1%	10.6%	10.6%	10.5%
376 074	387 069	393 870	400 080	404 437	409 608	414 429	419 578	424 980	430 706	436 771	443 157	449 912	457 018
442 608	477 297	496 649	514 817	533 171	555 347	575 887	595 125	616 178	638 939	663 741	687 230	712 799	739 335
20 434	20 515	20 596	20 746	20 664	20 783	20 908	21 157	21 304	21 471	21 623	21 821	22 015	22 215
2 060	2 237	2 313	2 389	2 454	2 537	2 602	2 669	2 940	3 049	3 169	3 301	3 446	3 609
(2 125)	(2 012)	(1 975)	(1 968)	(1 892)	(1 872)	(1 851)	(1 849)	(1 805)	(1 785)	(1 766)	(1 773)	(1 732)	(1 716)
<b>125 127</b>	<b>122 927</b>	<b>124 425</b>	<b>117 814</b>	<b>120 766</b>	<b>123 227</b>	<b>129 851</b>	<b>127 523</b>	<b>130 136</b>	<b>132 338</b>	<b>139 602</b>	<b>137 184</b>	<b>140 108</b>	<b>143 200</b>
13.0%	12.2%	12.0%	11.2%	11.2%	11.1%	11.4%	11.0%	10.9%	10.8%	11.1%	10.6%	10.6%	10.5%
-1.3%	-1.8%	-1.2%	-5.3%	-2.5%	2.0%	5.4%	-1.8%	2.0%	1.7%	5.5%	-1.7%	2.1%	2.2%
65 162	68 345	71 287	74 043	76 722	79 291	81 744	84 070	86 257	88 287	90 144	91 811	93 270	94 507
<b>59 964</b>	<b>54 582</b>	<b>53 139</b>	<b>43 771</b>	<b>44 044</b>	<b>43 936</b>	<b>48 107</b>	<b>43 453</b>	<b>43 880</b>	<b>44 051</b>	<b>49 458</b>	<b>45 373</b>	<b>46 838</b>	<b>48 693</b>

1.3.1. MAIL & OTHERS

<b>Revenues</b>	<b>485 211</b>	<b>477 586</b>	<b>426 096</b>	<b>444 439</b>	<b>460 920</b>	<b>434 114</b>	<b>446 832</b>	<b>466 635</b>
YoY growth		-1.6%	-10.8%	4.3%	3.7%	-5.8%	2.9%	4.4%
<b>Operating Costs</b>	<b>411 688</b>	<b>400 161</b>	<b>364 620</b>	<b>387 913</b>	<b>409 281</b>	<b>388 185</b>	<b>397 625</b>	<b>403 614</b>
YoY growth		-2.8%	-8.9%	6.4%	5.5%	-5.2%	2.4%	1.5%
Gross margin	15.2%	16.2%	14.4%	12.7%	11.2%	10.6%	11.0%	13.5%
Staff Costs	294 583	297 847	287 898	290 134	293 488	308 905	312 220	314 449
External supplies and services	106 583	102 265	67 908	89 165	92 692	81 792	83 726	87 437
Other costs	20 608	11 903	15 853	20 292	36 636	14 033	13 023	13 405
Impairments and provisions	(314)	583	3 041	(1 831)	(2 460)	(1 447)	-	-
Internal services rendered	(9 772)	(12 437)	(10 080)	(9 847)	(11 075)	(15 098)	(11 344)	(11 677)
<b>EBITDA</b>	<b>73 523</b>	<b>77 425</b>	<b>61 476</b>	<b>56 526</b>	<b>51 639</b>	<b>45 929</b>	<b>49 207</b>	<b>63 021</b>
EBITDA margin	15.2%	16.2%	14.4%	12.7%	11.2%	10.6%	11.0%	13.5%
YoY growth		5.3%	-20.6%	-8.1%	-8.6%	-11.1%	7.1%	28.1%
Depreciation	43 519	40 003	45 473	38 826	40 942	39 950	40 652	40 652
<b>EBIT</b>	<b>30 004</b>	<b>37 422</b>	<b>16 003</b>	<b>17 700</b>	<b>10 697</b>	<b>5 979</b>	<b>8 555</b>	<b>22 369</b>

<b>466 635</b>	<b>460 357</b>	<b>453 312</b>	<b>452 312</b>	<b>440 258</b>	<b>437 209</b>	<b>433 942</b>	<b>436 041</b>	<b>426 890</b>	<b>423 378</b>	<b>420 054</b>	<b>422 738</b>	<b>413 472</b>	<b>410 311</b>	<b>407 287</b>
4.4%	-1.3%	-1.5%	-0.2%	-2.7%	-0.7%	-0.7%	0.5%	-2.1%	-0.8%	-0.8%	0.6%	-2.2%	-0.8%	-0.7%
<b>403 614</b>	<b>405 630</b>	<b>408 287</b>	<b>410 479</b>	<b>409 807</b>	<b>409 059</b>	<b>408 304</b>	<b>408 555</b>	<b>406 718</b>	<b>405 895</b>	<b>405 128</b>	<b>405 489</b>	<b>403 633</b>	<b>402 875</b>	<b>402 166</b>
1.5%	0.5%	0.7%	0.5%	-0.2%	-0.2%	-0.2%	0.1%	-0.4%	-0.2%	-0.2%	0.1%	-0.5%	-0.2%	-0.2%
13.5%	11.9%	9.9%	9.2%	6.9%	6.4%	5.9%	6.3%	4.7%	4.1%	3.6%	4.1%	2.4%	1.8%	1.3%
314 449	317 565	321 571	323 972	325 563	325 433	325 302	325 172	325 042	324 912	324 782	324 652	324 522	324 393	324 263
87 437	86 261	84 935	84 753	82 494	81 923	81 311	81 704	79 990	79 331	78 709	79 212	77 475	76 883	76 316
13 405	13 999	13 811	13 598	13 569	13 208	13 116	13 018	13 081	12 807	12 701	12 602	12 682	12 404	12 309
(11 677)	(12 194)	(12 030)	(11 845)	(11 820)	(11 505)	(11 425)	(11 340)	(11 395)	(11 156)	(11 064)	(10 977)	(11 047)	(10 805)	(10 722)
<b>63 021</b>	<b>54 727</b>	<b>44 996</b>	<b>41 834</b>	<b>30 451</b>	<b>28 151</b>	<b>25 638</b>	<b>27 486</b>	<b>20 172</b>	<b>17 483</b>	<b>14 926</b>	<b>17 249</b>	<b>9 839</b>	<b>7 436</b>	<b>5 121</b>
13.5%	11.9%	9.9%	9.2%	6.9%	6.4%	5.9%	6.3%	4.7%	4.1%	3.6%	4.1%	2.4%	1.8%	1.3%
28.1%	-13.2%	-17.8%	-7.0%	-27.2%	-7.6%	-8.9%	7.2%	-26.6%	-13.3%	-14.6%	15.6%	-43.0%	-24.4%	-31.1%
40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652	40 652
<b>22 369</b>	<b>14 075</b>	<b>4 344</b>	<b>1 182</b>	<b>(10 200)</b>	<b>(12 501)</b>	<b>(15 014)</b>	<b>(13 166)</b>	<b>(20 480)</b>	<b>(23 169)</b>	<b>(25 726)</b>	<b>(23 402)</b>	<b>(30 813)</b>	<b>(33 216)</b>	<b>(35 531)</b>

1.3.2. EXPRESS & PARCELS

<b>Revenues</b>	<b>148 906</b>	<b>152 415</b>	<b>193 000</b>	<b>255 688</b>	<b>259 015</b>	<b>340 586</b>	<b>381 508</b>	<b>423 818</b>
YoY growth		2.4%	26.6%	32.5%	1.3%	31.5%	12.0%	11.1%
<b>Operating Costs</b>	<b>148 099</b>	<b>159 869</b>	<b>183 072</b>	<b>231 857</b>	<b>234 695</b>	<b>305 024</b>	<b>340 369</b>	<b>376 234</b>
YoY growth		7.9%	14.5%	26.6%	1.2%	30.0%	11.6%	10.5%
Gross margin	0.5%	-4.9%	5.1%	9.3%	9.4%	10.4%	10.8%	11.2%
Staff Costs	22 656	24 868	26 587	29 927	29 756	39 934	45 270	50 925
External supplies and services	122 940	129 332	154 005	201 373	203 822	263 008	291 957	321 742
Other costs	2 346	2 874	1 766	1 554	1 847	1 936	2 675	2 745
Impairments and provisions	2 457	5 143	3 023	1 030	1 228	1 672	1 739	1 894
Internal services rendered	(2 300)	(2 348)	(2 309)	(2 027)	(1 958)	(1 526)	(1 272)	(1 071)
<b>EBITDA</b>	<b>807</b>	<b>(7 454)</b>	<b>9 928</b>	<b>23 831</b>	<b>24 320</b>	<b>35 562</b>	<b>41 138</b>	<b>47 585</b>
EBITDA margin	0.5%	-4.9%	5.1%	9.3%	9.4%	10.4%	10.8%	11.2%
YoY growth		-1023.7%	-233.2%	140.0%	2.1%	46.2%	15.7%	15.7%
Depreciation	7 989	8 301	9 731	11 410	15 795	15 826	19 053	21 050
<b>EBIT</b>	<b>(7 182)</b>	<b>(15 755)</b>	<b>197</b>	<b>12 421</b>	<b>8 525</b>	<b>19 736</b>	<b>22 085</b>	<b>26 534</b>

423 818	470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268
11.1%	11.0%	10.8%	5.5%	5.4%	4.8%	5.5%	4.7%	4.7%	4.6%	4.6%	4.6%	4.6%	4.6%	4.5%
376 234	416 074	459 594	483 949	509 244	532 930	561 316	586 681	613 152	640 848	670 381	701 182	733 241	766 625	801 322
10.5%	10.6%	10.5%	5.3%	5.2%	4.7%	5.3%	4.5%	4.5%	4.5%	4.6%	4.6%	4.6%	4.6%	4.5%
11.2%	11.5%	11.8%	12.0%	12.2%	12.3%	12.4%	12.5%	12.7%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%
50 925	57 215	64 175	68 545	73 133	77 590	82 859	87 778	93 024	98 521	104 342	110 502	116 982	123 829	131 027
321 742	354 608	390 587	410 086	430 476	449 365	472 116	492 224	513 137	534 808	558 152	582 409	607 592	633 709	660 768
2 745	3 093	3 355	3 644	3 784	3 974	4 187	4 399	4 592	4 807	5 030	5 264	5 503	5 754	6 015
1 894	2 060	2 237	2 313	2 389	2 454	2 537	2 602	2 669	2 940	3 049	3 169	3 301	3 446	3 609
(1 071)	(902)	(760)	(640)	(539)	(454)	(382)	(322)	(271)	(228)	(192)	(162)	(136)	(115)	(97)
47 585	54 331	61 666	66 085	70 456	74 637	79 575	84 190	89 032	93 929	98 390	103 011	107 827	112 795	117 946
11.2%	11.5%	11.8%	12.0%	12.2%	12.3%	12.4%	12.5%	12.7%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%
15.7%	14.2%	13.5%	7.2%	6.6%	5.9%	6.6%	5.8%	5.8%	5.5%	4.7%	4.7%	4.7%	4.6%	4.6%
21 050	24 421	27 626	30 583	33 367	36 042	38 607	41 056	43 378	45 560	47 587	49 441	51 104	52 561	53 794
26 534	29 909	34 040	35 502	37 088	38 595	40 968	43 134	45 654	48 368	50 803	53 570	56 722	60 235	64 152

1.3.3. FINANCIAL SERVICES & RETAIL

<b>Revenues</b>	<b>40 310</b>	<b>47 389</b>	<b>44 044</b>	<b>48 878</b>	<b>60 713</b>	<b>62 779</b>	<b>34 430</b>	<b>33 306</b>
YoY growth	17.6%	-7.1%	11.0%	24.2%	3.4%	-45.2%	-3.3%	
<b>Operating Costs</b>	<b>13 470</b>	<b>25 333</b>	<b>23 248</b>	<b>26 969</b>	<b>29 757</b>	<b>26 251</b>	<b>17 086</b>	<b>17 074</b>
YoY growth	88.1%	-8.2%	16.0%	10.3%	-11.8%	-34.9%	-0.1%	
Gross margin	66.6%	46.5%	47.2%	44.8%	51.0%	58.2%	50.4%	48.7%
Staff Costs	1 128	1 592	1 822	1 041	1 017	3 040	1 238	1 266
External supplies and services	3 373	3 228	2 663	2 476	2 160	2 188	1 740	1 705
Other costs	179	8 697	8 596	13 408	13 433	7 089	3 443	3 331
Impairments and provisions	-	-	-	-	2 040	7	-	-
Internal services rendered	8 790	11 816	10 167	10 044	11 107	13 927	10 665	10 772
<b>EBITDA</b>	<b>26 840</b>	<b>22 056</b>	<b>20 796</b>	<b>21 909</b>	<b>30 956</b>	<b>36 528</b>	<b>17 344</b>	<b>16 232</b>
EBITDA margin	66.6%	46.5%	47.2%	44.8%	51.0%	58.2%	50.4%	48.7%
YoY growth	-	-17.8%	-5.7%	5.4%	41.3%	18.0%	-52.5%	-6.4%
Depreciation	222	332	304	100	109	136	122	95
<b>EBIT</b>	<b>26 618</b>	<b>21 724</b>	<b>20 492</b>	<b>21 809</b>	<b>30 847</b>	<b>36 392</b>	<b>17 222</b>	<b>16 137</b>

34 299	34 384	34 423	34 427	34 840	35 877	35 791	35 880	36 123	36 390	36 689	37 031	37 364	37 596	37 873
-3.7%	0.2%	0.1%	0.0%	1.2%	3.0%	-0.2%	0.2%	0.7%	0.7%	0.8%	0.9%	0.9%	0.6%	0.7%
17 173	17 444	17 318	17 116	17 104	16 951	16 881	16 837	16 939	16 802	16 800	16 813	16 962	16 844	16 869
-0.2%	1.6%	-0.7%	-1.2%	-0.1%	-0.9%	-0.4%	-0.3%	0.6%	-0.8%	0.0%	0.1%	0.9%	-0.7%	0.1%
49.9%	49.3%	49.7%	50.3%	50.9%	52.8%	52.8%	53.1%	53.1%	53.8%	54.2%	54.6%	54.6%	55.2%	55.5%
1 266	1 294	1 323	1 353	1 383	1 415	1 446	1 479	1 512	1 546	1 581	1 617	1 653	1 690	1 728
1 705	1 740	1 774	1 810	1 846	1 883	1 921	1 959	1 998	2 038	2 079	2 121	2 163	2 206	2 250
3 430	3 438	3 442	3 443	3 484	3 588	3 579	3 588	3 612	3 639	3 669	3 703	3 736	3 760	3 787
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 772	10 972	10 778	10 510	10 391	10 066	9 935	9 811	9 817	9 578	9 471	9 373	9 410	9 188	9 103
17 126	16 940	17 106	17 311	17 735	18 925	18 910	19 043	19 184	19 588	19 890	20 219	20 401	20 752	21 004
49.9%	49.3%	49.7%	50.3%	50.9%	52.8%	52.8%	53.1%	53.1%	53.8%	54.2%	54.6%	54.6%	55.2%	55.5%
-7.0%	-1.1%	1.0%	1.2%	2.5%	6.7%	-0.1%	0.7%	0.7%	2.1%	1.5%	1.7%	0.9%	1.7%	1.2%
96	91	68	53	24	29	33	37	41	45	49	53	56	59	63
17 030	16 849	17 037	17 257	17 711	18 896	18 877	19 006	19 143	19 543	19 840	20 166	20 345	20 692	20 941

1.3.4. BANCO CTT

<b>Revenues</b>	<b>33 608</b>	<b>79 483</b>	<b>82 103</b>	<b>98 867</b>	<b>125 978</b>	<b>147 739</b>	<b>190 875</b>	<b>250 374</b>
YoY growth	136.5%	3.3%	20.4%	27.4%	17.3%	29.2%	31.2%	
<b>Operating Costs</b>	<b>46 833</b>	<b>62 061</b>	<b>70 672</b>	<b>83 033</b>	<b>103 602</b>	<b>113 880</b>	<b>122 407</b>	<b>170 648</b>
YoY growth	32.5%	13.9%	17.5%	24.8%	9.9%	7.5%	39.4%	
Staff Costs	14 532	19 825	22 322	25 756	27 582	30 769	32 814	45 717
External supplies and services	24 753	29 840	29 523	34 364	39 227	44 480	45 260	61 598
Other costs	3 924	6 555	7 350	8 866	9 370	10 331	14 197	18 622
Impairments and provisions	342	2 872	9 255	12 216	25 497	25 603	28 184	42 734
Internal services rendered	3 282	2 969	2 222	1 831	1 926	2 697	1 952	1 976
<b>EBITDA</b>	<b>(13 225)</b>	<b>17 422</b>	<b>11 431</b>	<b>15 834</b>	<b>22 376</b>	<b>33 859</b>	<b>68 468</b>	<b>79 726</b>
EBITDA margin	-39.3%	21.9%	13.9%	16.0%	17.8%	22.9%	35.9%	31.8%
YoY growth	-231.7%	-34.4%	38.5%	41.3%	51.3%	102.2%	16.4%	
Depreciation	4 531	5 588	6 628	7 670	7 931	8 419	6 838	7 079
<b>EBIT</b>	<b>(8 694)</b>	<b>23 010</b>	<b>18 059</b>	<b>23 504</b>	<b>30 307</b>	<b>42 278</b>	<b>75 305</b>	<b>86 805</b>

250 374	314 325	326 022	315 439	322 814	340 593	356 660	365 153	378 354	381 203	396 227	410 466	420 799	431 573	434 188
31.2%	25.5%	3.7%	-3.2%	2.3%	5.5%	4.7%	2.4%	3.6%	0.8%	3.9%	3.6%	2.5%	2.6%	0.6%
170 648	189 771	206 327	195 341	199 698	208 774	216 856	218 778	224 663	223 507	235 649	241 305	246 972	252 907	255 652
39.4%	11.2%	8.7%	-5.3%	2.2%	4.5%	3.9%	0.9%	2.7%	-0.5%	5.4%	2.4%	2.3%	2.4%	1.1%
45 717	49 339	53 403	50 106	50 981	53 803	56 463	57 397	58 826	58 318	61 503	62 740	64 001	65 287	66 677
61 598	65 072	68 839	62 552	61 620	63 000	63 945	62 997	62 484	59 984	61 261	60 482	59 740	59 035	58 364
18 622	23 379	24 249	23 462	24 010	25 333	26 528	27 159	28 141	28 353	29 470	30 530	31 298	32 099	32 294
42 734	49 857	57 824	57 248	61 119	64 745	68 047	69 374	73 363	75 046	81 629	85 788	90 160	94 754	96 602
1 976	2 125	2 012	1 975	1 968	1 892	1 872	1 851	1 849	1 805	1 785	1 766	1 773	1 732	1 716
79 726	124 553	119 695	120 097	123 116	131 819	139 805	146 375	153 691	157 696	160 578	169 160	173 826	178 666	178 536
31.8%	39.6%	36.7%	38.1%	38.1%	38.7%	39.2%	40.1%	40.6%	41.4%	40.5%	41.2%	41.3%	41.4%	41.1%
16.4%	56.2%	-3.9%	0.3%	2.5%	7.1%	6.1%	4.7%	5.0%	2.6%	1.8%	5.3%	2.8%	2.8%	-0.1%
7 079	7 078	7 313	7 567	7 619	7 783	7 930	8 109	8 277	8 426	8 429	8 430	8 433	8 432	8 430
86 805	131 631	127 008	127 665	130 735	139 602	147 734	154 484	161 968	166 123	169 007	177 591	182 259	187 098	186 966

## 11.4. Forecasted Statements

### 11.4.1. Income Statement

#### 1. CTT

##### 1.1. CORE BUSINESS CTT

Revenues	708 034	740 285	745 242	847 871	906 625	985 219	1 053 644	1 174 132
YoY growth		4.6%	0.7%	13.8%	6.9%	8.7%	6.9%	11.4%
Mail & Other	498 747	477 586	426 096	444 438	460 920	434 113	446 832	466 635
Express & Parcels	148 906	152 415	193 000	255 688	259 014	340 586	381 508	423 818
Financial Services & Retail	26 774	47 387	44 043	48 878	60 713	62 780	34 430	33 306
Banco CTT	33 607	62 897	82 103	98 867	125 978	147 740	190 875	250 374
<b>Operating costs</b>	<b>620 090</b>	<b>647 424</b>	<b>641 612</b>	<b>729 772</b>	<b>777 335</b>	<b>833 340</b>	<b>877 487</b>	<b>967 569</b>
YoY growth		4.4%	-0.9%	13.7%	6.5%	7.2%	5.3%	10.3%
Gross margin	12.4%	12.5%	13.9%	13.9%	14.3%	15.4%	16.7%	17.6%
Staff costs	332 899	344 132	338 629	346 858	351 843	382 648	391 542	412 357
External supplies and services	257 649	264 665	254 099	327 378	337 901	391 468	422 683	472 482
Other costs	27 057	30 029	33 565	44 120	61 286	33 389	33 338	38 102
Impairment and provisions	2 485	8 598	15 319	11 415	26 305	25 835	29 924	44 628
Internal services rendered	-	-	-	1	-	-	-	-
<b>EBITDA</b>	<b>87 944</b>	<b>92 861</b>	<b>103 630</b>	<b>118 099</b>	<b>129 290</b>	<b>151 879</b>	<b>176 157</b>	<b>206 563</b>
YoY growth		5.6%	11.6%	14.0%	9.5%	17.5%	16.0%	17.3%
EBITDA margin	12.4%	12.5%	13.9%	13.9%	14.3%	15.4%	16.7%	17.6%
Depreciation/amortisation and impairment of investments, net	56 261	54 224	62 136	58 006	64 777	64 331	59 827	61 797
<b>Core Result Before Taxes</b>	<b>31 683</b>	<b>38 637</b>	<b>41 494</b>	<b>60 093</b>	<b>64 513</b>	<b>87 548</b>	<b>116 330</b>	<b>144 766</b>
EBIT margin	4.5%	5.2%	5.6%	7.1%	7.1%	8.9%	11.0%	12.3%
Statutory Taxes	6 653	8 114	8 714	12 620	13 548	18 385	31 657	39 396
Statutory Rate	21%	21%	21%	21%	21%	21%	27%	27%
<b>Core Result</b>	<b>25 030</b>	<b>30 523</b>	<b>32 780</b>	<b>47 473</b>	<b>50 965</b>	<b>69 163</b>	<b>84 672</b>	<b>105 370</b>
YoY growth		21.9%	7.4%	44.8%	7.4%	35.7%	22.4%	24.4%
Net margin	3.5%	4.1%	4.4%	5.6%	5.6%	7.0%	8.0%	9.0%

1 278 502	1 334 054	1 351 317	1 376 692	1 420 194	1 466 290	1 506 980	1 542 590	1 574 788	1 620 777	1 673 454	1 711 721	1 757 928	1 797 648
8.9%	4.3%	1.3%	1.9%	3.2%	3.2%	2.8%	2.4%	2.1%	2.9%	3.3%	2.3%	2.7%	2.3%
460 357	453 283	452 312	440 258	437 209	433 942	436 041	426 890	423 378	420 054	422 738	413 472	410 311	407 287
470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268
33 416	33 489	33 533	33 919	34 824	34 797	34 915	35 162	35 430	35 726	36 058	36 382	36 624	36 905
314 325	326 022	315 439	322 814	340 593	356 660	365 153	378 354	381 203	396 227	410 466	420 799	431 573	434 188
<b>1 028 823</b>	<b>1 091 432</b>	<b>1 106 795</b>	<b>1 135 761</b>	<b>1 167 608</b>	<b>1 203 258</b>	<b>1 230 754</b>	<b>1 261 376</b>	<b>1 286 956</b>	<b>1 327 862</b>	<b>1 364 692</b>	<b>1 400 711</b>	<b>1 439 154</b>	<b>1 475 913</b>
6.3%	6.1%	1.4%	2.6%	2.8%	3.1%	2.3%	2.5%	2.0%	3.2%	2.8%	2.6%	2.7%	2.6%
19.5%	18.2%	18.1%	17.5%	17.8%	17.9%	18.3%	18.2%	18.3%	18.1%	18.5%	18.2%	18.1%	17.9%
425 414	440 472	443 976	451 061	458 241	466 071	471 826	478 404	483 298	492 209	499 510	507 158	515 199	523 695
507 680	546 136	559 201	576 437	596 172	619 292	638 884	657 609	676 161	700 200	724 223	746 971	771 834	797 699
43 813	44 764	44 057	44 756	45 997	47 310	48 068	49 331	49 510	50 774	52 001	53 121	53 920	54 309
51 916	60 061	59 561	63 508	67 199	70 584	71 976	76 032	77 986	84 678	88 958	93 461	98 200	100 211
-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>249 680</b>	<b>242 622</b>	<b>244 522</b>	<b>240 930</b>	<b>252 585</b>	<b>263 032</b>	<b>276 225</b>	<b>281 213</b>	<b>287 833</b>	<b>292 915</b>	<b>308 762</b>	<b>311 010</b>	<b>318 774</b>	<b>321 735</b>
20.9%	-2.8%	0.8%	-1.5%	4.8%	4.1%	5.0%	1.8%	2.4%	1.8%	5.4%	0.7%	2.5%	0.9%
19.5%	18.2%	18.1%	17.5%	17.8%	17.9%	18.3%	18.2%	18.3%	18.1%	18.5%	18.2%	18.1%	17.9%
65 162	68 345	71 287	74 043	76 722	79 291	81 744	84 070	86 257	88 287	90 144	91 811	93 270	94 507
<b>184 518</b>	<b>174 277</b>	<b>173 236</b>	<b>166 887</b>	<b>175 863</b>	<b>183 741</b>	<b>194 482</b>	<b>197 143</b>	<b>201 576</b>	<b>204 629</b>	<b>218 618</b>	<b>219 199</b>	<b>225 504</b>	<b>227 229</b>
14.4%	13.1%	12.8%	12.1%	12.4%	12.5%	12.9%	12.8%	12.8%	12.6%	13.1%	12.8%	12.8%	12.6%
50 213	47 427	47 143	45 416	47 858	50 002	52 925	53 649	54 856	55 686	59 494	59 652	61 367	61 837
<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>
<b>134 304</b>	<b>126 850</b>	<b>126 092</b>	<b>121 471</b>	<b>128 005</b>	<b>133 739</b>	<b>141 556</b>	<b>143 494</b>	<b>146 720</b>	<b>148 942</b>	<b>159 125</b>	<b>159 548</b>	<b>164 137</b>	<b>165 392</b>
27.5%	-5.5%	-0.6%	-3.7%	5.4%	4.5%	5.8%	1.4%	2.2%	1.5%	6.8%	0.3%	2.9%	0.8%
10.5%	9.5%	9.3%	8.8%	9.0%	9.1%	9.4%	9.3%	9.3%	9.2%	9.5%	9.3%	9.3%	9.2%

## 2. CTT EX-BANK

## 2.1. CORE BUSINESS EX-BANK

Revenues	674 427	677 388	663 139	749 004	780 647	837 479	862 769	923 759
YoY growth		0.4%	-2.1%	12.9%	4.2%	7.3%	3.0%	7.1%
Mail & Other	498 747	477 586	426 096	444 438	460 920	434 113	446 832	466 635
Express & Parcels	148 906	152 415	193 000	255 688	259 014	340 586	381 508	423 818
Financial Services & Retail	26 774	47 387	44 043	48 878	60 713	62 780	34 430	33 306
<b>Operating costs</b>	<b>573 257</b>	<b>585 363</b>	<b>570 940</b>	<b>646 739</b>	<b>673 733</b>	<b>719 460</b>	<b>755 080</b>	<b>796 921</b>
YoY growth		2.1%	-2.5%	13.3%	4.2%	6.8%	5.0%	5.5%
Gross margin	15.0%	13.6%	13.9%	13.7%	13.7%	14.1%	12.5%	13.7%
Staff costs	318 367	324 307	316 307	321 102	324 261	351 879	358 728	366 640
External supplies and services	232 896	234 825	224 576	293 014	298 674	346 988	377 423	410 884
Other costs	23 133	23 474	26 215	35 254	51 916	23 058	19 141	19 480
Impairment and provisions	2 143	5 726	6 064	(801)	808	232	1 739	1 894
Internal services rendered	(3 282)	(2 969)	(2 222)	(1 830)	(1 926)	(2 697)	(1 952)	(1 976)
<b>EBITDA</b>	<b>101 170</b>	<b>92 025</b>	<b>92 199</b>	<b>102 265</b>	<b>106 914</b>	<b>118 019</b>	<b>107 689</b>	<b>126 837</b>
Mail & Other	73 523	77 425	61 476	56 526	51 639	45 929	49 207	63 021
Express & Parcels	807	(7 454)	9 928	23 831	24 320	35 562	41 138	47 585
Financial Services & Retail	26 840	22 056	20 796	21 909	30 956	36 528	17 344	16 232
YoY growth		-9.0%	0.2%	10.9%	4.5%	10.4%	-8.8%	17.8%
EBITDA margin	15.0%	13.6%	13.9%	13.7%	13.7%	14.1%	12.5%	13.7%
Depreciation/amortisation and impairment of investments, net	51 730	48 636	55 508	50 336	56 846	55 912	59 827	61 797
<b>Ex-Bank Result Before Taxes</b>	<b>49 440</b>	<b>43 389</b>	<b>36 691</b>	<b>51 929</b>	<b>50 068</b>	<b>62 107</b>	<b>47 862</b>	<b>65 040</b>
EBIT margin	7.3%	6.4%	5.5%	6.9%	6.4%	7.4%	5.5%	7.0%
Statutory Taxes	10 382	9 112	7 705	10 905	10 514	13 042	12 775	17 360
Statutory Rate	21%	21%	21%	21%	21%	21%	27%	27%
<b>Ex-Bank Result</b>	<b>39 058</b>	<b>34 277</b>	<b>28 986</b>	<b>41 024</b>	<b>39 554</b>	<b>49 065</b>	<b>35 087</b>	<b>47 680</b>
Mail & Other	23 703	29 563	12 642	13 983	8 451	4 723	6 759	17 671
Express & Parcels	(5 674)	(12 446)	156	9 813	6 735	15 591	17 447	20 962
Financial Services & Retail	21 028	17 162	16 189	17 229	24 369	28 750	13 605	12 748
YoY growth		-12.2%	-15.4%	41.5%	-3.6%	24.0%	-28.5%	35.9%
Net margin	5.8%	5.1%	4.4%	5.5%	5.1%	5.9%	4.1%	5.2%

## 2.1. FINANCING EX-BANK

<b>Financial Result Before Taxes</b>	<b>(4 393)</b>	<b>(4 889)</b>	<b>(5 131)</b>	<b>(4 876)</b>	<b>(5 262)</b>	<b>(9 560)</b>	<b>(6 924)</b>	<b>(2 766)</b>
% Net debt	3.6%	2.9%	2.6%	2.6%	3.1%	4.2%	3.0%	3.0%
Statutory Taxes	(922)	(1 027)	(1 078)	(1 024)	(1 105)	(2 007)	(1 884)	(753)
Statutory Rate	21%	21%	21%	21%	21%	21%	27%	27%
Non-controlling interests	19	51	81	269	763	298	126	134
% Revenues	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
<b>Ex-Bank Financial Result</b>	<b>(3 489)</b>	<b>(3 913)</b>	<b>(4 135)</b>	<b>(4 120)</b>	<b>(4 920)</b>	<b>(7 850)</b>	<b>(5 165)</b>	<b>(2 148)</b>
YoY growth		12.2%	5.7%	-0.4%	19.4%	59.5%	-34.2%	-58.4%

## 2.3. NON-CORE BUSINESS CTT

IFRS 16 (impact on EBITDA)	32 300	26 873	-	-	-	-	2 985	-
Interest expenses	5 271	5 437	4 467	3 586	3 895	7 210	1.9%	0.0%
% Employee benefits	2.2%	2.0%	1.7%	1.4%	2.1%	4.8%		
Interest income	49	64	20	25	30	631	57	-
Gains/(losses) in subsidiary, associated companies and joint ventu	(796)	(1 401)	(1 742)	(2 557)	(187)	-	-	-
(-) Specific Items	18 389	18 226	6 985	(1 779)	8 387	9 773	4 089	-
<b>Non-core Result Before Taxes and OCI</b>	<b>7 892</b>	<b>1 873</b>	<b>(13 174)</b>	<b>(4 339)</b>	<b>(12 439)</b>	<b>(16 352)</b>	<b>(7 017)</b>	-
Statutory Taxes	1 657	393	(2 767)	(911)	(2 612)	(3 434)	(1 909)	-
Statutory Rate	21%	21%	21%	21%	21%	21%	27%	27%
Tax Adjustments	6 242	(1 218)	1 503	1 547	562	(11 827)	-	-
OCI adjustments	1 587	(18 868)	2 094	3 324	51 652	(3 761)	-	-
<b>Non-core Result</b>	<b>1 579</b>	<b>(16 171)</b>	<b>(9 816)</b>	<b>(1 650)</b>	<b>41 263</b>	<b>(4 852)</b>	<b>(5 107)</b>	-
YoY growth		-1123.8%	-39.3%	-83.2%	-2600.5%	-111.8%		
<b>TOTAL COMPREHENSIVE INCOME FOR CTT EX-BANK</b>	<b>37 148</b>	<b>14 193</b>	<b>15 034</b>	<b>35 253</b>	<b>75 897</b>	<b>36 363</b>	<b>24 815</b>	<b>45 532</b>

<b>964 178</b>	<b>1 008 033</b>	<b>1 035 879</b>	<b>1 053 877</b>	<b>1 079 601</b>	<b>1 109 629</b>	<b>1 141 827</b>	<b>1 164 236</b>	<b>1 193 585</b>	<b>1 224 551</b>	<b>1 262 988</b>	<b>1 290 922</b>	<b>1 326 355</b>	<b>1 363 461</b>	
4.4%	4.5%	2.8%	1.7%	2.4%	2.8%	2.9%	2.0%	2.5%	2.6%	3.1%	2.2%	2.7%	2.8%	
460 357	453 283	452 312	440 258	437 209	433 942	436 041	426 890	423 378	420 054	422 738	413 472	410 311	407 287	
470 405	521 260	550 033	579 700	607 568	640 891	670 871	702 184	734 777	768 771	804 193	841 068	879 420	919 268	
33 416	33 489	33 533	33 919	34 824	34 797	34 915	35 162	35 430	35 726	36 058	36 382	36 624	36 905	
<b>839 051</b>	<b>885 105</b>	<b>911 453</b>	<b>936 063</b>	<b>958 835</b>	<b>986 402</b>	<b>1 011 977</b>	<b>1 036 713</b>	<b>1 063 449</b>	<b>1 092 213</b>	<b>1 123 386</b>	<b>1 153 738</b>	<b>1 186 247</b>	<b>1 220 261</b>	
5.3%	5.5%	3.0%	2.7%	2.4%	2.9%	2.6%	2.4%	2.6%	2.7%	2.9%	2.7%	2.8%	2.9%	
13.0%	12.2%	12.0%	11.2%	11.2%	11.1%	11.4%	11.0%	10.9%	10.8%	11.1%	10.6%	10.6%	10.5%	
376 074	387 069	393 870	400 080	404 437	409 608	414 429	419 578	424 980	430 706	436 771	443 157	449 912	457 018	
442 608	477 297	496 649	514 817	533 171	555 347	575 887	595 125	616 178	638 939	663 741	687 230	712 799	739 335	
20 434	20 515	20 596	20 746	20 664	20 783	20 908	21 190	21 157	21 304	21 471	21 823	21 821	22 015	
2 060	2 237	2 313	2 389	2 454	2 537	2 602	2 669	2 940	3 049	3 169	3 301	3 446	3 609	
(2 125)	(2 012)	(1 975)	(1 968)	(1 892)	(1 872)	(1 851)	(1 849)	(1 805)	(1 785)	(1 766)	(1 773)	(1 732)	(1 716)	
<b>125 127</b>	<b>122 927</b>	<b>124 425</b>	<b>117 814</b>	<b>120 766</b>	<b>123 227</b>	<b>129 851</b>	<b>127 523</b>	<b>130 136</b>	<b>132 338</b>	<b>139 602</b>	<b>137 184</b>	<b>140 108</b>	<b>143 200</b>	
54 727	44 996	41 834	30 451	28 151	25 638	27 486	20 172	17 483	14 926	17 249	9 839	7 436	5 121	
54 331	61 666	66 085	70 456	74 637	79 575	84 190	89 032	93 929	98 390	103 011	107 827	112 795	117 946	
16 069	16 265	16 507	16 907	17 978	18 015	18 174	18 319	18 724	19 022	19 342	19 518	19 877	20 133	
-1.3%	-1.8%	1.2%	-5.3%	2.5%	2.0%	5.4%	-1.8%	2.0%	1.7%	5.5%	-1.7%	2.1%	2.2%	
13.0%	12.2%	12.0%	11.2%	11.2%	11.1%	11.4%	11.0%	10.9%	10.8%	11.1%	10.6%	10.6%	10.5%	
65 162	68 345	71 287	74 043	76 722	79 291	81 744	84 070	86 257	88 287	90 144	91 811	93 270	94 507	
<b>59 964</b>	<b>54 582</b>	<b>53 139</b>	<b>43 771</b>	<b>44 044</b>	<b>43 936</b>	<b>48 107</b>	<b>43 453</b>	<b>43 880</b>	<b>44 051</b>	<b>49 458</b>	<b>45 373</b>	<b>46 838</b>	<b>48 693</b>	
6.2%	5.4%	5.1%	4.2%	4.1%	4.0%	4.2%	3.7%	3.7%	3.6%	3.9%	3.5%	3.5%	3.6%	
16 005	14 558	14 185	11 677	11 742	11 700	12 797	11 544	11 643	11 674	13 092	11 995	12 367	12 842	
<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>	
<b>43 959</b>	<b>40 024</b>	<b>38 953</b>	<b>32 094</b>	<b>32 302</b>	<b>32 236</b>	<b>35 310</b>	<b>31 909</b>	<b>32 237</b>	<b>32 377</b>	<b>36 366</b>	<b>33 378</b>	<b>34 471</b>	<b>35 851</b>	
11 119	3 185	866	(7 478)	(9 167)	(11 006)	(9 653)	(15 020)	(16 999)	(18 883)	(17 185)	(22 637)	(24 414)	(26 125)	
23 628	24 954	26 026	27 189	28 301	30 032	31 627	33 483	35 488	37 288	39 339	41 672	44 272	47 170	
12 624	11 874	12 063	12 377	13 163	13 182	13 299	13 406	13 705	13 927	14 166	14 299	14 567	14 758	
-7.8%	-9.0%	-2.7%	-17.6%	0.6%	-0.2%	9.5%	-9.6%	1.0%	0.4%	12.3%	-8.2%	3.3%	4.0%	
4.6%	4.0%	3.8%	3.0%	3.0%	2.9%	3.1%	2.7%	2.7%	2.6%	2.9%	2.6%	2.6%	2.6%	
<b>(2 989)</b>	<b>(3 097)</b>	<b>(3 145)</b>	<b>(3 360)</b>	<b>(3 486)</b>	<b>(3 487)</b>	<b>(3 858)</b>	<b>(4 134)</b>	<b>(4 461)</b>	<b>(4 778)</b>	<b>(5 055)</b>	<b>(5 288)</b>	<b>(5 525)</b>	<b>(5 797)</b>	
<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	
(813)	(843)	(856)	(914)	(949)	(949)	(1 050)	(1 125)	(1 214)	(1 300)	(1 376)	(1 439)	(1 504)	(1 578)	
<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	
140	147	151	153	157	161	166	169	174	178	184	188	193	198	
<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>(2 316)</b>	<b>(2 401)</b>	<b>(2 440)</b>	<b>(2 599)</b>	<b>(2 694)</b>	<b>(2 699)</b>	<b>(2 974)</b>	<b>(3 179)</b>	<b>(3 421)</b>	<b>(3 656)</b>	<b>(3 863)</b>	<b>(4 037)</b>	<b>(4 215)</b>	<b>(4 418)</b>	
7.8%	3.7%	1.6%	6.5%	3.7%	0.2%	10.2%	6.9%	7.6%	6.9%	5.7%	4.5%	4.4%	4.8%	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>41 644</b>	<b>37 623</b>	<b>36 513</b>	<b>29 495</b>	<b>29 608</b>	<b>29 536</b>	<b>32 336</b>	<b>28 730</b>	<b>28 816</b>	<b>28 721</b>	<b>32 503</b>	<b>29 341</b>	<b>30 256</b>	<b>31 433</b>	

## 3. BANCO CTT

## 3.1. INCOME STATEMENT

Revenues	33 607	62 897	82 103	98 867	125 978	147 740	190 875	250 374
YoY growth		87.2%	30.5%	20.4%	27.4%	17.3%	29.2%	31.2%
<b>Operating costs</b>	<b>46 833</b>	<b>62 061</b>	<b>70 672</b>	<b>83 033</b>	<b>103 602</b>	<b>113 880</b>	<b>122 407</b>	<b>170 648</b>
YoY growth		32.5%	13.9%	17.5%	24.8%	9.9%	7.5%	39.4%
Gross margin	-39.4%	1.3%	13.9%	16.0%	17.8%	22.9%	35.9%	31.8%
Staff costs	14 532	19 825	22 322	25 756	27 582	30 769	32 814	45 717
External supplies and services	24 753	29 840	29 523	34 364	39 227	44 480	45 260	61 598
Other costs	3 924	6 555	7 350	8 866	9 370	10 331	14 197	18 622
Impairment and provisions	342	2 872	9 255	12 216	25 497	25 603	28 184	42 734
Internal services rendered	3 282	2 969	2 222	1 831	1 926	2 697	1 952	1 976
<b>EBITDA</b>	<b>(13 226)</b>	<b>836</b>	<b>11 431</b>	<b>15 834</b>	<b>22 376</b>	<b>33 860</b>	<b>68 468</b>	<b>79 726</b>
YoY growth		-106.3%	1267.3%	38.5%	41.3%	51.3%	102.2%	16.4%
EBITDA margin	-39.4%	1.3%	13.9%	16.0%	17.8%	22.9%	35.9%	31.8%
Depreciation/amortisation and impairment of investments, net	4 531	5 588	6 628	7 670	7 931	8 419	6 838	7 079
<b>EBIT</b>	<b>(17 757)</b>	<b>(4 752)</b>	<b>4 803</b>	<b>8 164</b>	<b>14 445</b>	<b>25 441</b>	<b>61 630</b>	<b>72 648</b>
EBIT margin	-52.8%	-7.6%	5.8%	8.3%	11.5%	17.2%	32.3%	29.0%
Financial result	(41)	(96)	(62)	(71)	(99)	(101)	(136)	(150)
% Lease liabilities	4.3%	4.4%	2.8%	2.7%	2.5%	3.0%	3.3%	3.3%
<b>EBT</b>	<b>(17 798)</b>	<b>(4 848)</b>	<b>4 741</b>	<b>8 093</b>	<b>14 346</b>	<b>25 340</b>	<b>61 494</b>	<b>72 498</b>
Statutory Taxes	(3 738)	(1 018)	996	1 700	3 013	5 321	16 735	19 729
Statutory Rate	21%	21%	21%	21%	21%	21%	27%	27%
<b>NET INCOME FOR BANCO CTT</b>	<b>(14 060)</b>	<b>(3 830)</b>	<b>3 745</b>	<b>6 394</b>	<b>11 333</b>	<b>20 019</b>	<b>44 759</b>	<b>52 769</b>
YoY growth		-72.8%	-197.8%	70.7%	77.3%	76.6%	123.6%	17.9%
Net margin	-41.8%	-6.1%	4.6%	6.5%	9.0%	13.6%	23.4%	21.1%

314 325	326 022	315 439	322 814	340 593	356 660	365 153	378 354	381 203	396 227	410 466	420 799	431 573	434 188
25.5%	3.7%	-3.2%	2.3%	5.5%	4.7%	2.4%	3.6%	0.8%	3.9%	3.6%	2.5%	2.6%	0.6%
<b>189 771</b>	<b>206 327</b>	<b>195 341</b>	<b>199 698</b>	<b>208 774</b>	<b>216 856</b>	<b>218 778</b>	<b>224 663</b>	<b>223 507</b>	<b>235 649</b>	<b>241 305</b>	<b>246 972</b>	<b>252 907</b>	<b>255 652</b>
11.2%	8.7%	-5.3%	2.2%	4.5%	3.9%	0.9%	2.7%	-0.5%	5.4%	2.4%	2.3%	2.4%	1.1%
39.6%	36.7%	38.1%	38.1%	38.7%	39.2%	40.1%	40.6%	41.4%	40.5%	41.2%	41.3%	41.4%	41.1%
49 339	53 403	50 106	50 981	53 803	56 463	57 397	58 826	58 318	61 503	62 740	64 001	65 287	66 677
65 072	68 839	62 552	61 620	63 000	63 945	62 997	62 484	59 984	61 261	60 482	59 740	59 035	58 364
23 379	24 249	23 462	24 010	25 333	26 528	27 159	28 141	28 353	29 470	30 530	31 298	32 099	32 294
49 857	57 824	57 248	61 119	64 745	68 047	69 374	73 363	75 046	81 629	85 788	90 160	94 754	96 602
2 125	2 012	1 975	1 968	1 892	1 872	1 851	1 849	1 805	1 785	1 766	1 773	1 732	1 716
<b>124 553</b>	<b>119 695</b>	<b>120 097</b>	<b>123 116</b>	<b>131 819</b>	<b>139 805</b>	<b>146 375</b>	<b>153 691</b>	<b>157 696</b>	<b>160 578</b>	<b>169 160</b>	<b>173 826</b>	<b>178 666</b>	<b>178 536</b>
56.2%	-3.9%	0.3%	2.5%	7.1%	6.1%	4.7%	5.0%	2.6%	1.8%	5.3%	2.8%	2.8%	-0.1%
39.6%	36.7%	38.1%	38.1%	38.7%	39.2%	40.1%	40.6%	41.4%	40.5%	41.2%	41.3%	41.4%	41.1%
7 078	7 313	7 567	7 619	7 783	7 930	8 109	8 277	8 426	8 429	8 430	8 433	8 432	8 430
<b>117 475</b>	<b>112 381</b>	<b>112 530</b>	<b>115 497</b>	<b>124 036</b>	<b>131 875</b>	<b>138 265</b>	<b>145 413</b>	<b>149 270</b>	<b>152 149</b>	<b>160 730</b>	<b>165 393</b>	<b>170 234</b>	<b>170 105</b>
37.4%	34.5%	35.7%	35.8%	36.4%	37.0%	37.9%	38.4%	39.2%	38.4%	39.2%	39.3%	39.4%	39.2%
(167)	(183)	(197)	(213)	(230)	(247)	(264)	(281)	(299)	(316)	(334)	(352)	(369)	(387)
3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
<b>117 308</b>	<b>112 198</b>	<b>112 333</b>	<b>115 284</b>	<b>123 806</b>	<b>131 628</b>	<b>138 002</b>	<b>145 132</b>	<b>148 971</b>	<b>151 832</b>	<b>160 396</b>	<b>165 041</b>	<b>169 864</b>	<b>169 718</b>
31 923	30 533	30 570	31 373	33 692	35 820	37 555	39 495	40 540	41 319	43 649	44 913	46 226	46 186
27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%
<b>85 384</b>	<b>81 665</b>	<b>81 763</b>	<b>83 911</b>	<b>90 114</b>	<b>95 808</b>	<b>100 447</b>	<b>105 637</b>	<b>108 431</b>	<b>110 514</b>	<b>116 747</b>	<b>120 128</b>	<b>123 638</b>	<b>123 532</b>
61.8%	-4.4%	0.1%	2.6%	7.4%	6.3%	4.8%	5.2%	2.6%	1.9%	5.6%	2.9%	2.9%	-0.1%
27.2%	25.0%	25.9%	26.0%	26.5%	26.9%	27.5%	27.9%	28.4%	27.9%	28.4%	28.5%	28.6%	28.5%

## 11.4.2. Invested Capital

### 1.1. CORE INVESTED CAPITAL EX-BANK

	745 645	746 901	790 041	756 179	859 919	791 397	688 557	693 190	733 221	717 578	746 150
<b>Core assets</b>	<b>310 836</b>	<b>311 772</b>	<b>336 919</b>	<b>356 586</b>	<b>367 389</b>	<b>368 594</b>	<b>370 146</b>	<b>384 816</b>	<b>403 825</b>	<b>373 077</b>	<b>389 433</b>
<b>Core non-current assets</b>	<b>263 120</b>	<b>260 238</b>	<b>291 838</b>	<b>292 060</b>	<b>297 753</b>	<b>291 406</b>	<b>294 497</b>	<b>307 988</b>	<b>327 309</b>	<b>307 111</b>	<b>321 066</b>
Tangible fixed assets	31 732	34 330	29 138	36 579	43 700	45 223	44 370	47 994	48 984	35 236	36 943
Intangible assets	9 117	9 117	9 117	20 387	19 172	19 578	19 172	19 578	19 578	19 578	19 578
Goodwill	6 237	7 612	7 005	7 407	7 367	10 436	10 466	7 569	6 219	9 036	9 674
Deferred tax assets	0.9%	1.1%	1.1%	1.0%	0.9%	1.2%				1.0%	1.0%
% Revenues											
Other core assets	629	474	(179)	153	(603)	1 652	1 641	1 687	1 735	2 116	2 171
Advances to staff	243	196	300	341	2	-	-	-	-	-	-
Other receivables from staff	2 369	2 378	2 060	2 561	2 302	2 032	2 020	2 072	2 139	2 519	2 575
% Staff costs	0.7%	0.7%	0.7%	0.8%	0.7%	0.6%				0.7%	0.7%
Impairments	(1 983)	(2 100)	(2 539)	(2 749)	(2 907)	(380)	(380)	(385)	(404)	(404)	(404)
<b>Core current assets</b>	<b>434 809</b>	<b>435 129</b>	<b>453 122</b>	<b>399 593</b>	<b>492 530</b>	<b>422 802</b>	<b>318 411</b>	<b>308 374</b>	<b>329 396</b>	<b>344 502</b>	<b>356 717</b>
Inventories	5 568	5 860	6 602	6 872	8 041	6 663	6 413	7 116	7 707	7 807	8 359
% Revenues	0.8%	0.9%	1.0%	0.9%	1.0%	0.8%				0.9%	0.9%
Accounts receivable	135 855	146 472	153 616	160 930	147 131	153 062	201 167	184 835	205 889	177 646	190 204
% Revenues	20.1%	21.6%	23.2%	21.5%	18.8%	18.3%				20.6%	20.6%
Core prepayments	6 399	6 884	6 070	8 078	8 305	9 147	11 308	13 607	12 998	10 414	11 338
% External supplies and services	2.7%	2.9%	2.7%	2.8%	2.8%	2.6%				2.8%	2.8%
Other core assets	12 009	10 091	9 077	19 038	21 205	27 607	31 641	34 651	34 285	37 836	34 967
Advances to suppliers	325	273	316	227	227	229	266	301	293	387	422
% External supplies and services	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%				0.1%	0.1%
Advances to staff (current)	3 676	3 525	3 931	3 415	3 799	4 449	5 082	5 613	5 488	4 175	4 267
% Staff costs	1.2%	1.1%	1.2%	1.1%	1.2%	1.3%				1.2%	1.2%
Postal financial services	5 839	4 416	9 120	10 864	1 717	4 837	5 547	6 062	6 013	7 559	4 356
% Savings & Insurance (FS & Retail) avg 2-years	19.3%	19.3%	36.4%	46.1%	5.9%	12.2%				24.0%	24.0%
Debtors by accrued revenues	5 090	7 217	3 202	10 549	8 713	4 733	5 428	5 932	5 884	7 625	4 732
% Savings & Insurance (FS & Retail) and Philately avg 2-years revenues	23.8%	23.8%	10.3%	36.3%	25.6%	10.8%				21.3%	21.3%
Amounts collected on CTT behalf	1 480	561	56	542	568	1 936	2 220	2 426	2 406	1 065	1 184
% Revenues Express & Parcels	1.0%	0.4%	0.0%	0.2%	0.2%	0.6%				0.3%	0.3%
Payshop agents	407	350	346	275	262	308	354	387	383	328	328
% Payshop agents	8.9%	7.3%	6.7%	5.2%	5.0%	6.1%				6.5%	6.5%
Collections	2 040	1 388	1 424	1 691	15 030	15 082	17 295	18 903	18 750	19 516	21 680
% Revenues Express & Parcels	1.4%	0.9%	0.7%	0.7%	5.8%	5.8%				5.1%	5.1%
Customs	669	705	736	1 800	2 437	4 725	5 418	5 922	5 874	6 104	7 205
% Revenues Express & Parcels	0.4%	0.5%	0.4%	0.7%	0.9%	1.4%				1.6%	1.7%
Automatic payment terminals	-	-	-	-	-	2 958	3 391	3 706	3 676	3 697	3 771
YoY growth										25.0%	2.0%
Impairments	(7 517)	(8 342)	(10 053)	(10 326)	(11 548)	(11 649)	(13 359)	(14 601)	(14 482)	(12 622)	(12 978)
% Accounts receivable	-5.5%	-5.7%	-6.5%	-6.4%	-7.8%	-7.6%				-7.1%	-6.8%
Operating cash	274 978	265 821	277 756	204 675	307 847	226 323	67 881	68 165	68 518	110 798	111 850
E&P operating cash	2 978	3 048	3 860	5 114	5 180	6 812				7 630	8 476
% Revenues	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%				2.0%	2.0%
Mail & FS&R operating cash (unallocated)	271 999	262 773	273 896	199 561	302 667	219 512				103 167	103 373
% Revenues	10.1%	6.6%	7.1%	4.5%	3.7%	1.7%				2.7%	2.7%
<b>Core liabilities</b>	<b>394 006</b>	<b>456 221</b>	<b>458 118</b>	<b>449 692</b>	<b>619 852</b>	<b>495 887</b>	<b>477 710</b>	<b>531 506</b>	<b>521 321</b>	<b>540 260</b>	<b>539 663</b>
<b>Core non-current liabilities</b>	<b>25</b>	<b>20</b>	<b>52</b>	<b>43</b>	<b>588</b>	<b>481</b>	<b>465</b>	<b>444</b>	<b>419</b>	<b>507</b>	<b>530</b>
Deferred tax liabilities	25	20	52	43	588	481	465	444	419	507	530
% Tangible fixed assets	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%				0.2%	0.2%
<b>Core current liabilities</b>	<b>393 980</b>	<b>456 201</b>	<b>458 066</b>	<b>449 649</b>	<b>619 264</b>	<b>495 405</b>	<b>477 245</b>	<b>531 062</b>	<b>520 903</b>	<b>539 753</b>	<b>539 132</b>
Accounts payable	322 276	373 791	375 563	350 304	525 212	373 961	356 266	410 462	400 600	415 079	410 115
Postal financial services	115 409	153 140	154 325	156 372	360 890	80 228	48 255	56 188	57 930	152 013	152 316
% Savings gross	4.3%	3.9%	4.0%	3.5%	4.4%	0.6%				4.0%	4.0%
CNP Money Orders	85 602	87 890	88 917	51 157	-	106 269	57 561	110 443	79 075	87 469	72 472
Other accounts payable	121 266	132 761	132 322	142 776	164 321	187 464	250 450	243 831	263 595	175 597	185 327
% Operating costs	21.2%	22.7%	23.2%	22.1%	24.4%	26.1%				23.3%	23.3%
Core prepayments	2 708	3 454	3 412	3 452	3 678	5 110	5 488	5 465	5 268	4 268	4 570
% Revenues	0.4%	0.5%	0.5%	0.5%	0.5%	0.6%				0.5%	0.5%
Other core liabilities	68 996	78 956	79 091	95 893	90 374	116 334	115 491	115 135	115 035	120 406	124 448
Estimated holiday pay, holiday subsidy and other remun	41 436	42 820	42 500	43 991	45 349	50 549	49 672	48 860	48 880	48 850	49 928
% Staff costs	13.0%	13.2%	13.4%	13.7%	14.0%	14.4%				13.6%	13.6%
Estimated supplies and external services	27 560	36 136	36 591	51 902	45 025	65 785	65 819	66 275	66 155	71 555	74 520
% External supplies and services	11.8%	15.4%	16.3%	17.7%	15.1%	19.0%				19.0%	18.1%
<b>CTT EX-BANK CORE INVESTED CAPITAL</b>	<b>351 639</b>	<b>290 680</b>	<b>331 923</b>	<b>306 487</b>	<b>240 067</b>	<b>295 510</b>	<b>210 848</b>	<b>161 684</b>	<b>211 900</b>	<b>177 318</b>	<b>206 487</b>

777 198	806 441	828 950	848 922	869 842	891 771	913 215	932 015	951 745	971 201	991 562	1 008 827	1 026 857	1 044 316
404 819	419 124	432 451	445 190	457 487	469 292	480 528	491 012	500 843	509 890	518 131	525 300	531 514	536 645
333 121	344 291	355 838	368 222	378 730	388 640	398 211	407 407	416 017	423 686	430 576	436 653	441 826	446 000
39 786	42 383	43 824	43 947	45 436	46 980	48 274	49 291	50 167	51 180	52 086	52 842	53 463	53 982
19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578	19 578
10 098	10 557	10 848	11 037	11 306	11 621	11 958	12 193	12 500	12 824	13 227	13 519	13 891	14 279
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2 237	2 315	2 362	2 406	2 437	2 473	2 507	2 543	2 581	2 621	2 664	2 709	2 756	2 806
-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 641	2 718	2 766	2 810	2 840	2 877	2 910	2 947	2 985	3 025	3 067	3 112	3 160	3 210
0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)	(404)
372 379	387 317	396 499	403 732	412 356	422 479	432 686	441 003	450 902	461 312	473 431	483 527	495 343	507 671
8 725	9 122	9 374	9 537	9 769	10 041	10 333	10 535	10 801	11 081	11 429	11 682	12 002	12 338
0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
198 526	207 556	213 290	216 996	222 292	228 475	235 105	239 719	245 762	252 138	260 052	265 804	273 100	280 740
20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%
12 213	13 170	13 704	14 206	14 712	15 324	15 891	16 422	17 003	17 631	18 315	18 963	19 669	20 401
2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
39 927	43 257	45 137	47 199	49 022	51 204	53 116	55 250	57 397	59 633	61 888	64 382	66 899	69 510
454	490	510	528	547	570	591	611	632	656	681	705	731	759
0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
4 377	4 505	4 584	4 657	4 707	4 767	4 824	4 883	4 946	5 013	5 084	5 158	5 237	5 319
1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
4 364	4 373	4 382	4 391	4 399	4 408	4 417	4 426	4 435	4 443	4 452	4 461	4 470	4 479
24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%
4 717	4 686	4 656	4 628	4 606	4 590	4 574	4 559	4 545	4 532	4 520	4 508	4 497	4 487
21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%	21.3%
1 314	1 456	1 536	1 619	1 697	1 790	1 874	1 961	2 052	2 147	2 246	2 349	2 456	2 567
0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
328	328	328	328	328	328	328	328	328	328	328	328	328	328
6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
24 064	26 665	28 137	29 655	31 080	32 785	34 319	35 920	37 588	39 327	41 139	43 025	44 987	47 025
5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
8 467	9 383	9 901	10 435	10 936	11 536	12 076	12 639	13 226	13 838	14 475	15 139	15 830	16 547
1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
3 847	3 924	4 002	4 082	4 164	4 247	4 332	4 419	4 507	4 597	4 689	4 783	4 879	4 976
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
(12 005)	(12 551)	(12 898)	(13 122)	(13 442)	(13 816)	(14 217)	(14 496)	(14 862)	(15 247)	(15 726)	(16 074)	(16 515)	(16 977)
-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
112 987	114 211	114 993	115 794	116 559	117 434	118 242	119 078	119 939	120 829	121 747	122 696	123 674	124 682
9 408	10 425	11 001	11 594	12 151	12 818	13 417	14 044	14 696	15 375	16 084	16 821	17 588	18 385
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
103 579	103 786	103 993	104 200	104 408	104 616	104 825	105 034	105 243	105 453	105 663	105 874	106 085	106 297
2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
551 664	564 367	568 548	580 416	599 264	606 154	614 368	624 014	634 707	646 537	659 797	672 468	684 766	698 120
550	569	588	608	626	642	658	673	687	700	711	721	730	737
550	569	588	608	626	642	658	673	687	700	711	721	730	737
0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
551 114	563 798	567 960	579 808	598 638	605 512	613 710	623 341	634 020	645 837	659 086	671 747	684 036	697 383
418 340	426 884	430 347	438 375	453 570	456 071	460 192	465 956	472 412	479 682	487 977	495 901	503 035	511 018
152 620	152 924	153 229	153 535	153 841	154 148	154 455	154 763	155 072	155 381	155 691	156 001	156 312	156 624
4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
70 596	68 126	65 156	67 155	76 749	72 532	70 398	70 102	70 031	70 303	71 039	71 593	70 857	70 618
195 124	205 834	211 962	217 685	222 981	229 391	235 339	241 091	247 309	253 998	261 248	268 306	275 866	283 776
23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%
4 770	4 987	5 125	5 214	5 341	5 490	5 649	5 760	5 905	6 058	6 248	6 386	6 562	6 745
0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
128 004	131 927	132 489	136 219	139 727	143 952	147 870	151 625	155 703	160 097	164 861	169 460	174 439	179 620
51 212	52 710	53 636	54 481	55 075	55 779	56 435	57 137	57 872	58 652	59 478	60 347	61 267	62 235
13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%
76 791	79 217	78 853	81 738	84 652	88 173	91 434	94 489	97 831	101 445	105 383	109 112	113 172	117 385
17.3%	16.6%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%
225 534	242 074	260 401	268 506	270 578	285 617	298 847	308 001	317 038	324 664	331 765	336 359	342 091	346 196

## 1.2. NON-CORE

Non-core assets	114 973	120 909	118 442	138 016	125 214	136 127	144 458	150 991	152 576	119 033	115 886
<b>Non-core non-current assets</b>	<b>86 627</b>	<b>94 679</b>	<b>91 971</b>	<b>87 892</b>	<b>69 187</b>	<b>71 863</b>	<b>70 764</b>	<b>70 456</b>	<b>72 695</b>	<b>52 697</b>	<b>50 579</b>
Investment properties	8 180	7 653	7 076	6 327	6 184	5 976	6 272	6 194	6 051	5 615	5 276
YoY growth		-6.4%	-7.5%	-10.6%	-2.3%	-3.4%				-6.0%	-6.0%
Investments in associated companies	296	293	0	0	0	0	0	0	0	-	-
Investments in joint ventures	496	2 724	2 925	18	-	22	25	23	22	22	22
Other investments	1 379	1 379	6	312	961	3 201	3 201	3 693	3 143	3 143	2 643
Deferred tax assets	75 497	81 718	80 887	79 849	60 456	60 960	59 566	58 820	59 391	42 562	41 238
% Employee benefits	30.9%	30.6%	30.6%	30.6%	32.6%	40.7%				31.1%	31.1%
Prepayments	-	-	-	-	-	-	-	-	2 281	-	-
Other non-core assets	779	912	1 076	1 386	1 585	1 703	1 700	1 726	1 807	1 356	1 401
Labour compensation fund	301	444	530	932	1 143	1 217	1 215	1 233	1 292	841	885
% Staff costs	0.1%	0.1%	0.2%	0.3%	0.3%	0.3%				0.2%	0.2%
Other assets	478	467	546	454	442	486	485	492	516	516	516
<b>Non-core current assets</b>	<b>28 346</b>	<b>26 230</b>	<b>26 471</b>	<b>50 124</b>	<b>56 027</b>	<b>64 264</b>	<b>73 694</b>	<b>80 536</b>	<b>79 882</b>	<b>66 336</b>	<b>65 307</b>
Income taxes receivable	5 040	-	-	8	1 103	8	8	-	-	-	-
Non-current assets held for sale	-	806	2 139	606	0	0	0	0	0	-	-
Other non-core assets	23 306	25 425	24 332	49 510	54 924	64 256	73 685	80 535	79 882	66 336	65 307
State and other public entities	417	1 234	4 336	12 662	5 362	8 928	10 238	11 190	11 099	9 708	8 463
Guaranteed	393	339	580	863	1 108	1 116	1 280	1 399	1 388	1 356	1 356
Advances to lawyers	73	79	103	47	43	4	4	5	5	4	4
Debtors by asset disposals	83	70	56	43	30	16	18	20	20	30	30
Mobility allowances for Autonomous Regions	10 337	5 900	4 010	20 447	6 647	11 224	12 872	14 068	13 954	5 519	5 519
Office for media	209	290	1 196	1 150	541	1 530	1 755	1 918	1 902	1 902	1 902
Sundry debtors	278	340	320	215	200	217	248	271	269	269	269
Deposits	697	2 397	739	759	27 234	27 044	31 012	33 895	33 620	32 842	32 842
Non-core billing	1 689	1 663	1 926	1 860	1 193	1 100	1 261	1 378	1 367	1 572	1 572
Billing to partners	3 164	2 948	1 438	1 053	1 367	2 178	2 498	2 730	2 708	2 025	2 025
Other assets	5 967	10 165	9 629	10 410	11 200	10 899	12 498	13 660	13 549	11 109	11 324
YoY growth		70.4%	-5.3%	8.1%	7.6%	-2.7%				1.9%	1.9%
<b>Non-core liabilities</b>	<b>293 476</b>	<b>365 569</b>	<b>317 375</b>	<b>323 931</b>	<b>243 519</b>	<b>225 793</b>	<b>225 879</b>	<b>216 366</b>	<b>211 171</b>	<b>195 231</b>	<b>191 997</b>
<b>Non-core non-current liabilities</b>	<b>263 970</b>	<b>288 155</b>	<b>284 811</b>	<b>278 142</b>	<b>207 410</b>	<b>180 940</b>	<b>180 205</b>	<b>175 466</b>	<b>173 336</b>	<b>159 043</b>	<b>154 615</b>
Employee benefits	244 562	267 287	264 369	260 806	185 258	149 740	148 029	154 957	158 930	137 040	132 779
% Staff costs	73.5%	77.7%	78.1%	75.2%	52.7%	39.1%				35.0%	32.2%
Provisions	16 019	17 635	17 416	14 680	12 632	26 339	27 172	15 605	11 228	17 454	17 454
Prepayments	306	294	283	272	261	672	671	668	665	450	283
Deferred tax liabilities	3 083	2 938	2 742	2 385	9 259	4 189	4 333	4 235	2 512	4 100	4 100
<b>Non-core current liabilities</b>	<b>29 506</b>	<b>77 414</b>	<b>32 564</b>	<b>45 789</b>	<b>36 108</b>	<b>44 853</b>	<b>45 674</b>	<b>40 900</b>	<b>37 835</b>	<b>36 188</b>	<b>37 382</b>
Employee benefits	17 119	19 416	18 631	21 090	22 092	22 049	21 345	20 668	19 992	22 453	23 647
% Staff costs	5.1%	5.6%	5.5%	6.1%	6.3%	5.8%				5.7%	5.7%
Non-core banking clients' deposits	-	37 851	-	-	-	-	-	-	9	-	-
Income taxes payable	-	5 959	1 340	11 612	-	6 666	8 410	4 735	2 107	-	-
Other non-core liabilities	12 387	14 188	12 593	13 087	14 017	16 137	15 918	15 497	15 727	13 735	13 735
<b>NON-CORE INVESTED CAPITAL</b>	<b>(178 503)</b>	<b>(244 660)</b>	<b>(198 933)</b>	<b>(185 915)</b>	<b>(118 304)</b>	<b>(89 665)</b>	<b>(81 421)</b>	<b>(65 374)</b>	<b>(58 595)</b>	<b>(76 198)</b>	<b>(76 111)</b>
<b>TOTAL INVESTED CAPITAL</b>	<b>173 136</b>	<b>46 020</b>	<b>132 990</b>	<b>120 572</b>	<b>121 763</b>	<b>205 845</b>	<b>129 426</b>	<b>96 310</b>	<b>153 305</b>	<b>101 120</b>	<b>130 376</b>

115 787	117 250	116 424	116 327	117 397	117 147	116 759	117 893	117 416	117 307	118 549	118 336	118 161	119 527
48 967	50 654	49 735	49 167	50 114	49 626	48 954	49 862	49 126	48 750	49 733	49 247	48 796	49 882
4 957	4 658	4 377	4 113	3 864	3 631	3 412	3 206	3 012	2 830	2 659	2 499	2 348	2 206
-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	22	22	22	22	22	22	22	22	22	22	22	22	22
2 143	3 143	2 643	2 143	3 143	2 643	2 143	3 143	2 643	2 143	3 143	2 643	2 143	3 143
40 417	41 371	41 225	41 406	41 586	41 815	41 850	41 950	41 897	42 183	42 322	42 480	42 662	42 872
31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%	31.1%
-	-	-	-	-	-	-	-	-	-	-	-	-	-
1 429	1 461	1 469	1 484	1 499	1 516	1 528	1 543	1 553	1 572	1 588	1 604	1 622	1 640
913	946	953	968	984	1 001	1 013	1 027	1 038	1 057	1 072	1 089	1 106	1 124
0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
516	516	516	516	516	516	516	516	516	516	516	516	516	516
66 820	66 596	66 690	67 160	67 283	67 521	67 806	68 031	68 291	68 557	68 816	69 088	69 365	69 645
-	-	-	-	-	-	-	-	-	-	-	-	-	-
66 820	66 596	66 690	67 160	67 283	67 521	67 806	68 031	68 291	68 557	68 816	69 088	69 365	69 645
9 757	9 309	9 177	9 414	9 300	9 297	9 337	9 311	9 315	9 321	9 316	9 317	9 318	9 317
1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356	1 356
5	5	4	4	5	5	4	4	5	5	4	4	5	5
30	30	30	30	30	30	30	30	30	30	30	30	30	30
5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519	5 519
1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902	1 902
269	269	269	269	269	269	269	269	269	269	269	269	269	269
32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842	32 842
1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572
2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025
11 543	11 767	11 994	12 226	12 463	12 704	12 950	13 200	13 456	13 716	13 981	14 252	14 527	14 800
1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
190 101	194 037	193 769	194 757	195 749	196 936	197 376	198 077	198 185	199 619	200 483	201 433	202 480	203 643
151 970	155 043	154 574	155 156	155 736	156 474	156 584	156 907	156 735	157 658	158 103	158 614	159 201	159 876
130 134	133 206	132 737	133 320	133 900	134 637	134 748	135 071	134 899	135 822	136 267	136 778	137 365	138 040
30.6%	30.2%	29.9%	29.6%	29.2%	28.9%	28.6%	28.2%	27.9%	27.6%	27.3%	27.0%	26.7%	26.4%
17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454	17 454
283	283	283	283	283	283	283	283	283	283	283	283	283	283
4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100	4 100
38 131	38 994	39 195	39 601	40 013	40 462	40 792	41 169	41 450	41 961	42 380	42 818	43 279	43 767
24 396	25 259	25 460	25 867	26 278	26 727	27 057	27 435	27 715	28 226	28 645	29 084	29 545	30 032
5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735	13 735
(74 314)	(76 787)	(77 344)	(78 431)	(78 353)	(79 789)	(80 617)	(80 183)	(80 769)	(82 313)	(81 934)	(83 097)	(84 319)	(84 116)
151 220	165 287	183 057	190 075	192 225	205 828	218 230	227 818	236 269	242 351	249 831	253 262	257 772	262 081

1.3. FINANCING EX-BANK

Net Debt	124 036	170 867	195 999	187 989	173 766	230 916	124 443	98 501	177 733	92 254	99 687		
Total debt	126 436	173 223	204 682	198 466	192 029	265 657	214 883	213 899	232 785	-	-		
Medium and long term debt	99 520	147 111	162 657	147 413	133 443	158 874	160 447	167 003	175 230	-	-		
Short term debt	26 915	26 112	42 024	51 053	58 585	106 783	54 437	46 896	57 555	-	-		
Excess cash	2 400	2 355	8 683	10 477	18 262	34 741	90 441	115 399	55 052	34 412	34 546		
Non-controlling interests	165	242	324	563	1 326	1 624	34 632	34 030	34 286	-	-		
Transactions with non-controlling interests	-	26	-	(29)	-	-	32 959	(941)	0	-	-		
Ex-Bank Net Financial Assets	124 201	171 110	196 323	188 552	175 092	232 540	159 074	132 531	212 020	126 665	134 233		
EQUITY ATTRIBUTABLE TO EX-BANK SHAREHOLDERS	48 934	(125 090)	(63 332)	(67 980)	(53 330)	(26 695)	(29 648)	(36 221)	(58 714)	(25 545)	(3 857)		
Check	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE		
Transactions with shareholders	-	(188 217)	46 723	(39 901)	(61 246)	(9 728)	(4 913)	(15 558)	(24 235)	(23 665)	(23 843)		
Shares outstanding	150 000	150 000	150 000	150 000	145 350	143 920	138 440	141 775	141 776	138 440	135 420		
YoY growth	0.0%	0.0%	0.0%	0.0%	-3.1%	-1.0%	-3.8%	2.4%	0.0%	-3.8%	-2.2%		
DPS	-	1.25	(0.31)	0.27	0.42	0.07	0.04	0.11	0.17	0.17	0.18		
103 905	104 897	112 058	116 263	116 289	128 664	137 888	148 780	159 351	168 577	176 374	184 272	193 347	202 089
34 686	34 833	34 984	35 137	35 294	35 456	35 622	35 791	35 965	36 143	36 326	36 514	36 707	36 905
137 991	139 730	147 042	151 400	151 583	164 119	173 509	184 571	195 316	204 720	212 701	220 786	230 054	238 995
13 229	25 556	36 016	38 675	40 642	41 709	44 720	43 247	40 953	37 631	37 130	32 476	27 718	23 086
TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
(24 558)	(25 295)	(26 054)	(26 836)	(27 641)	(28 470)	(29 324)	(30 204)	(31 110)	(32 043)	(33 005)	(33 995)	(35 014)	(36 065)
135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420	135 420
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.18	0.19	0.19	0.20	0.20	0.21	0.22	0.22	0.23	0.24	0.24	0.25	0.26	0.27

## 2.1. CORE INVESTED CAPITAL BANCO CTT

Assets	991 160	1 642 640	1 977 031	2 679 605	3 053 063	3 793 188	4 159 867	4 430 500	4 593 724	4 327 703	6 784 337
RWA	274 706	642 729	779 689	1 035 019	1 176 298	945 528				1 078 767 043	2 488 970
% Assets	27.7%	39.1%	39.4%	38.6%	38.5%	24.9%				24.9%	36.7%
Tangible fixed assets	1 588	3 205	3 151	4 228	5 453	5 589	5 503	6 244	6 483	6 331	6 984
Intangible assets	25 038	27 683	28 879	26 928	25 709	25 117	25 210	21 186	21 310	25 153	25 191
Goodwill	406	61 085	61 085	61 085	61 085	60 679	61 085	60 679	60 679	60 679	60 679
Credit to banking clients	248 050	885 821	1 093 282	1 541 908	1 777 565	1 593 214	1 619 307	1 643 719	1 678 537	2 013 158	3 052 446
Debt securities and other banking assets	715 755	664 655	790 426	1 045 197	1 183 026	2 108 118	2 448 244	2 698 152	2 826 153	2 221 694	3 638 209
Debt securities	454 102	456 411	517 805	340 255	537 781	729 466	1 480 965	1 817 191	2 083 560		
Financial assets at fair value through profit or loss	-	-	2	27 261	52 698	13 532	14 222	13 942	7 554		
Other banking financial assets	116 314	33 424	40 877	14 959	462 188	1 274 575	855 295	780 360	648 849		
Cash	145 340	174 819	231 741	662 721	130 359	90 545	97 762	86 659	86 189		
Other core assets	322	192	208	259	226	471	519	522	562	688	828
Advances to staff	179	12	21	27	0	-	-	-	-	82	114
% Staff costs	1.2%	0.1%	0.1%	0.1%	0.0%	0.0%				0.2%	0.2%
Other receivables from staff	108	145	145	196	178	185	167	205	230	230	321
% Staff costs	0.7%	0.7%	0.7%	0.8%	0.7%	0.6%				0.7%	0.7%
Advances to suppliers	35	35	42	27	30	29	30	23	27	46	63
% External supplies and services	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%				0.1%	0.1%
Automatic payment terminals	-	-	-	-	-	264	304	332	330	330	330
<b>Core liabilities</b>	<b>904 664</b>	<b>1 387 014</b>	<b>1 764 453</b>	<b>2 438 564</b>	<b>2 777 160</b>	<b>3 516 053</b>	<b>3 879 958</b>	<b>4 157 875</b>	<b>4 294 889</b>	<b>4 042 430</b>	<b>6 126 144</b>
Debt securities and other banking liabilities	14 951	94 048	65 994	304 783	518 133	408 879	405 079	372 442	311 607	-	-
Debt securities	-	76 077	44 518	277 796	445 578	347 375	322 478	298 227	274 557		
Financial liabilities at fair value through profit or loss	-	-	-	-	26 345	13 744	14 396	14 109	7 773		
Other banking financial liabilities	14 951	17 971	21 476	26 988	46 211	47 760	68 204	60 105	29 277		
Banking clients' deposits and other loans	883 951	1 283 567	1 688 465	2 121 511	2 245 330	3 090 963	3 459 457	3 772 025	3 967 909	4 026 316	6 104 892
Lease liabilities	942	2 189	2 185	2 653	3 926	3 358	3 477	4 483	4 500	4 134	4 561
% Tangible fixed assets	59.3%	68.3%	69.3%	62.8%	72.0%	60.1%	63.2%	71.8%	69.4%	65.3%	65.3%
Other core liabilities	4 821	7 210	7 810	9 615	9 771	12 853	11 945	8 926	10 872	11 980	16 691
Estimated holiday pay, holiday subsidy and other remuneration	1 891	2 618	2 999	3 529	3 857	4 420	4 552	3 928	4 694	4 469	6 226
% Staff costs	13.0%	13.2%	13.4%	13.7%	14.0%	14.4%				13.6%	13.6%
Estimated supplies and external services	2 929	4 592	4 810	6 087	5 913	8 433	7 393	4 998	6 178	7 512	10 465
% Staff costs	20.2%	23.2%	21.5%	23.6%	21.4%	27.4%				22.9%	22.9%
<b>EQUITY BANCO CTT</b>	<b>86 495</b>	<b>255 626</b>	<b>212 578</b>	<b>241 041</b>	<b>275 904</b>	<b>277 135</b>	<b>279 909</b>	<b>272 625</b>	<b>298 835</b>	<b>285 273</b>	<b>658 193</b>
assets/liabilities										(1 936 421)	(2 980 016)
Equity BCTT %RWA	31.5%	39.8%	27.3%	23.3%	23.5%	29.3%				26.4%	26.4%
Deductions	43 569	81 393	81 699	76 942	76 171	74 549					
Losses for the period	17 487	(8 011)	-	-	-	-					
Intangible assets	25 387	88 709	81 005	76 246	14 796	13 174					
% Intangible assets					57.6%	52.5%					
Goodwill					60 679	60 679					
IFRS 9 adoption	695	695	695	696	695	695					
Securitisation deduction					2	2					
<b>Common Equity Tier 1 (Implied)</b>	<b>42 927</b>	<b>174 233</b>	<b>130 879</b>	<b>164 100</b>	<b>199 732</b>	<b>202 586</b>					
CET1 ratio (Implied)	15.6%	27.1%	16.8%	15.9%	17.0%	21.4%				16.3%	16.3%
<b>EQUITY ATTRIBUTABLE TO CTT SHAREHOLDERS</b>	<b>135 430</b>	<b>130 536</b>	<b>149 246</b>	<b>173 061</b>	<b>222 574</b>	<b>250 440</b>	<b>250 261</b>	<b>236 404</b>	<b>240 121</b>	<b>259 728</b>	<b>654 336</b>

7 965 497	9 236 486	9 143 838	9 761 233	10 340 421	10 867 974	11 080 254	11 366 923	11 280 400	11 902 666	12 135 189	12 372 233	12 613 888	12 860 278
3 100 957	3 595 750	3 559 683	3 800 034	4 025 510.826	4 230 887	4 313 527	4 425 127	4 391 443	4 633 691	4 724 212	4 816 492	4 910 568	5 006 488
38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
7 795	8 531	9 178	9 942	10 709	11 500	12 286	13 083	13 911	14 737	15 562	16 383	17 206	18 031
25 229	25 268	25 308	25 348	25 390	25 432	25 475	25 519	25 564	25 609	25 654	25 699	25 744	25 788
60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679	60 679
3 561 182	4 130 272	4 089 108	4 365 616	4 624 631	4 860 509	4 955 295	5 240 191	5 360 440	5 830 637	6 127 744	6 439 991	6 768 148	6 900 135
4 309 747	5 010 828	4 958 696	5 298 770	5 618 106	5 908 922	6 025 578	6 026 498	5 818 860	5 970 028	5 904 563	5 828 482	5 741 101	5 854 621

866	908	870	878	906	932	940	953	946	977	988	1 000	1 011	1 024
123	133	125	127	134	140	143	146	145	153	156	159	162	166
0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
346	375	352	358	378	397	403	413	410	432	441	449	458	468
0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
67	71	64	63	65	66	65	64	62	63	62	61	61	60
0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
330	330	330	330	330	330	330	330	330	330	330	330	330	330

7 145 468	8 285 611	8 202 502	8 756 337	9 275 899	9 749 142	9 939 568	10 196 725	10 119 109	10 677 315	10 885 900	11 098 540	11 315 318	11 536 343
-	-	-	-	-	-	-	-	-	-	-	-	-	-

7 122 365	8 260 543	8 178 215	8 731 233	9 249 263	9 721 018	9 910 590	10 166 705	10 088 734	10 645 237	10 852 833	11 064 476	11 280 247	11 500 226
5 090	5 571	5 993	6 492	6 993	7 510	8 023	8 543	9 084	9 623	10 162	10 698	11 235	11 774
65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%	65.3%
18 013	19 497	18 293	18 613	19 643	20 614	20 955	21 477	21 292	22 454	22 906	23 366	23 836	24 343
6 719	7 272	6 823	6 942	7 327	7 689	7 816	8 011	7 942	8 375	8 544	8 715	8 891	9 080
13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%
11 295	12 225	11 470	11 670	12 316	12 925	13 139	13 466	13 350	14 079	14 362	14 651	14 945	15 263
22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%

820 029	950 875	941 337	1 004 896	1 064 522	1 118 832	1 140 686	1 170 198	1 161 291	1 225 352	1 249 289	1 273 692	1 298 570	1 323 935
(3 489 718)	(4 059 953)	(4 017 359)	(4 293 874)	(4 553 584)	(4 790 089)	(4 884 892)	(4 856 300)	(4 657 570)	(4 744 676)	(4 655 273)	(4 554 789)	(4 442 530)	(4 530 686)
26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%	26.4%

16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%	16.3%
833 258	976 431	977 352	1 043 571	1 105 164	1 160 541	1 185 406	1 213 445	1 202 244	1 262 983	1 286 419	1 306 168	1 326 288	1 347 021

## 11.5. Cost of Capital

### 11.5.1. Ex-Bank

#### 1.1. Inputs

<b>CTT</b>	
Share price (€) as of 1/11	€ 4.38
No. outstanding shares (k)	137 472
Tax Rate***	27.2%

<b>Market Information</b>	
Risk-free*	2.40%
Market Return**	8.54%
Market Risk Premium	6.14%

#### 1.2. Capital Structure

Net Debt	€	177 733
Market Capitalization (k€)	€	303 290
<b>Total</b>	<b>€</b>	<b>481 023</b>

D/EV	36.9%
E/EV	63.1%
<b>D/E</b>	<b>58.6%</b>

### 1.3. Debt risk

Credit Rating	<b>BBB</b>
NYU stern implied Credit Rating from ICR** **	<b>A-</b>
Interest coverage ratio	<b>4.6</b>
Refinitiv Credit Combined Implied Ratio	<b>BB+</b>
Refinitiv Credit SmartRatios Implied Rating	<b>BBB-</b>
Refinitiv Credit Structural Implied Rating	<b>BBB</b>
Refinitiv Credit Text Mining Implied Rating	<b>BBB+</b>

**EUR EUROPE INDUSTRIAL BBB+ BBB BBB- BVAL Yield Curve 10** **3.65%**

### 1.4. Unlevered Beta

Company	Market Cap (€)	Net Debt (home currency)	Current EV (home currency)	Raw Beta (5Y)	Adj. Beta	Weight	D/EV	E/EV	D/E	Tax rate	Unlevered Beta (Slide)
Deutsche Post AG	€ 48 908 430 011	18 236 000 000	74 227 009 791	1.05	1.03	60.44%	0.25	0.75	0.33	0.21	0.84
PST.MI	€ 18 927 644 445	53 919 415 536	68 859 082 306	0.93	0.95	23.39%	0.78	0.22	3.61	0.21	0.36
ipost SA	€ 515 700 902	420 400 000	1 352 704 403	0.90	0.94	0.64%	0.31	0.69	0.45	0.21	0.69
Oesterreichische Post AG	€ 2 146 722 057	345 500 000	2 587 871 263	0.30	0.53	2.65%	0.13	0.87	0.15	0.21	0.28
InPost SA	€ 9 745 771 935	6 081 000 000	33 239 902 144	1.02	1.01	12.04%	0.18	0.82	0.22	0.21	0.87
PTNLAS	€ 549 737 707	517 585 777	1 290 449 319	1.24	1.16	0.68%	0.40	0.60	0.67	0.21	0.83
Jetpak Top Holding AB (publ)	€ 121 436 828	-25 542 000	1 122 099 450	0.19	0.46	0.15%	-0.02	1.02	-0.02	0.21	0.19
<b>TOTAL</b>	<b>€ 80 915 443 885</b>			<b>0.80</b>	<b>0.87</b>	<b>14.29%</b>	<b>0.29</b>	<b>0.71</b>	<b>0.77</b>		<b>0.69</b>

### 1.5. Betas

$\beta$ unlevered (industry)	<b>0.69</b>
$\beta$ levered (Equity beta)	<b>0.89</b>
$\beta$ debt	<b>0.20</b>

### 1.6. Cost of Capital

Cost of equity levered (Re) ** ** *	<b>9.63%</b>
Cost of equity unlevered (Ru)	<b>6.61%</b>
Cost of debt (Rd)	<b>3.65%</b>
<b>WACC ex-Bank</b>	<b>7.05%</b>

### 1.7. Sources (as of 01/11/2024)

- \*10Y German Bund Yield: <https://www.investing.com/rates-bonds/germany-10-year-bond-yield>
- \*\*MSCI WORLD return since 1987: <https://www.msci.com/documents/10199/178e6643-6ae6-47b9-82be-e1fc565eded>
- \*\*\*Tax Rate retrieved from: <https://www.anacom.pt/render.jsp?contentId=1789078#:~:text=No%20contexto%20dos>
- \*\* \*\*Credit Rating implied from ICR: [https://pages.stern.nyu.edu/~adamodar/New\\_Home\\_Page/datafile/ratings.html](https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ratings.html)
- \*\* \*\* \*Bloomberg
- \*\* \*\* \*\*Country Risk Premium retrieved from: [https://pages.stern.nyu.edu/~adamodar/New\\_Home\\_Page/datafile/ct](https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ct)

## 11.5.2. Bank CTT

### 2.1. Inputs

EDPR		Market Information	
Share price (€) as of 31/10	€ 4.38	Risk-free*	2.40%
No. outstanding shares	137 472	Market Return**	8.54%
Tax Rate	27%	Market Risk Premium	6.14%

### 2.2. Capital Structure

Debt	€ 326 979	D/EV	52.2%
Market Capitalization (k€)	€ 298 835	E/EV	47.8%
<b>Total</b>	<b>€ 625 814</b>	D/E	<b>109.4%</b>

2.4. Unlevered Beta

Company	Market Cap	Net Debt(FY0, EUR)	Enterprise Value(FY0, EUR)	Beta 5 Year	Adj. Beta	Weight	D/EV	E/EV	D/E	Tax rate	Unlevered Beta (Slide)
Banco Comercial Portugues SA	€ 6 715 043 114	-€ 470 654 000	€ 4 664 051 843	€ 1.50	1.33	8.30%	-0.10	1.10	-0.09	0.21	1.45
Bankinter SA	€ 6 707 086 592	€ 19 276 913 000	€ 24 486 741 229	€ 1.11	1.07	8.29%	0.79	0.21	3.70	0.25	0.39
Banco de Sabadell SA	€ 9 534 539 289	€ 512 823 000	€ 6 602 002 471	€ 1.40	1.26	11.78%	0.08	0.92	0.08	0.25	1.18
Mediobanca Banca di Credito Finanziario SpA	€ 11 919 497 671	€ 40 370 467 000	€ 51 859 650 401	€ 1.16	1.10	14.73%	0.78	0.22	3.51	0.24	0.40
Alpha Services and Holdings SA	€ 3 821 770 807	-€ 527 436 000	€ 3 110 134 716	€ 1.92	1.61	4.72%	-0.17	1.17	-0.14	0.22	1.85
Pineus Financial Holdings SA	€ 4 892 686 944	-€ 7 651 000 000	€ 3 559 824 886	€ 1.74	1.50	6.05%	2.13	-1.13	-1.89	0.22	-1.26
Banco BPM SpA	€ 10 302 923 672	€ 14 279 326 000	€ 21 523 479 744	€ 1.16	1.10	12.73%	0.66	0.34	1.97	0.24	0.51
FinecoBank Banca Fineco SpA	€ 9 185 618 112	-€ 233 586 000	€ 8 061 844 761	€ 0.75	0.83	11.35%	-0.03	1.03	-0.03	0.24	0.85
National Bank of Greece SA	€ 6 962 955 178	-€ 5 946 000 000	€ 166 441 688	€ 1.85	1.57	8.61%	35.72	-34.72	-1.03	0.22	-47.14
Eurobank Ergasias Services and Holdings SA	€ 7 478 481 693	-€ 8 264 000 000	€ 2 280 467 559	€ 1.61	1.41	9.24%	3.62	-2.62	-1.38	0.22	-2.96
<b>TOTAL</b>	<b>€ 65 664 960 951</b>			<b>1.40</b>	<b>1.26</b>	<b>0.10</b>	<b>4.43</b>	<b>-3.43</b>	<b>0.68</b>		<b>0.68</b>

2.5. Betas

$\beta$ unlevered	0.68
$\beta$ levered (Equity beta)	1.06
$\beta$ debt	0.20

2.6. Cost of Capital

<b>Cost of equity levered (Re) ** ** *</b>	<b>10.64%</b>
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2.7. Sources (as of 01/11/2024)

\*10Y German Bund Yield: <https://www.investing.com/rates-bonds/germany-10-year-bond-yield>

\*\*MSCI WORLD return since 1987: <https://www.msci.com/documents/10199/178e6643-6ae6-47b9-82be-e1fc565eded>

\*\* \*\* \*Country Risk Premium retrieved from: [https://pages.stern.nyu.edu/~adamodar/New\\_Home\\_Page/datafile/cti](https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/cti)

## 11.6. Valuation

### 11.6.1. Ex-Bank

CTT Valuation, thousand €	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>1. VALUATION EX-BANK</b>									
<b>1.1. UNLEVERED FCF</b>									
Ex-Bank result before taxes	43 389	36 691	51 929	50 068	62 107	47 862	65 040	59 964	54 582
YoY Growth		-15.4%	41.5%	-3.6%	24.0%	-22.9%	35.9%	-7.8%	-9.0%
Statutory Taxes	9 112	7 705	10 905	10 514	13 042	12 775	17 360	16 005	14 558
<b>NOPLAT</b>	<b>34 277</b>	<b>28 986</b>	<b>41 024</b>	<b>39 554</b>	<b>49 065</b>	<b>35 087</b>	<b>47 680</b>	<b>43 959</b>	<b>40 024</b>
YoY Growth		-15.4%	41.5%	-3.6%	24.0%	-28.5%	35.9%	-7.8%	-9.0%
Depreciation and amortization	48 636	55 508	50 336	56 846	55 912	59 827	61 797	65 162	68 345
<b>Gross cash flow</b>	<b>82 913</b>	<b>84 494</b>	<b>91 360</b>	<b>96 400</b>	<b>104 977</b>	<b>94 914</b>	<b>109 477</b>	<b>109 122</b>	<b>108 369</b>
YoY Growth		1.9%	8.1%	5.5%	8.9%	-9.6%	15.3%	-0.3%	-0.7%
Δ NWC	(61 901)	16 128	(45 112)	(76 678)	54 131	(122 648)	12 836	3 680	2 254
Net Working Capital	(21 073)	(4 944)	(50 056)	(126 734)	(72 603)	(195 251)	(182 415)	(178 735)	(176 481)
YoY Growth		-76.5%	912.4%	153.2%	-42.7%	168.9%	-6.6%	-2.0%	-1.3%
CAPEX	48 352	81 916	58 000	69 659	51 388	65 246	77 459	80 059	82 113
% NOPLAT	141.1%	282.6%	141.4%	176.1%	104.7%	186.0%	162.5%	182.1%	205.2%
Δ Goodwill	-	-	11 269	(1 215)	406	-	-	-	-
Δ Other core assets	(155)	(653)	332	(756)	2 255	464	56	66	77
Δ Deferred tax assets	1 375	(607)	401	(39)	3 068	(1 400)	639	423	459
Δ Deferred tax liabilities	(6)	32	(9)	546	(107)	26	23	20	18
<b>Investing cash flow</b>	<b>12 323</b>	<b>(96 752)</b>	<b>(24 900)</b>	<b>9 574</b>	<b>(111 355)</b>	<b>58 365</b>	<b>(90 966)</b>	<b>(84 209)</b>	<b>(84 885)</b>
ICF/OCF multiple	0.1	(1.1)	(0.3)	0.1	(1.1)	0.6	(0.8)	(0.8)	(0.8)
<b>CORE UNLEVERED FREE CASH FLOW</b>	<b>95 236</b>	<b>(12 258)</b>	<b>66 460</b>	<b>105 974</b>	<b>(6 379)</b>	<b>153 279</b>	<b>18 511</b>	<b>24 913</b>	<b>23 484</b>
YoY Growth		-112.9%	-642.2%	59.5%	-106.0%	-2503.0%	-87.9%	34.6%	-5.7%
Non-core result	(16 171)	(9 816)	(1 650)	41 263	(4 852)	(5 107)	-	-	-
Δ Non-core invested capital	(66 156)	45 727	13 018	67 610	28 639	13 467	87	1 797	(2 473)
<b>Non-Core unlevered FCF</b>	<b>49 986</b>	<b>(55 543)</b>	<b>(14 668)</b>	<b>(26 347)</b>	<b>(33 491)</b>	<b>(18 574)</b>	<b>(87)</b>	<b>(1 797)</b>	<b>2 473</b>
<b>EX-BANK UNLEVERED FREE CASH FLOW</b>	<b>145 222</b>	<b>(67 801)</b>	<b>51 792</b>	<b>79 626</b>	<b>(39 869)</b>	<b>134 705</b>	<b>18 424</b>	<b>23 116</b>	<b>25 957</b>
YoY growth		-146.7%	-176.4%	53.7%	-150.1%	-437.9%	-86.3%	25.5%	12.3%
<b>1.2. FINANCING PARTIES CF</b>									
Financial result before taxes	(4 889)	(5 131)	(4 876)	(5 262)	(9 560)	(6 924)	(2 766)	(2 989)	(3 097)
Financial tax shield	1 027	1 078	1 024	1 105	2 007	1 884	753	813	843
Δ Net Debt	46 832	25 131	(8 010)	(14 223)	57 150	(138 662)	7 433	3 618	1 592
<b>Debt cash flow</b>	<b>42 969</b>	<b>21 078</b>	<b>(11 861)</b>	<b>(18 380)</b>	<b>49 597</b>	<b>(143 702)</b>	<b>5 420</b>	<b>1 443</b>	<b>(662)</b>
Comprehensive income for CTT	14 193	15 034	35 253	75 897	36 363	24 815	45 532	41 644	37 623
Changes in equity	(174 024)	61 757	(4 648)	14 650	26 635	1 150	21 689	17 085	12 328
<b>Equity cash flow</b>	<b>(188 217)</b>	<b>46 723</b>	<b>(39 901)</b>	<b>(61 246)</b>	<b>(9 728)</b>	<b>(23 665)</b>	<b>(23 843)</b>	<b>(24 558)</b>	<b>(25 295)</b>
Comprehensive income for NCI	51	81	269	763	298	126	134	140	147
Changes in non-controlling interest	77	81	239	763	298	32 788	134	140	147
<b>NCI cash flow</b>	<b>26</b>	<b>-</b>	<b>(29)</b>	<b>-</b>	<b>-</b>	<b>32 662</b>	<b>(0)</b>	<b>0</b>	<b>0</b>
<b>EX-BANK FINANCING PARTIES CASH FLOW</b>	<b>(145 222)</b>	<b>67 801</b>	<b>(51 792)</b>	<b>(79 626)</b>	<b>39 869</b>	<b>(134 705)</b>	<b>(18 424)</b>	<b>(23 116)</b>	<b>(25 957)</b>

2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2039 - 2050	2050
53 139	43 771	44 044	43 936	48 107	43 453	43 880	44 051	49 458	45 373	46 838	48 693	349 951	53 669
-2.6%	-17.6%	0.6%	-0.2%	9.5%	-9.7%	1.0%	0.4%	12.3%	-8.3%	3.2%	4.0%		
14 185	11 677	11 742	11 700	12 797	11 544	11 643	11 674	13 092	11 995	12 367	12 842	116 650	17 890
38 953	32 094	32 302	32 236	35 310	31 909	32 237	32 377	36 366	33 378	34 471	35 851	233 301	35 780
-2.7%	-17.6%	0.6%	-0.2%	9.5%	-9.6%	1.0%	0.4%	12.3%	-8.2%	3.3%	4.0%		
71 287	74 043	76 722	79 291	81 744	84 070	86 257	88 287	90 144	91 811	93 270	94 507	793 222	121 651
110 240	106 137	109 024	111 527	117 054	115 979	118 494	120 664	126 510	125 189	127 741	130 358	1 026 522	157 430
1.7%	-3.7%	2.7%	2.3%	5.0%	-0.9%	2.2%	1.8%	4.8%	-1.0%	2.0%	2.0%		
5 020	(4 614)	(10 207)	3 249	2 009	(1 314)	(781)	(1 407)	(1 129)	(2 566)	(473)	(1 019)		
(171 462)	(176 076)	(186 283)	(183 033)	(181 024)	(182 338)	(183 118)	(184 526)	(185 655)	(188 220)	(188 693)	(189 712)		
-2.8%	2.7%	5.8%	-1.7%	-1.1%	0.7%	0.4%	0.8%	0.6%	1.4%	0.3%	0.5%		
84 274	86 550	88 719	90 746	92 609	94 283	95 743	96 968	97 940	98 643	99 065	99 199	793 222	121 651
216.3%	269.7%	274.7%	281.5%	262.3%	295.5%	297.0%	299.5%	269.3%	295.5%	287.4%	276.7%		
-	-	-	-	-	-	-	-	-	-	-	-		
48	44	31	36	34	36	38	40	43	45	47	50		
292	188	269	314	337	235	307	324	403	293	371	389		
19	20	17	16	16	15	14	13	11	10	9	7		
(89 614)	(82 148)	(78 795)	(94 330)	(94 974)	(93 225)	(95 294)	(95 913)	(97 245)	(96 405)	(99 003)	(98 612)	(793 222)	(121 651)
(0.8)	(0.8)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)		
20 626	23 990	30 230	17 197	22 080	22 754	23 200	24 751	29 265	28 784	28 738	31 746	233 301	35 780
-12.2%	16.3%	26.0%	-43.1%	28.4%	3.1%	2.0%	6.7%	18.2%	-1.6%	-0.2%	10.5%		
-	-	-	-	-	-	-	-	-	-	-	-		
(557)	(1 087)	78	(1 436)	(828)	434	(586)	(1 544)	378	(1 162)	(1 222)	204		
557	1 087	(78)	1 436	828	(434)	586	1 544	(378)	1 162	1 222	(204)		
21 183	25 076	30 152	18 633	22 908	22 321	23 786	26 295	28 886	29 947	29 961	31 543	233 301	35 780
-18.4%	18.4%	20.2%	-38.2%	22.9%	-2.6%	6.6%	10.5%	9.9%	3.7%	0.0%	5.3%		
(3 145)	(3 360)	(3 486)	(3 487)	(3 858)	(4 134)	(4 461)	(4 778)	(5 055)	(5 288)	(5 525)	(5 797)		
856	914	949	949	1 050	1 125	1 214	1 300	1 376	1 439	1 504	1 578	3 258	2 664
7 160	4 205	26	12 375	9 224	10 892	10 571	9 226	7 797	7 897	9 076	8 742		
4 871	1 759	(2 511)	9 837	6 416	7 883	7 324	5 748	4 118	4 048	5 054	4 522		
36 513	29 495	29 608	29 536	32 336	28 730	28 816	28 721	32 503	29 341	30 256	31 433		
10 459	2 660	1 967	1 066	3 012	(1 473)	(2 293)	(3 322)	(502)	(4 654)	(4 758)	(4 632)		
(26 054)	(26 836)	(27 641)	(28 470)	(29 324)	(30 204)	(31 110)	(32 043)	(33 005)	(33 995)	(35 014)	(36 065)		
151	153	157	161	166	169	174	178	184	188	193	198		
151	153	157	161	166	169	174	178	184	188	193	198		
0	-	0	(0)	(0)	(0)	0	0	(0)	0	0	0		
(21 183)	(25 076)	(30 152)	(18 633)	(22 908)	(22 321)	(23 786)	(26 295)	(28 886)	(29 947)	(29 961)	(31 543)		

### 1.3. COST OF CAPITAL

<b>WACC</b>	<b>7.1%</b>
Ru	6.6%
Re	9.6%
Rd	3.6%
Tax rate	27.2%
Discount Rate Non-core	2.4%
Core growth rate in perpetuity	2.5%
Non-core growth rate in perpetuity	0.0%

## 1.4. WACC METHOD

	2024 3Q	2024	2025	2026	2027	2028	2029	2030
<b>Ex-bank unlevered FCF</b>		<b>134 705</b>	<b>18 424</b>	<b>23 116</b>	<b>25 957</b>	<b>21 183</b>	<b>25 076</b>	<b>30 152</b>
Terminal value	128 735							
<b>EX-BANK ENTERPRISE VALUE</b>	<b>564 553</b>	439 742	452 332	461 118	467 682	479 483	488 224	492 505
<b>Core unlevered FCF</b>		<b>153 279</b>	<b>18 511</b>	<b>24 913</b>	<b>23 484</b>	<b>20 626</b>	<b>23 990</b>	<b>30 230</b>
Terminal value	134 632							
<b>Core EV</b>	<b>581 689</b>	438 406	450 815	457 697	466 493	478 767	488 544	492 769
		103%						
<b>Non-core unlevered FCF</b>		<b>(18 574)</b>	<b>(87)</b>	<b>(1 797)</b>	<b>2 473</b>	<b>557</b>	<b>1 087</b>	<b>(78)</b>
Terminal value	(5 897)							
<b>Non-Core EV</b>	<b>(17 136)</b>	1 336	1 517	3 421	1 190	716	(320)	(265)
Net debt	177 733							
<b>Equity</b>	<b>386 820</b>							
# Shares	137 472							
<b>EX-BANK SHARE PRICE</b>	<b>2.81</b>							
Implies a Price of	4.90							
Implies a Premium of	12%							

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2039 - 2050	2050
	<b>18 633</b>	<b>22 908</b>	<b>22 321</b>	<b>23 786</b>	<b>26 295</b>	<b>28 886</b>	<b>29 947</b>	<b>29 961</b>	<b>31 543</b>	<b>233 301</b>	<b>35 780</b>
									372 168		
508 607	521 569	536 033	550 052	562 551	573 340	583 829	595 045	605 469			
<b>17 197</b>	<b>22 080</b>	<b>22 754</b>	<b>23 200</b>	<b>24 751</b>	<b>29 265</b>	<b>28 784</b>	<b>28 738</b>	<b>31 746</b>	<b>233 301</b>	<b>35 780</b>	
								380 640		805 543	
510 326	524 238	538 456	553 232	567 499	578 258	590 257	603 148	613 940			
<b>1 436</b>	<b>828</b>	<b>(434)</b>	<b>586</b>	<b>1 544</b>	<b>(378)</b>	<b>1 162</b>	<b>1 222</b>	<b>(204)</b>			
								(8 471)			
(1 719)	(2 669)	(2 423)	(3 180)	(4 948)	(4 919)	(6 428)	(8 103)	(8 471)			

## 1.5. APV METHOD

	2024 3Q	2024	2025	2026	2027	2028	2029	2030
<b>Unlevered FCF</b>		<b>134 705</b>	<b>18 424</b>	<b>23 116</b>	<b>25 957</b>	<b>21 183</b>	<b>25 076</b>	<b>30 152</b>
Terminal value	160 017							
<b>Unlevered Enterprise Value</b>	<b>607 099</b>	482 377	495 839	505 496	512 874	525 615	535 330	540 658
<b>Core unlevered FCF</b>		<b>153 279</b>	<b>18 511</b>	<b>24 913</b>	<b>23 484</b>	<b>20 626</b>	<b>23 990</b>	<b>30 230</b>
Terminal value	165 915							
<b>Core unlevered EV</b>	<b>625 086</b>	481 897	495 260	503 106	512 899	526 199	537 014	542 304
	27%							
<b>Non-core unlevered FCF</b>		<b>(18 574)</b>	<b>(87)</b>	<b>(1 797)</b>	<b>2 473</b>	<b>557</b>	<b>1 087</b>	<b>(78)</b>
Terminal value	(5 897)							
<b>Non-core unlevered EV</b>	<b>(17 987)</b>	480	579	2 390	(26)	(583)	(1 684)	(1 647)
<b>Tax shields</b>		<b>1 884</b>	<b>753</b>	<b>813</b>	<b>843</b>	<b>856</b>	<b>914</b>	<b>949</b>
Terminal value	12 355							
<b>PV of tax shields</b>	<b>25 002</b>	23 521	24 324	25 119	25 938	26 798	27 656	28 537
<b>EX-BANK LEVERED ENTERPRISE VALUE</b>	<b>632 101</b>							
Terminal value	172 372							
Net debt	177 733							
<b>Equity</b>	<b>454 367</b>							
# Shares	137 472							
<b>EX-BANK SHARE PRICE</b>	<b>3.31</b>							
Implies a Price of	5.40							
Implies a Premium of	23%							

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2039 - 2050	2050
	<b>18 633</b>	<b>22 908</b>	<b>22 321</b>	<b>23 786</b>	<b>26 295</b>	<b>28 886</b>	<b>29 947</b>	<b>29 961</b>	<b>31 543</b>	<b>233 301</b>	<b>35 780</b>
	557 855	571 978	587 659	602 899	616 666	628 821	640 711	653 428	665 462		
	<b>17 197</b>	<b>22 080</b>	<b>22 754</b>	<b>23 200</b>	<b>24 751</b>	<b>29 265</b>	<b>28 784</b>	<b>28 738</b>	<b>31 746</b>	<b>233 301</b>	<b>35 780</b>
									440 633		891 358
	560 977	576 003	591 348	607 262	622 677	634 599	647 790	661 899	673 934		
	<b>1 436</b>	<b>828</b>	<b>(434)</b>	<b>586</b>	<b>1 544</b>	<b>(378)</b>	<b>1 162</b>	<b>1 222</b>	<b>(204)</b>		
									(8 471)		
	(3 122)	(4 025)	(3 689)	(4 363)	(6 011)	(5 778)	(7 079)	(8 471)	(8 471)		
	<b>949</b>	<b>1 050</b>	<b>1 125</b>	<b>1 214</b>	<b>1 300</b>	<b>1 376</b>	<b>1 439</b>	<b>1 504</b>	<b>1 578</b>	<b>3 258</b>	<b>2 664</b>
									32 812		66 376
	29 475	30 375	31 259	32 113	32 936	33 739	34 532	35 312	36 071		

## 11.6.2. Bank CTT

2. VALUATION BANCO CTT	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>2.1. FREE CASH FLOW TO EQUITY MAP</b>									
Net income	(3 830)	3 745	6 394	11 333	20 019	44 759	52 769	85 384	81 665
Depreciation	5 588	6 628	7 670	7 931	8 419	6 838	7 079	7 078	7 313
<b>Gross cash flow</b>	<b>1 758</b>	<b>10 373</b>	<b>14 064</b>	<b>19 264</b>	<b>28 438</b>	<b>51 597</b>	<b>59 847</b>	<b>92 462</b>	<b>88 979</b>
Capex	9 849	7 771	6 795	7 937	7 963	7 617	7 769	7 927	8 089
Δ Goodwill	60 679	-	-	-	(406)	-	-	-	-
Δ Credit to banking clients	637 771	207 461	448 627	235 657	(184 351)	419 944	1 039 288	508 736	569 089
Δ Debt securities and other banking assets	(51 100)	125 771	254 771	137 829	925 092	113 576	1 416 515	671 537	701 081
Δ Other core assets	(130)	16	51	(34)	245	217	139	38	43
Δ Debt securities and other banking liabilities	79 097	(28 054)	238 790	213 350	(109 254)	(408 879)	-	-	-
Δ Banking clients' deposits and other loans	399 617	404 898	433 046	123 819	845 633	935 353	2 078 577	1 017 472	1 138 178
Δ Lease liabilities	1 247	(4)	469	1 273	(568)	776	427	529	481
Δ Other core liabilities	2 389	600	1 806	155	3 082	(873)	4 711	1 322	1 484
<b>Investing/Financing cash flow</b>	<b>(174 719)</b>	<b>36 420</b>	<b>(36 134)</b>	<b>(42 793)</b>	<b>(9 650)</b>	<b>(14 976)</b>	<b>(379 998)</b>	<b>(168 914)</b>	<b>(138 159)</b>
<b>BANCO CTT FREE CASH FLOW TO EQUITY</b>	<b>(172 960)</b>	<b>46 794</b>	<b>(22 070)</b>	<b>(23 529)</b>	<b>18 787</b>	<b>36 621</b>	<b>(320 151)</b>	<b>(76 452)</b>	<b>(49 180)</b>
Δ Equity	172 960	(46 794)	22 070	23 529	(18 787)	(36 621)	320 151	76 452	49 180

2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2039 - 2050	2050
81 763	83 911	90 114	95 808	100 447	105 637	108 431	110 514	116 747	120 128	123 638	123 532	850 922	150 687
7 567	7 619	7 783	7 930	8 109	8 277	8 426	8 429	8 430	8 433	8 432	8 430	69 256	12 264
<b>89 331</b>	<b>91 530</b>	<b>97 897</b>	<b>103 737</b>	<b>108 556</b>	<b>113 914</b>	<b>116 857</b>	<b>118 943</b>	<b>125 177</b>	<b>128 561</b>	<b>132 071</b>	<b>131 962</b>	<b>920 178</b>	<b>162 952</b>
8 254	8 423	8 592	8 763	8 939	9 117	9 300	9 300	9 300	9 300	9 300	9 300	69 256	12 264
-	-	-	-	-	-	-	-	-	-	-	-	-	-
(41 164)	276 509	259 015	235 877	94 786	284 896	120 249	470 197	297 107	312 247	328 158	131 987	-	-
(52 132)	340 075	319 336	290 816	116 657	920	(207 638)	151 167	(65 465)	(76 081)	(87 381)	113 521	-	-
(38)	7	28	26	8	13	(7)	32	11	11	12	13	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
(82 328)	553 017	518 030	471 755	189 572	256 116	(77 971)	556 503	207 595	211 644	215 771	219 979	-	-
422	499	501	517	513	520	541	539	539	537	537	539	-	-
(1 204)	320	1 030	971	341	522	(185)	1 163	451	460	470	508	-	-
<b>1 970</b>	<b>(71 178)</b>	<b>(67 409)</b>	<b>(62 240)</b>	<b>(29 963)</b>	<b>(37 789)</b>	<b>481</b>	<b>(72 490)</b>	<b>(32 368)</b>	<b>(32 836)</b>	<b>(33 310)</b>	<b>(33 795)</b>	<b>(69 256)</b>	<b>(12 264)</b>
<b>91 301</b>	<b>20 352</b>	<b>30 488</b>	<b>41 497</b>	<b>78 593</b>	<b>76 125</b>	<b>117 339</b>	<b>46 453</b>	<b>92 809</b>	<b>95 725</b>	<b>98 761</b>	<b>98 167</b>	<b>850 922</b>	<b>150 687</b>
(91 301)	(20 352)	(30 488)	(41 497)	(78 593)	(76 125)	(117 339)	(46 453)	(92 809)	(95 725)	(98 761)	(98 167)	-	-

## 2.2. COST OF CAPITAL

Cost of equity	<b>10.6%</b>
Growth rate in perpetuity	<b>1.9%</b>

## 2.3. FTE METHOD

	2024 3Q	2024	2025	2026	2027	2028	2029	2030	2031
<b>FCF to equity</b>		<b>36 621</b>	<b>(320 151)</b>	<b>(76 452)</b>	<b>(49 180)</b>	<b>91 301</b>	<b>20 352</b>	<b>30 488</b>	<b>41 497</b>
Terminal value	123 578								
<b>BANCO CTT EQUITY VALUE</b>	<b>287 361</b>	258 096	605 705	746 597	875 206	877 016	949 968	1 020 544	1 087 620
43%									
# Shares	137 472								
<b>BANCO CTT SHARE PRICE</b>	<b>2.09</b>								

2032	2033	2034	2035	2036	2037	2038	2039	2039 - 2050	2050
<b>78 593</b>	<b>76 125</b>	<b>117 339</b>	<b>46 453</b>	<b>92 809</b>	<b>95 725</b>	<b>98 761</b>	<b>98 167</b>	<b>850 922</b>	<b>150 687</b>
								577 467	1 755 932
1 124 736	1 168 269	1 175 220	1 253 796	1 294 375	1 336 356	1 379 767	1 428 390		

### 11.6.3. CTT

#### 3. VALUATION CTT

##### 3.1 CTT

Equity	707 955
# Shares	137 472
<b>CTT SHARE PRICE</b>	<b>5.15</b>

Current price	4.38
<b>Estimated premium</b>	<b>18%</b>

##### 3.2 CTT EX-BANK

Equity	420 593
# Shares	137 472
<b>CTT EX-BANK SHARE PRICE</b>	<b>3.06</b>

##### 3.3 BANCO CTT

Equity	287 361
# Shares	137 472
<b>BANCO CTT SHARE PRICE</b>	<b>2.09</b>

## 11.7. Relative Valuation – Peers

### 11.7.1. CTT Ex-Bank

#### 1. Mail + Parcels and Express + Financial Services

##### 1.1. Companies Data

Companie	Ticker	Market Cap Current	Revenues (€)		EBITDA (€)		EBIT (€)		EV (€)	
			2023	TTM	2023	TTM	2023	TTM	2023	Current
Deutsche Post AG	DHLn.DE	#####	88 277 505 361		13 184 296 680	10 787 140 390	8 834 480 506	5 993 069 107	64 907 009 855	81 916 512 852
Poste Italiane SpA	PST.MI	#####	13 401 990 140		3 734 585 804	4 041 398 271	2 854 929 904	2 717 590 652	56 830 650 535	68 859 082 306
Bpost SA	BPOST.B	#####	4 505 242 177		579 413 593	566 235 056	274 747 498	124 109 291	1 494 760 847	1 492 837 013
Oesterreichische	POST.VI	#####	3 202 108 301		358 920 530	461 059 086	169 399 531	220 470 750	2 479 931 033	2 855 960 251
InPost SA	INPST.AS	#####	2 411 409 437		431 752 156	794 033 240	212 573 609	451 323 658	5 647 109 915	8 451 968 609
PostNL NV	PTNL.AS	#####	3 473 427 633		163 289 500	133 239 989	(1 053 480)	78 114 043	1 415 930 900	1 290 449 319
Jetpak Top Holdir	JETPAK.S	#####	111 393 081		15 775 850	15 935 961	12 131 798	9 924 071	131 984 882	111 463 142
<b>Average</b>	<b>#####</b>	<b>#####</b>	<b>16 483 296 590</b>		<b>2 638 290 588</b>	<b>2 399 863 142</b>	<b>1 765 315 624</b>	<b>1 370 657 367</b>	<b>18 986 768 281</b>	<b>23 568 324 785</b>
<b>Median</b>	<b>#####</b>	<b>#####</b>	<b>3 473 427 633</b>		<b>431 752 156</b>	<b>566 235 056</b>	<b>212 573 609</b>	<b>220 470 750</b>	<b>2 479 931 033</b>	<b>2 855 960 251</b>

##### 1.2. Comparable Multiples

Company	EV/Revenues		EV/EBITDA		EV/EBIT		P/E
	2023	Current	2023	Current	2023	Current	Current
Deutsche Post AG	0.65	0.93	4.92	7.59	7.35	13.67	13.88
Poste Italiane SpA	4.74	5.14	15.22	17.04	19.91	25.34	28.40
Bpost SA	0.32	0.33	2.58	2.64	5.44	12.03	3.51
Oesterreichische	0.93	0.89	6.91	6.19	14.64	12.95	14.92
InPost SA	3.55	3.50	13.08	10.64	26.57	18.73	38.65
PostNL NV	0.43	0.37	8.67	9.69	(1 344.05)	16.52	6.70
Jetpak Top Holdir	1.09	1.00	8.37	6.99	10.88	11.23	16.40
<b>Average</b>	<b>1.67</b>	<b>1.74</b>	<b>8.54</b>	<b>8.68</b>	<b>(179.90)</b>	<b>15.78</b>	<b>17.49</b>
<b>Maximum</b>	<b>4.74</b>	<b>5.14</b>	<b>15.22</b>	<b>17.04</b>	<b>26.57</b>	<b>25.34</b>	<b>38.65</b>
<b>75th Percentile</b>	<b>2.32</b>	<b>2.25</b>	<b>10.88</b>	<b>10.16</b>	<b>17.27</b>	<b>17.62</b>	<b>22.40</b>
<b>Median</b>	<b>0.93</b>	<b>0.93</b>	<b>8.37</b>	<b>7.59</b>	<b>10.88</b>	<b>13.67</b>	<b>14.92</b>
<b>25th Percentile</b>	<b>0.54</b>	<b>0.63</b>	<b>5.92</b>	<b>6.59</b>	<b>6.39</b>	<b>12.49</b>	<b>10.29</b>
<b>Minimum</b>	<b>0.32</b>	<b>0.33</b>	<b>2.58</b>	<b>2.64</b>	<b>(1 344.05)</b>	<b>11.23</b>	<b>3.51</b>

##### 1.3. Valuation

###### 1.3.1. CTT Valuation - EV/Revenues

Percentile	25th	median	75th
EV/Revenues	0.59	0.93	2.29
CTT's Revenue LTI	#####	#####	#####
<b>Enterprise value (</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>
Equity value	#####	#####	#####
<b>CTT's Price per sh</b>	<b>2.40</b>	<b>4.73</b>	<b>13.86</b>

###### CTT Capital Structure

Net Debt (€)	177 733 243.23
Non-controlling interest	34 286 301.00
Shares Outstanding	137 471 532.00

###### 1.3.2. CTT Valuation - EV/EBITDA

Percentile	25th	median	75th
EV/EBITDA	6.26	7.98	10.52
CTT's EBITDA LTI	#####	#####	#####
<b>Enterprise value (</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>
Equity value	#####	#####	#####
<b>CTT's Price per sh</b>	<b>3.59</b>	<b>5.00</b>	<b>7.09</b>

###### CTT Capital Structure

Net Debt (€)	177 733 243.23
Non-controlling interest	34 286 301.00
Shares Outstanding	137 471 532.00

###### 3.3 CTT Valuation - EV/EBIT

Percentile	25th	median	75th
EV/EBIT	9.44	12.27	17.45
CTT's EBIT LTI	#####	#####	#####
<b>Enterprise value (</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>
Equity value	#####	#####	#####
<b>CTT's Price per sh</b>	<b>1.78</b>	<b>2.77</b>	<b>4.59</b>

###### 3.3 CTT Capital Structure

Net Debt (€)	177 733 243.23
Non-controlling interest	34 286 301.00
Shares Outstanding	137 471 532.00

###### 3.4 CTT Valuation - P/E

Percentile	25th	median	75th
p/e	10.29	14.92	22.40
CTT's EPS	0.26	0.26	0.26
<b>CTT's Price per sh</b>	<b>2.63</b>	<b>3.81</b>	<b>5.72</b>

###### 3.4 CTT Capital Structure

EPS	0.26
-----	------

## 11.7.2. CTT Bank

### 2. Banking

#### 2.1. Companies Data

#### 2.2. Comparable Multiples

Company	P/E	P/Book Value		P/Assets per share		Price / Sales per share	
	Current	2023	Current	2023	Current	2023	Current
Banco Comercial	5.01	0.80	1.06	0.05	0.07	1.39	1.81
Bankinter SA	7.48	1.06	1.24	0.05	0.06	2.36	2.21
Banco de Sabadel	5.91	0.48	0.68	0.02	0.04	1.16	1.48
Mediobanca Banc	9.37	0.83	1.07	0.10	0.12	3.53	4.12
Piraeus Financial	3.98	0.61	0.66	0.05	0.06	1.81	1.76
Alpha Services an	2.39	0.58	0.51	0.05	0.05	2.08	1.86
National Bank of	5.31	0.89	0.88	0.07	0.09	2.71	2.31
Eurobank Ergasia	5.72	0.90	0.93	0.07	0.09	2.02	2.39
Banco BPM SpA	5.02	0.62	0.81	0.04	0.05	1.69	1.92
FincoBank Banca	14.07	4.34	4.20	0.23	0.28	8.77	7.14
Average	6.43	1.11	1.20	0.07	0.09	2.75	2.70
Maximum	14.07	4.34	4.20	0.23	0.28	8.77	7.14
75th Percentile	7.09	0.90	1.07	0.07	0.09	2.62	2.37
Median	5.51	0.82	0.90	0.05	0.07	2.05	2.07
25th Percentile	5.01	0.61	0.72	0.05	0.05	1.72	1.82
Minimum	2.39	0.48	0.51	0.02	0.04	1.16	1.48

#### 2.3. Valuation

2.3.1. Banco CTT Valuation - P/E				Weight
Percentile	25th	median	75th	28%
P/E	5.01	5.51	7.09	
CTT's EPS	0.14	0.14	0.14	
CTT's Price per sh	0.71	0.78	1.01	

CTT Capital Structure	
EPS	0.14
Shares Outstanding	137 471 532

2.3.2. Banco CTT Valuation - P/Book Value				Weight
Percentile	25th	median	75th	28%
P/Book Value	0.66	0.86	0.98	
CTT's Book Value	2.17	2.17	2.17	
CTT's Price per sh	1.44	1.87	2.13	

CTT Capital Structure	
Book Value	298 835 183
Book Value per Share	2.17
Shares Outstanding	137 471 532

2.3.3. Banco CTT Valuation - P/Assets				Weight
Percentile	25th	median	75th	15%
P/Assets	0.05	0.06	0.08	
CTT's Assets Per S	33.42	33.42	33.42	
CTT's Price per sh	1.66	1.97	2.75	

CTT Capital Structure	
Assets	4 593 723 731
Assets per Share	33.42
Shares Outstanding	137 471 532

2.3.4. Banco CTT Valuation - P/Sales				Weight
Percentile	25th	median	75th	28%
P/Sales per share	1.77	2.06	2.49	
CTT's Price per sh	1.75	2.04	2.47	

CTT Capital Structure	
Sales	135 906 000
Sales pershare	0.99
Shares Outstanding	137 471 532

## 11.7.3. CTT

### 3. Consolidation

Percentile	25th	50th	75th
Ex-Bank	€ 2.60	€ 4.08	€ 7.81
Bank	€ 1.35	€ 1.62	€ 2.00
CTT's Total	€ 3.95	€ 5.70	€ 9.82
Premium	-10%	30%	124%

## 11.8. Relative Valuation – Historical Transactions

### 11.8.1. CTT Ex-Bank

#### 1. Mail + Parcels and Express + Financial Services

##### 1.1. Transaction Criteria

<b>Currency</b>	EUR
<b>Universe</b>	Deals M&A
<b>Output</b>	Report

<b>Field Name</b>	Operator	Description	Hits
<b>Deal Status</b>	Include	Unconditional,Completed	
<b>Date Announced</b>	Custom	01 Nov 2017 and 01 Nov 2024	
<b>M&amp;A TRBC Activity(T)</b>	Include	Courier Services	
<b>Nation Classification(T)</b>	Include	Anguilla,Antigu:	383

##### 1.2. Deals Data

##### 1.3. Transaction Multiples

Target Name	EV/Revenues	EV/EBITDA	EV/EBIT
Mondial Relay SAS	1.40	9.49	10.41
DX (Group) PLC	0.61	4.94	9.63
MBE Worldwide SpA	2.94	14.12	22.24
P2P Mailing Ltd	1.09	11.78	12.72
Redyser Transporte SL	0.37	0.54	0.55
DHL Supply Chain Ltd	0.00	0.19	6.87
De Salute Srl	0.44	14.84	37.16
Regional Express Ltd	0.33	6.94	7.84
Cross Messengers Town AB	0.50	23.87	25.50
Average	0.85	9.64	14.77
Maximum	2.94	23.87	37.16
75th Percentile	1.09	14.12	22.24
Median	0.50	9.49	10.41
25th Percentile	0.37	4.94	7.84
Minimum	0.00	0.19	0.55

##### 1.4. Valuation

##### 1.4.1. CTT LTM Data & Capital Structure

LTM Revenues	926 156
LTM EBITDA	112 739
LTM EBIT	48 324
Net Debt(k€)	177 733 243
Non-controlling interest	34 286 301
<b>Shares Outstanding (M)</b>	<b>137 471 532</b>

##### 1.4.2. CTT Valuation - EV/Revenues

Percentile	25th	Median	75th
EV/Revenues	0.37	0.50	1.09
CTT's Revenue LTM	926 156	926 156	926 156
<b>Enterprise value</b>	<b>341 411 394.10</b>	#####	#####
Equity value	129 391 849.88	#####	#####
<b>CTT's fair value</b>	<b>0.94</b>	<b>1.83</b>	<b>5.78</b>

##### 1.4.3. CTT Valuation - EV/EBITDA

Percentile	25th	Median	75th
EV/EBITDA	4.94	9.49	14.12
CTT's EBITDA LTM	112 739	112 739	112 739
<b>Enterprise value</b>	<b>556 594 029.51</b>	<b>1 070 330 941.66</b>	<b>1 592 208 831.56</b>
Equity value	344 574 485.28	858 311 397.43	1 380 189 287.33
<b>CTT's fair value</b>	<b>2.51</b>	<b>6.24</b>	<b>10.04</b>

##### 1.4.4. CTT Valuation - EV/EBIT

Percentile	25th	Median	75th
EV/EBIT	7.84	10.41	22.24
CTT's EBIT LTM	48 324	48 324	48 324
<b>Enterprise value</b>	<b>378 766 505.65</b>	<b>502 855 827.32</b>	<b>1 074 503 409.43</b>
Equity value	166 746 961.43	290 836 283.09	862 483 865.20
<b>CTT's fair value</b>	<b>1.21</b>	<b>2.12</b>	<b>6.27</b>

## 11.8.2. CTT Bank

### 2. Banking

#### 2.1. Deals Data and Multiples

Target Name	Acquirer	Date announced	P/E		P/Book Value	
			Y1	Y2	Y1	Y2
Turkiye Garanti Bankia SA	Banco Bilbao Vizcaya A	15/11/2021	5.51	7.56	0.79	0.81
Bankia SA	CaixaBank SA	18/09/2020	7.85	6.15	0.34	0.34
Unione di Banca	Intesa Sanpaolo SpA	17/02/2020	21.84	12.89	0.55	0.57
Biverbanca Cas	Banca C.R.Asti S.p.A.	29/11/2018	60.14	28.37	0.81	0.77
Banco Caixa Ge	Abanca Corporacion B	22/11/2018	13.84	14.37	0.69	0.79
Cassa di Rispar	Banca Popolare di Son	30/10/2018	6.85	37.62	0.28	0.29
Turkiye Garanti	Banco Bilbao Vizcaya A	21/02/2017	6.34	7.50	0.91	0.87
Turkiye Garanti	Banco Bilbao Vizcaya A	19/11/2014	10.57	8.99	1.54	1.37
		Average	16.62	15.43	0.74	0.73
		Maximum	60.14	37.62	1.54	1.37
		75th Percentile	15.84	17.87	0.84	0.82
		Median	9.21	10.94	0.74	0.78
		25th Percentile	6.72	7.54	0.49	0.51
		Minimum	5.51	6.15	0.28	0.29

#### 2.2. Valuation

2.2.1. Banco CTT Valuation - P/E				Weight
Percentile	25th	median	75th	50%
P/E	7.13	10.08	16.85	
CTT's EPS	0.14	0.14	0.14	
<b>CTT's Price per</b>	<b>1.01</b>	<b>1.43</b>	<b>2.40</b>	

CTT Capital Structure	
EPS	0.14
Shares Outstanding	137 471 532

2.2.2. Banco CTT Valuation - P/Book Value				Weight
Percentile	25th	median	75th	50%
EV/EBITDA	0.50	0.76	0.83	
CTT's Book Valu	2.17	2.17	2.17	
<b>CTT's Price per</b>	<b>1.09</b>	<b>1.65</b>	<b>1.80</b>	

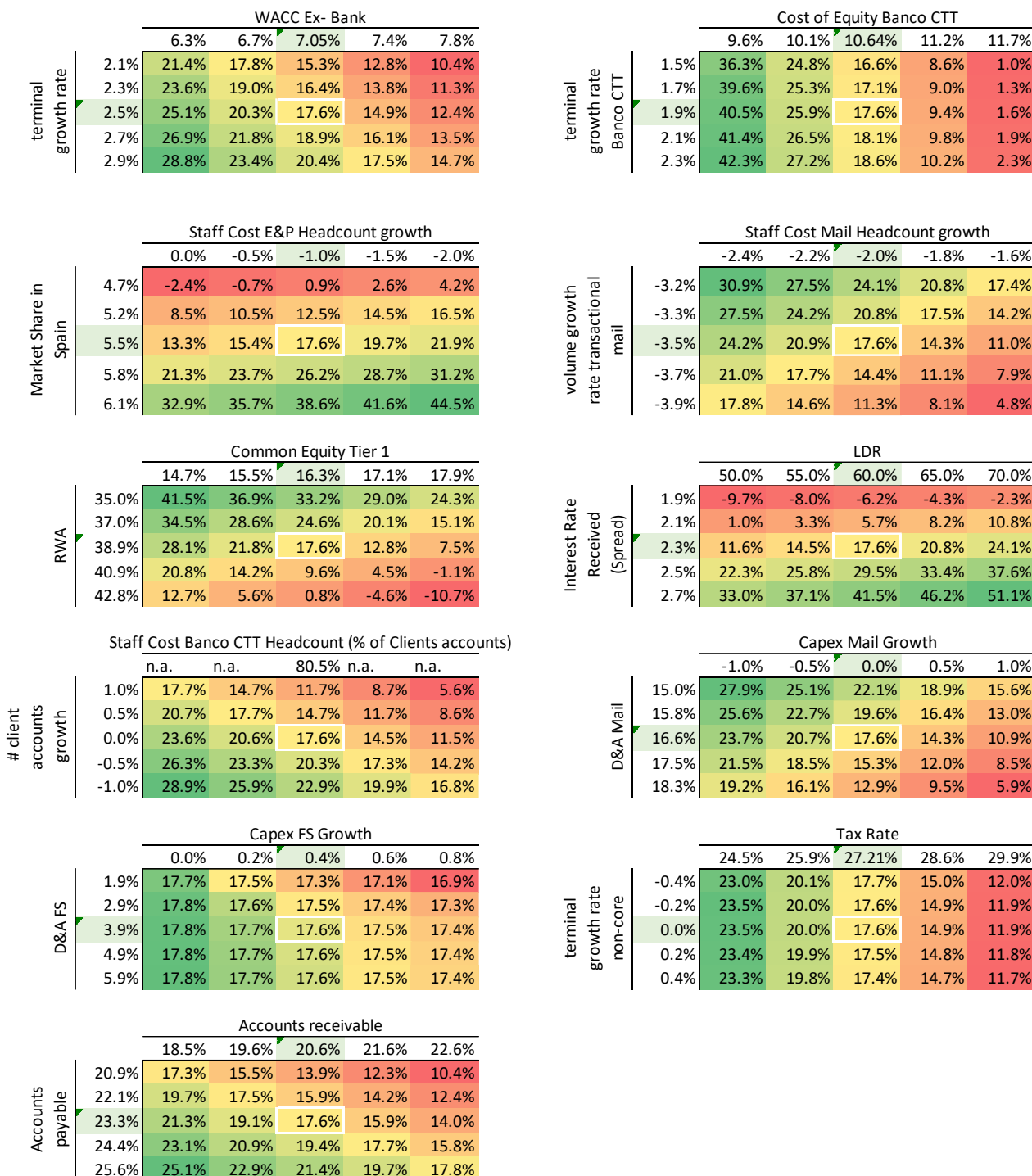
CTT Capital Structure	
Book Value	298 835 183
Book Value per Share	2.17
Shares Outstanding	137 471 532

### 3. Consolidation

Percentile	25th	50th	75th
Ex-Bank	1.55	3.40	7.36
Bank	1.05	1.54	2.10
<b>CTT's Total</b>	<b>2.61</b>	<b>4.94</b>	<b>9.46</b>
Premium	-40%	13%	116%

# 11.9. Sensitivity Analysis

## Sensitivities



# Disclosures and Disclaimers

## Report Recommendations

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<b>Buy</b>	Expected total return (including expected capital gains and expected dividend yield) of more than 10% over a 12-month period.
<b>Hold</b>	Expected total return (including expected capital gains and expected dividend yield) between 0% and 10% over a 12-month period.
<b>Sell</b>	Expected negative total return (including expected capital gains and expected dividend yield) over a 12-month period.

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# EVALUATING ASSET-BASED TRANSPORTATION OPPORTUNITIES IN SPAIN

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# 1. INTRODUCTION

## 1.1. Overview of CTT Express

CTT Express is CTT's subsidiary company in Spain for express parcel delivery. It is a result of a significant transformation and rebranding of Tourline Express in February 2020, as part of a broader strategy to establish an integrated Iberian network. Tourline Express, part of CTT Group since 2005, had struggled financially, recording operational losses of 25M€ between 2016 and 2020, whilst simultaneously losing major clients such as Amazon. The restructuring efforts were successful, with CTT Express achieving substantial growth in volumes and profitability – by 2023, revenue in Spain reached 187M€, surpassing the business volumes in Portugal for the Express & Parcels business unit and increasing its parcel market share in Spain from 2.2% in 2020 to 4.1% in 2023, with projections of 4.5% by the end of 2024.

As for the base valuation model, revenues for CTT in Spain are projected to continue to grow strongly, making CTT Express one of the main value drivers of the company in the future. Revenues are projected to grow at a CAGR of 7.7%, with an average EBITDA margin of 12% for the forecasted period.

According to CTT, growth in the Spanish market has been supported by three pillars: having an efficient delivery network, fostering partnerships with e-commerce senders, and implementing a new commercial model to support its franchise network. CTT Express leverages its dominant position in Portugal to provide an integrated Iberian logistics solution. Investment in infrastructure has also been key for capacity expansion and efficiency, such as a new customs clearance centre for last-mile delivery in Madrid, expanded convenience store and Locky lockers network.

Currently, parcel transport is fully subcontracted, as the company does not operate its own fleet. 100% of the fleet both to transport goods overnight to distribution centres and for last-mile delivery is supplied externally, with the number of providers growing over the last years.

## 1.2. Research Question

The choice of CTT Express to operate a subcontracting model for all transportation in Spain can allow for quicker increases in scale and more flexibility, especially if the company aims to gain market share rapidly in a highly competitive and fast-growing industry. Simultaneously, there can be challenges such as higher costs and limited operational control due to the dependency on third parties. Given the growing market and rising subcontracting costs, it is crucial to evaluate whether incorporating a private fleet could improve CTT's efficiency and profitability in

Figure 1 - CTT Express revenues

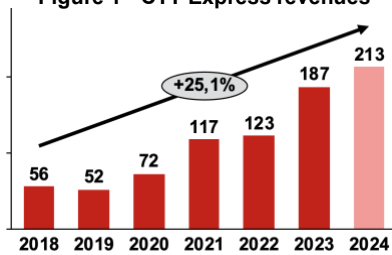


Figure 2 - CTT Express revenue forecast

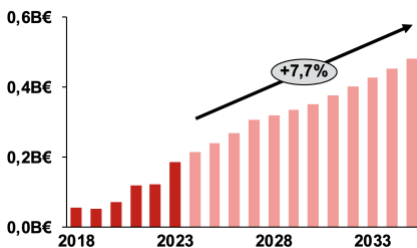


Figure 3 - CTT Express EBITDA

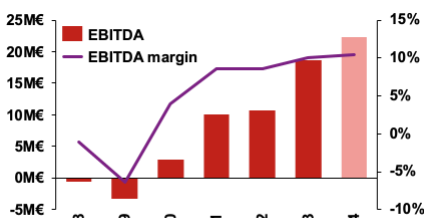


Figure 4 - Market share in Spain

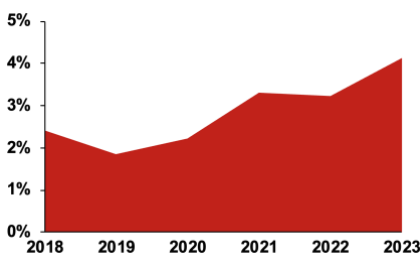


Figure 5 - E-commerce shipping volume in Spain (items)

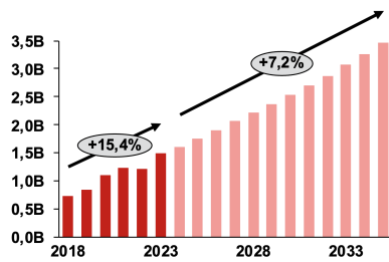


Figure 6 - Delivery-model customer preferences (McKinsey, 2016)

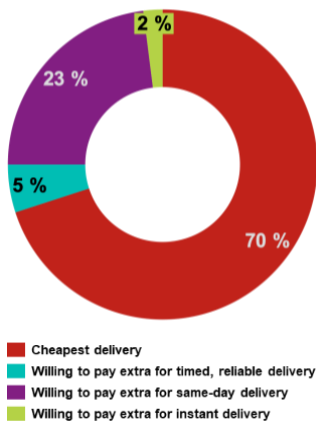
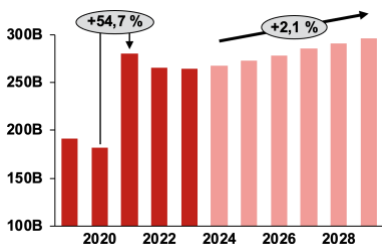


Figure 7 - 3PL market revenues in Europe



Spain. This research seeks to assess to what extent could CTT Express achieve an equilibrium between maintaining a subcontracted model and integrating a private fleet for its logistics operations. For this, it is necessary to delve into the trade-offs of operational control, cost dynamics, scalability, service quality, and others. Ultimately, the analysis provides a recommendation and its impact in the valuation of CTT Group.

## 2. ROAD LOGISTICS INDUSTRY

### 2.1. Logistics and Last-Mile Delivery

The road logistics and last-mile delivery industry in Europe and Spain has gone through significant transformation in the last years, driven by the substantial growth in e-commerce, particularly during the COVID period, as well as advancements in sorting and transportation technology.

In Spain, there has been a steady growth in online shopping, with e-commerce sales reaching 57.7B€ in 2023, a growth of 9% relative to the previous year, and e-commerce shipping volumes growing at a CAGR of 15.4% in the last years and expected to grow at a CAGR of 7.2% until 2035. This has considerably increased the demand for efficient and consistent last-mile delivery solutions. Consumers expect faster and more flexible delivery services, requiring high investment from logistics providers in infrastructure and technology. Route optimization software, autonomous delivery vehicles and big data analytics, though the power of artificial intelligence, have emerged as critical tools (Chopra and Meindl 2022).

With the evolution of consumer expectations and the establishment of e-commerce as part of daily lives, there is a growing demand for same-day or next-day delivery, with 23% of consumers willing to pay extra for same-day delivery (Joerss, Neuhaus and Schröder 2016). To meet these demands, companies are investing in micro-fulfilment centres and urban distribution hubs to increase capillarity. Spain has been no exception to this and has seen a rise in the number of facilities, including new investments made by CTT Express.

### 2.2. Evolution of 3PL and Private Fleet

#### 2.2.1. Third-Party Logistics (3PL) providers

Third-Party Logistics (3PL) is the “outsourcing of transport and logistics activities to outside companies that are neither consignors nor consignees” (Vasiliauskas and Jakubauskas 2010). Road 3PL services became prominent after deregulation of the freight markets, during the 1980s in the US, with the Motor Carrier Act (Ellig 2020), and the late 1990s in the EU (Hilal 2008), offering an integrated set of supply chain verticals, such as transportation, warehousing, information technology, assembly, among others. In the case of CTT Express, it outsources the overnight

transportation of parcels between distribution centres and the last-mile delivery, whilst the sorting, customs clearance, and other activities are done ‘in-house’ and represent some of the core competencies of the company.

**2.2.2. Private Fleet**

A private fleet is a transportation solution where companies own and operate its vehicles to handle the logistics and delivery of its products or services, rather than relying on 3PL carriers. It involves internal management of vehicle operations, driver recruitment, routing, and maintenance, giving the company full control over its transport logistics (Fernández 2020). In the case of CTT, it is the model that the company uses for its operations in Portugal.

A significant trend influencing the road logistics industry is the shift towards asset-based transportation models. Certain companies are increasingly evaluating the cost-efficiency and operational control offered by private fleets compared to outsourced logistics providers. The challenges in terms of supply chain posed by the pandemic and the war in Ukraine pushed cargo owners to develop transportation capacity internally, which led to a rise in private fleets (Putzger 2024). Global logistics players like Amazon and DHL operate mixed models in Spain. DHL Express Spain runs a partial private fleet for critical urban deliveries, while outsourcing peak loads to common carriers (DHL 2024). SEUR has adopted a mixed fleet strategy, operating a private fleet for urban deliveries while outsourcing longer distances (SEUR 2024).

**3. CONCEPTUAL FRAMEWORK**

**3.1. 3PL Versus Private Fleet**

The decision between keeping outsourcing transportation to third-party logistics (3PL) providers and integrating a private fleet is critical for companies such as CTT Express, taking into consideration the main advantages of each option, as well as the context mentioned above. For CTT, operating in the highly competitive and fragmented market of Spain, the choice is influenced by several factors. 3PL providers offer the opportunity for scalability and flexibility, whilst integrating a private fleet grants greater control over operations and service quality.

**3.1.1. Advantages of Outsourcing Transportation to 3PL Carriers**

The decision for CTT Express to subcontract transportation whilst maintaining control over sorting operations is a strategic decision with several advantages. Outsourcing transportation operations to 3PL providers has become a common strategy for companies that look to improve their logistics processes and efficiencies (Coyle, Novack and Gibson 2016).

Figure 8 - 3PL market revenues in Iberia

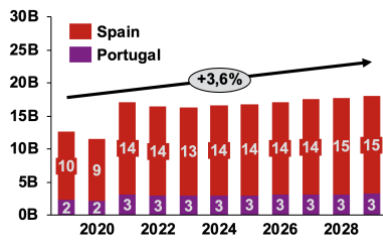


Figure 9 - Advantages and disadvantages of 3PL

Advantages
Low CAPEX
Economies of scale
Flexibility
Focus on core competencies
Higher ROA
Adaptability

Disadvantages
Loss of control
Dependency
Quality control
Integration challenges
Cost variability
Risk of disputes

Firstly, outsourcing transportation allows for significant savings in capital investments. With 3PL, CTT Express avoids the substantial CAPEX required to acquire and maintain its own fleet. Additionally, subcontractors can operate more efficiently due to their economies of scale and scope, as well as optimized maintenance practices. These cost reductions can be particularly important for CTT in a competitive and fragmented Spanish market.

Secondly, flexibility is a critical benefit of subcontracting transportation, especially considering that demand for parcel delivery often fluctuates seasonally, with short-lived peaks such as Black Friday or Christmas that require easily accessible transportation capacity. Outsourcing allows CTT Express to adapt its capacity to changing volumes, without bearing the costs of maintaining underutilized vehicles. Moreover, 3PL partners allow CTT to have a quick response to market dynamics such as routing changes.

Thirdly, by delegating transportation to 3PL providers, CTT Express can attribute more focus to its core competencies. Sorting and processing parcels are at the core of the company's operations and can be a critical point of differentiation in its value chain, and thus CTT can prioritize investment in its sorting capacity and improvement of lead times. Also from a financial perspective, outsourcing means having an asset-light business model and thus boosting Return on Assets (ROA).

Figure 10 - Advantages and disadvantages of Private fleet

Advantages
Operational control
Cost savings
Customer experience
Brand visibility
Data integration
Access to credit

Disadvantages
High CAPEX
Fixed costs
Low flexibility
Operational challenges
Opportunity costs
Depreciation

### 3.1.2. Advantages of Integrating a Private Fleet

A primary benefit of integrating a private fleet is the higher level of control over critical logistics functions. Delegating some key activities to 3PL providers can negatively impact CTT's service quality and consistency. High dependency on external providers exposes the company to more risks, such as underperformance of the 3PL partner.

Secondly, an advantage of a private fleet is the potential for a reduction in operational costs. CTT Express can achieve lower unit transportation costs since it can eliminate the profit margins charged by 3PL carriers. Additionally, with more operational control, CTT can have more bargaining power when negotiating supplemental transportation needs with common carriers, increasing cost savings. With outsourcing, the company is exposed to fluctuations in logistics service pricing, harming financial stability and forecasting.

Thirdly, a private fleet allows CTT Express to improve the quality of its service, customer relationships and marketing. If drivers are employees of CTT, the company can nurture them in the culture that it deems most fit – better interactions with clients, greater care in parcel handling, among others. Moreover, company-branded vehicles increase visibility and strengthens brand identity for CTT Express, especially considering its relatively low market share in the Spanish market. Ultimately, incorporating a private fleet can allow CTT to improve its

service, due to direct control over dispatching, routing, and schedules, tailoring the company's response to its customer needs.

Another key advantage is the better integration of data. CTT's operation relies heavily on the smooth interactions between IT systems, namely for labelling or sorting. Miscommunication between CTT Express and its 3PL partners can disrupt parcel delivery.

Additionally, utilizing a private fleet can improve access to credit markets, both directly and indirectly (Dellaert 2024). Not only is a private fleet a tangible asset that can be used as collateral when borrowing, but also it demonstrates that the company has greater control over its supply chain and the risks associated to it – stability is attractive to creditors.

### 3.2. Defining the Equilibrium Point

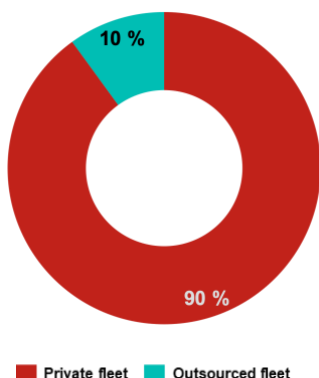
By weighing capital and operational costs, flexibility, capacity, and operational control, each company can aim for an equilibrium point between owning a private fleet and relying on 3PL providers for a portion of its transportation needs. Many companies find a hybrid approach – where they maintain a private fleet for core operations while outsourcing excess capacity during peak periods – offers the best of both worlds (Primary Researcher 2012), when considering the level of control desired, costs structures, and ability to schedule operations effectively, particularly in the case of CTT Express and its market position in Spain.

For some companies, it can be optimal to rely entirely on subcontracted fleets, in instances where transportation needs are highly variable or unpredictable, where companies can leverage the flexibility and scalability without bearing the upfront costs. It is also attractive for businesses for which transportation is not a core competency (Morris 2021).

However, in the case of CTT Express, it is likely not optimal to fully outsource. The delivery of parcels is at the core of the company, with volumes remaining somewhat constant throughout the year, despite clear spikes in volumes for some periods. For companies like CTT, which have critical delivery time frames and quality standards, it is more common to employ a hybrid model, where the firm combines a private fleet operation with outsourced capacity during peak demand. Unlike B2B carriers in other verticals of the supply chain, it is crucial for CEP companies like CTT Express to have control over customer experience and brand visibility.

The nature of the market where companies operate also plays a role in the decision. The size of businesses, geographic and demographic characteristics, among other factors, result in differences between countries for the level of reliance in private fleets, particularly in the case of Portugal and Spain, where CTT is

Figure 11 - Optimal mix of private/outsourced fleet for CTT Express



inserted. Historically, “in 2001, more than 51% of all domestic road freight ton-kilometers were carried out as own account transport in Portugal. But own account transport only made up 15% of Spain’s domestic freight transport” (de Jong and Ben-Akiva 2008).

## 4. VALUATION

This section covers the impact in the valuation of CTT Group of incorporating a private fleet into CTT Express’s operations in Spain, based on assumptions about costs, fleet size, and other variables. Under the new model, the optimal proportion of private fleet in the overall transportation needs is determined to be 90%. This optimal proportion is derived as a function that maximizes CTT Express’s share price, considering the various factors that influence it and that are explained below.

The decision to integrate a private fleet is based on a cost-benefit analysis, where the incremental benefits from eliminating 3PL profit margins and achieving better control over logistics are weighed against the higher initial capital investments required. By gradually increasing the private fleet to 90% of the total fleet requirements during a three-year period, CTT Express can improve its operational efficiency, leading to significant cost savings and a more favourable financial position. These changes are expected to have a substantial impact on the company’s valuation, enhancing its EBITDA and, consequently, its share price. The following sections will provide a detailed breakdown of the CAPEX, cost structure, and EBITDA impact under this new fleet integration scenario.

### 4.1. CAPEX

In the original model, CAPEX is calculated as a percentage of projected revenues for the next three years (2024-2028). From 2029 onward, CAPEX is determined based on the y.o.y. revenue growth rate. To incorporate the acquisition of vehicles for the private fleet, additional CAPEX has been calculated and added to the base CAPEX. It is visible that the initial investment required is substantial, with CAPEX growing at a CAGR of near 40% between 2024 and 2027.

The incorporation of private fleet acquisition costs results in a significant increase in CAPEX compared to the base model. Total CAPEX now rises to 58M€ in 2025, compared to 22M€ in the base scenario. This incremental CAPEX highlights the financial impact of transitioning to a private fleet strategy, which is expected to yield long-term operational efficiencies and cost control for CTT Express in Spain.

#### 4.1.1. Private Fleet Size

To estimate the size of the private fleet, historical data from Portugal indicates that the total fleet size has consistently represented 0.8% of revenues. This ratio has been assumed to remain constant for the forecasted period and applied to the

Figure 12 - CTT Express CAPEX

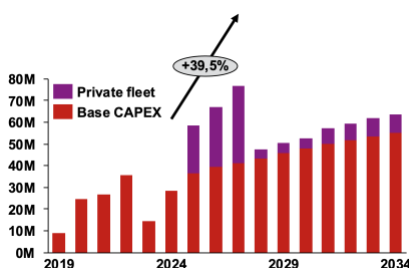
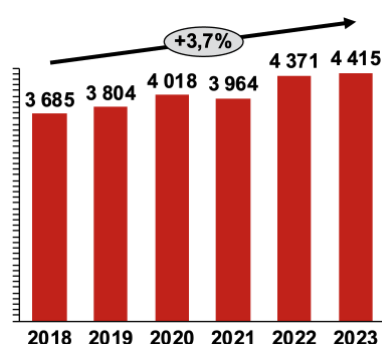


Figure 13 - CTT’s own fleet in Portugal



Spanish market. The total fleet required for CTT Express was thus derived using this revenue-based approach.

To determine the proportion of the private fleet within the total fleet, an optimization model was used to maximize the share price premium while considering all other assumptions in the financial model. The result indicates that the optimal private fleet proportion is 90% of the total fleet. This transition to 90% private fleet ownership will be phased in gradually over three years, beginning in 2025 and reaching the target by 2027.

Based on these assumptions, the private fleet size will start with 541 vehicles in 2025 and grow steadily, reaching 4140 vehicles by 2039.

Figure 14 - CTT Express total forecasted fleet

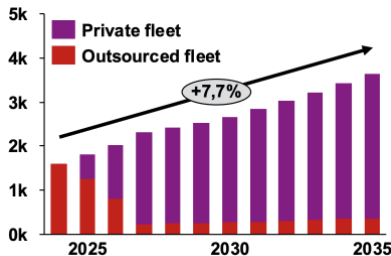
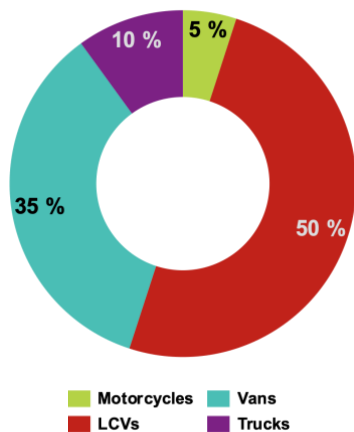


Figure 15 - Private fleet vehicle mix



#### 4.1.2. Average Vehicle Mix

The vehicle mix for the private fleet comprises four types: motorcycles, light commercial estimated as 5%, 50%, 35%, and 10% respectively. This mix is deemed feasible as it reflects the operational needs of a last-mile delivery service like CTT Express, balancing the need for agility in urban environments (motorcycles and LCVs) with the capacity for bulk shipments and longer distances (medium/heavy vans and trucks), particularly considering the emphasis of the company on integrated Iberian solutions, with overnight shipments between Portugal and Spain.

The proposed mix is supported by benchmarks from industry reports. There is an increasing reliance on LCVs and medium/heavy vans for urban and suburban delivery services, which supports the 85% combined share for these vehicle types in the model (World Economic Forum 2020). Furthermore, European e-commerce logistics trends confirm the suitability of trucks for bulk transportation over longer distances in mixed-use fleets (International Transport Forum 2024).

#### 4.1.3. Average Vehicle Price

The average vehicle value is assumed for 2025, and then evolving at an annual growth rate of 2% until 2039 to account for inflation and market price increases. The initial prices are 5000€ for motorcycles, 30k€ for LCVs, 40k€ for medium/heavy vans, and 109k€ for trucks (Eurostat 2024).

## 4.2. Cost Analysis

A cost analysis of incorporating a private fleet in CTT Express was conducted considering the cost structure of the overall valuation model of CTT, which is composed of external supplies and services, staff costs, other costs and impairments and provisions. Under the outsourcing model, what CTT Express pays to 3PL carriers will include costs incurred by them such as fuel and staff, as well as a profit margin. To reflect the integration of a private fleet, the profit margin must

Figure 16 - Forecasted ESS costs

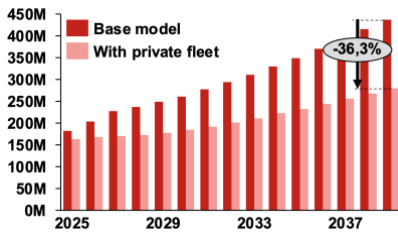


Figure 18 - Forecasted fuel prices and costs

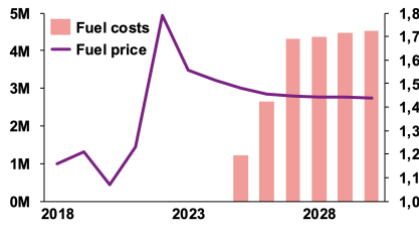


Figure 17 - Private fleet expected fuel consumption (litres)

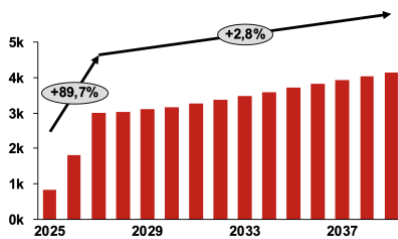


Figure 19 - CTT Express staff costs

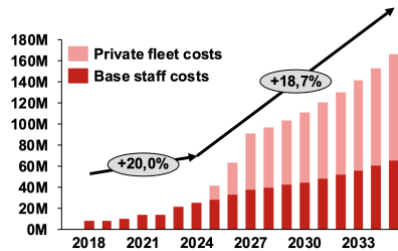
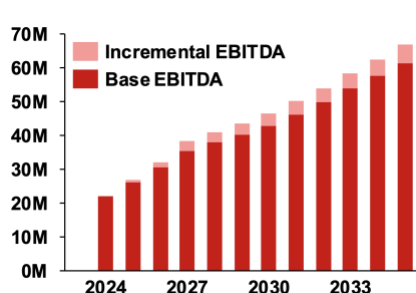


Figure 20 - CTT Express forecasted EBITDA



be eliminated, fuel costs need to be added to external supplies and services, and staff costs need to be internalized.

#### 4.2.1. External Supplies and Services

The current outsourcing costs in Spain were calculated as a percentage of revenues, consistent with the original model. From there, fuel expenses were calculated based on assumptions for fuel price, number of vehicles, fuel consumption, and kilometres per vehicle. As for the profit margin of 3PL carriers, it was calculated as a percentage of the fuel and staff costs that are mentioned below. The margin was assumed to be 5% and removed from the external supplies and services costs.

Fuel prices are consistent with the overall valuation, for which ICE Gasoil future contracts were utilized to estimate changes to the currently verified prices for fuel. It is expected that prices will decrease in the next years, stabilizing at 1.44 € per litre from 2028 onwards. The number of vehicles results from the optimal point of equilibrium between outsourcing and private fleet. The fleet starts at 541 vehicles in 2025 and grows to 4140 by 2039. The average fuel consumption per vehicle is estimated at 9.6 litres per 100 kilometres in 2025, based on historical consumption data from CTT. It is assumed to decrease to 6.3 litres per 100 kilometres by 2039. This decrease is accounting for the expected electrification of the fleet. Lastly, each vehicle is assumed to travel 16k kilometres annually, consistent with historical data for CTT's own fleet.

These adjustments lead to significant cost savings, with external supplies and services expected to grow from 167M€ in 2025 to 291M€ in 2039, compared to 181M€ to 438M€ in the original outsourcing scenario.

#### 4.2.2. Staff Costs

The assumptions for staff costs result from the operational needs of a private fleet. It is assumed that one staff member is required per vehicle that is incorporated in CTT Express, with average salary expected to remain similar to the original valuation model.

As a result, staff costs are projected to increase substantially due to the larger fleet size. By 2039, staff costs are projected to reach 226M€, compared to 87M€ in the base model. This increase is anticipated given the internalization of transportation costs.

#### 4.2.3. Impact on EBITDA

Overall, the integration of a private fleet in the already mentioned terms has a positive impact on the EBITDA generated by CTT Express in Spain. The cost savings mainly associated with the elimination of 3PL carriers' profit margin are somewhat significant, with EBITDA evolving from 27M€ to 85M€ between 2025

and 2039, as opposed to it going from 26 M€ to 78M€ in the same period in the original scenario.

### 4.3. Impact on Valuation

Despite the significant cost savings associated with the integration of a private fleet, the total effect of the implementation does not have a relevant impact on the overall valuation of CTT Group, considering the changes in EBITDA, CAPEX, staff costs, and resulting FCFF. The EBITDA improvements resulting from cost savings in external supplies and services positively impact the share price. By internalizing costs previously paid to 3PL carriers, CTT achieves higher operational margins, directly enhancing the group's profitability, with this boost in EBITDA reflecting the cost efficiency of managing a private fleet. However, the increase in CAPEX is initially substantial and has counteractive implications for CTT's valuation. Higher CAPEX leads to an increase in tangible fixed assets, reflecting the acquisition of vehicles. This impacts FCFF, as the changes in assets are more significant. Moreover, higher staff costs also bring implications for certain non-core cash flows. The increase in employee benefits liabilities reflects the increase in staff headcount related to the operation of the purchased fleet, negatively impacting the valuation.

The combined effect of these factors results in the share price of CTT not changing relative to the base model. The transition to a hybrid model between subcontracted transportation and a private fleet can improve the company's cost efficiency, but also has impacts on capital investments, as expected. With these assumptions, the premium on its current share price remains at 18%.

Nevertheless, it must be noted that the integration of a private fleet has some implications which are not directly reflected on the financial performance of CTT Express, including strategic and operational benefits that enhance CTT Express's competitive positioning in the Spanish market, as already explained. By leveraging a private fleet, CTT gains control over its delivery operations, leading to improved service quality, reliability, and brand differentiation. These factors can strengthen customer loyalty and attract new clients, particularly in a market where consistency and punctuality are critical.

Additionally, the move to a hybrid transportation model aligns with broader trends in the logistics sector, such as the push for operational sustainability and the potential to adopt greener fleet technologies. While these aspects may not have immediate financial implications, they position CTT Express to adapt to evolving market demands and regulatory environments in the long term.

### 4.4. Sensitivity Analysis

The sensitivity analysis conducted for CTT Express aimed to evaluate the impact of key variables on the estimated final premium, which stands at 18% in the base

Figure 21 - Share price with implementation

	Base	Private fleet
Share price	5.15	5.15
Premium	17.58%	17.60%

**Figure 22 - Sensitivity 3PL profit margin**

Margin	17.60%
3%	16.22%
4%	16.91%
<b>5%</b>	<b>17.60%</b>
6%	18.30%
7%	18.99%

case. Despite not having identified an impact in the valuation initially, some variables can make a difference if the benefits of the fleet integration are higher than expected. The variables analysed included the profit margin of 3PL carriers, vehicle prices across different categories, and the proportion of the private fleet in the total fleet requirement.

Overall, the sensitivity analysis confirms that the valuation model is robust, with limited variability in the final premium across most parameters, but still margin for upside. The most significant sensitivity was observed in the profit margin of 3PL carriers and the proportion of the private fleet, emphasizing their strategic importance. The analysis also identified the 90% private fleet proportion as the optimal solution within the parameters.

**Figure 23 - Sensitivity vehicle prices**

LCVs	17.60%	Vans	17.60%
24	18.74%	36	18.14%
27	18.17%	41	17.54%
<b>30</b>	<b>17.60%</b>	<b>45</b>	<b>16.94%</b>
33	17.03%	50	16.34%
36	16.46%	54	15.74%

Trucks	17.60%	Bikes	17.60%
80	18.70%	4	17.62%
90	18.32%	5	17.61%
<b>100</b>	<b>17.94%</b>	<b>5</b>	<b>17.60%</b>
110	17.56%	6	17.59%
120	17.18%	6	17.58%

#### 4.4.1. Profit margin of 3PLs

The profit margin of 3PL carriers demonstrated considerable sensitivity. A lower margin of 2% reduced the premium to 16.2%, resulting in CTT being worse off with the private fleet integration in terms of share price, while an increased margin of 7% raised the premium to 19%. These results highlight the direct relationship between 3PL costs and the financial advantage of transitioning to a private fleet – the higher the profit margin of the supplier, the bigger the incentive to internalize the transportation service.

#### 4.4.2. Price of acquired vehicles

The price of vehicles across different categories showed low sensitivity to the valuation premium. For light commercial vehicles, a base price of 30k€, when varied between 24k and 36k, resulted in the premium ranging from 18.7% to 16.5%. Similarly, heavy vans with a base price of 45k€, when adjusted between 36k and 54k, led to a premium range of 18.1% to 15.7%. For trucks, priced at 100k€ in the base case and varied between 80k and 120k, the premium also ranged between 18.7% and 17.2%. Motorcycles, priced at 5000€ in the base case and adjusted between 4000 and 6000, showed no impact on the premium. This analysis emphasizes that the effectiveness of the procurement process for a new fleet has a substantial impact of the success of this strategy to generate value, if CTT were to implement it.

**Figure 24 - Sensitivity proportion of private fleet**

Proportion	17.60%
0%	17.58%
10%	17.59%
20%	17.57%
30%	17.58%
40%	17.60%
50%	17.58%
60%	17.59%
70%	17.58%
80%	17.59%
<b>90%</b>	<b>17.60%</b>
100%	17.59%

#### 4.4.3. Proportion of private fleet

The proportion of the private fleet in the total fleet requirement exhibited low sensitivity. Analysed in 10 percentage points increments from 0% to 100%, the premium shows slight oscillations, becoming more optimized at 40% and 90%. The premium peaked when reaching a 90% proportion, hence this value being the choice for the proposal. While increasing the private fleet proportion enhances cost efficiency and EBITDA, the higher CAPEX requirements for fleet expansion diminish the incremental benefits to the premium.

## 5. STRATEGIC IMPLICATIONS

### 5.1. Alignment with strategy for CTT Express

The integration of a private fleet into CTT's operations in Spain represents a strategic alignment with the company's objectives, particularly as the Express & Parcels segment is becoming the core business of CTT, as discussed in the valuation model. The strategic decision to build an asset-based model for transportation in the Spanish market would strengthen CTT's commitment to improving efficiency, margins, and solidifying its position in Spain, which is still projected to grow.

As seen with the cost analysis, the integration of a private fleet has the potential to improve operational margins, reducing the dependency on 3PL carriers. This positive outcome would be in line with the historical expansion of operational margins witnessed in the Express & Parcels business unit. Although not directly showcased in the valuation model, investing in a private fleet is an opportunity to exercise greater control over the logistics operations of CTT Express, facilitating a better alignment with customers' expectations in terms of reliability and service quality.

### 5.2. Environmental Goals

Integrating a private fleet for CTT Express in Spain aligns with CTT's environmental strategy by enabling greater control over emissions and operational sustainability. With a private fleet, CTT Express can integrate environmentally friendly vehicles, such as electric or hybrid models, supporting CTT's goal of achieving 50% electric vehicles in its last-mile fleet by 2025 and 100% by 2030 (CTT Group 2023). This move would reduce Scope 1 emissions directly, as the transition to electric vehicles eliminates local emissions and mitigates reliance on outsourced carriers, which may not prioritize green practices.

Additionally, CTT's emphasis on technological innovation, including dynamic route optimization and driver training for eco-efficient driving (CTT Group 2023), could be implemented more effectively with a private fleet, which would help reduce the kilometres travelled and fuel consumption, addressing the rising trend in Scope 1 emissions while aligning with the broader decarbonization targets of reducing total emissions by 55% by 2030 (CTT Group 2023).

CTT's investment in green electricity and charging infrastructure (CTT Group 2023) could also extend to Spain, facilitating the sustainable operation of a private fleet. This approach supports CTT's strategy of scaling renewable energy usage and complements the environmental benefits of electrifying its fleet. Furthermore, incorporating private fleet management aligns with CTT's commitment to using

modern and efficient vehicles, potentially reducing the average vehicle age and improving fuel efficiency, as seen in its efforts to enhance the efficiency of heavy vehicles.

By integrating a private fleet, CTT Express in Spain can directly contribute to achieving environmental goals, including carbon neutrality and the reduction of overall emissions. This strategy not only supports sustainability efforts but would also reinforce CTT's position as an environmentally conscious logistics operator in the Spanish market.

## 5.3. Risks

### 5.3.1. Financial Risks

The integration of a private fleet requires significant CAPEX for fleet acquisition and expansion. The sensitivity analysis shows that variations in vehicle prices and operational costs could further impact profitability, especially if the fleet scale exceeds the ideal level. Additionally, fluctuations in 3PL profit margins or fuel prices could alter cost savings projections, potentially reducing expected returns.

### 5.3.2. Operational Risks

The private fleet strategy depends on effective fleet management, including staff recruitment, training, and vehicle maintenance. An increase in fleet size raises staff costs and requires proper management to maintain efficiency. There is a high risk of underperformance or delays in vehicle delivery and maintenance that could hurt the fleet's effectiveness, negatively impacting CTT's ability to achieve cost reductions.

### 5.3.3. Market Risks

The success of the private fleet model relies on continued market growth in Spain and favourable economic conditions. Slowdowns in logistics demand, economic downturn, or geopolitical uncertainties can reduce the revenue projections, reducing the usage and thus effectiveness of the private fleet. Fluctuations in fuel prices or economic shifts could undermine cost savings, particularly if market conditions are volatile.

### 5.3.4. Environmental Risks

While the private fleet strategy aligns with CTT's sustainability goals, the delays in technology adoption or the availability of green vehicles could pose risks to achieving environmental targets. Delays in electrification can affect the projected emissions reductions and impact the company's environmental positioning in the market. Additionally, challenges in the adoption of EVs and building the necessary charging infrastructure could block the environmental benefits expected from the private fleet.

### Technological Risks

The efficiency of the private fleet depends on successful integration of advanced technologies like dynamic route optimization and fleet management systems. Any delays or difficulties in implementing these technologies could impact operational efficiency and cost savings. Furthermore, reliance on technological innovations for fleet optimization introduces the risk of underperformance if the technology fails to deliver as expected, reducing the anticipated benefits.

## 6. CONCLUSION

### 6.1. Final Recommendation

Based on the analysis, the recommendation is for CTT Express to adopt a hybrid model of transportation in Spain, balancing the use of a private fleet and 3PL providers. While the financial valuation shows no immediate premium increase, the strategic, operational, and market benefits make this transition essential for long-term growth and positioning.

Considering the results of the model and the sensitivity analysis conducted on the proportion of private fleet, given that a weight of 90% did not yield significant improvements to the premium, it is proposed that CTT aims for a proportion of 40% instead. This alternative is a more cautious approach for the implementation of a new strategy, whilst also yielding nearly the highest benefit in the sensitivity analysis.

A private fleet would give CTT greater control over operations, improving service quality, reliability, and on-time delivery, which are key differentiators in the competitive logistics market. It would also enable tailored solutions for key clients, fostering customer loyalty and enhancing market presence. Additionally, the hybrid model aligns with industry trends toward integration and sustainability, allowing CTT to adopt greener technologies and meet regulatory demands. The 40%-70% hybrid model ensures plenty of room for scalability during peak demand, while mitigating risks of underutilization from a fully private fleet. This balance optimizes cost efficiency and operational flexibility.

If CTT aims to solidify its role as a leading logistics provider in Iberia, this shift is unavoidable. The hybrid model not only enhances cost efficiency and service quality but also positions CTT Express to better meet market challenges and customer needs. While the short-term financial impact is neutral, the non-financial benefits and alignment with market trends make this a critical step toward long-term profitability and competitiveness.

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# 8. APPENDIX

Table 1 - Private fleet EBITDA analysis

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	
<b>CTT EXPRESS</b>																							
Revenues	55,524	51,775	72,286	117,329	122,950	186,814	213,118	238,995	269,315	304,541	318,953	335,391	351,518	375,070	399,824	425,813	453,065	481,608	511,468	542,667	575,227	609,166	
Operating Costs with private fleet	56,091	55,105	69,432	107,317	112,325	168,154	190,860	212,026	237,055	266,068	277,934	291,655	305,088	324,881	345,702	367,459	390,383	414,787	440,303	466,949	494,782	523,788	
External supplies and services with private fleet	45,842	43,934	57,681	92,405	96,751	144,262	163,093	167,363	170,586	171,940	177,568	184,327	190,620	200,631	210,900	221,384	232,100	243,524	255,170	267,018	279,044	291,186	
Payment to 3PLs	-	-	-	-	-	-	15,299	35,077	60,582	64,610	69,197	73,904	80,361	87,309	94,804	102,840	111,476	120,741	130,666	141,281	152,657	-	
Margin for 3PLs	-	-	-	-	-	-	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
External supplies and services with 3PLs	45,842	43,934	57,681	92,405	96,751	144,262	163,093	167,363	170,586	171,940	177,568	184,327	190,620	200,631	210,900	221,384	232,100	243,524	255,170	267,018	279,044	291,186	
% Revenues	82.6%	84.9%	79.8%	78.8%	78.7%	77.2%	76.0%	75.4%	74.9%	74.6%	74.0%	73.7%	73.5%	73.2%	72.9%	72.6%	72.3%	72.0%	71.7%	71.4%	71.1%	70.8%	
Fuel costs	-	-	-	-	-	-	1,228	2,644	4,326	4,377	4,467	4,536	4,695	4,854	5,015	5,176	5,337	5,498	5,658	5,817	5,976	-	
Average fuel price	1.16	1.21	1.07	1.23	1.79	1.56	1.52	1.48	1.46	1.45	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	
Litres consumed	-	-	-	-	-	-	831	1,817	2,990	3,038	3,097	3,149	3,259	3,370	3,482	3,593	3,705	3,817	3,928	4,039	4,149	-	
Consumption /100km	9.2	9.2	9.4	9.1	9.5	9.7	9.6	9.4	9.3	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	
Kilometres per vehicle	-	-	-	-	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	
Total kilometres by private fleet	-	-	-	-	69,557	70,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Staff costs with private fleet	8,458	8,448	9,958	13,726	14,115	21,913	25,300	42,047	63,519	90,860	96,912	103,756	110,749	120,315	130,630	141,672	153,506	166,202	179,770	194,250	209,719	226,224	
Staff costs with 3PLs	8,458	8,448	9,958	13,726	14,115	21,913	25,300	28,706	32,756	37,489	39,756	42,322	44,900	48,475	52,333	56,398	60,740	65,372	70,276	75,465	80,983	86,812	
Average salary	20.3	20.7	20.2	23.8	22.1	23.6	24.1	24.7	25.2	25.8	26.4	27.0	27.6	28.2	28.8	29.5	30.1	30.8	31.5	32.2	32.9	33.7	
Staff headcount extra for private fleet	-	-	-	-	-	-	541	1,220	2,070	2,168	2,279	2,389	2,549	2,717	2,894	3,079	3,273	3,476	3,688	3,909	4,140	-	
Staff headcount with 3PLs	417	408	494	577	638	929	1,049	1,164	1,299	1,454	1,508	1,629	1,720	1,816	1,914	2,016	2,122	2,231	2,343	2,459	2,578	-	
% Revenues	0.8%	0.8%	0.7%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Other costs	875	976	661	713	877	1,062	1,494	1,548	1,771	1,960	2,113	2,189	2,299	2,450	2,622	2,785	2,964	3,151	3,348	3,550	3,764	3,986	
% Revenues	1.6%	1.9%	0.9%	0.6%	0.7%	0.6%	0.7%	0.6%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
Impairments and provisions	916	1,747	1,132	473	583	917	972	1,068	1,179	1,307	1,341	1,382	1,420	1,485	1,551	1,619	1,813	1,910	2,016	2,130	2,254	2,391	
% Revenues	1.7%	3.4%	1.6%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Internal services rendered	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>EBITDA with private fleet</b>	(567)	(3,330)	2,854	10,012	10,625	18,660	22,259	26,969	32,260	38,473	41,019	43,736	46,430	50,189	54,122	58,353	62,682	66,821	71,165	75,719	80,445	85,378	
EBITDA with common carriers	(567)	(3,330)	2,854	10,012	10,625	18,660	22,259	26,241	30,590	35,588	37,942	40,441	42,911	46,363	49,965	53,839	57,785	61,512	65,415	69,497	73,718	78,109	
Δ EBITDA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%	5.5%	8.1%	8.1%	8.1%	8.2%	8.3%	8.3%	8.4%	8.5%	8.6%	8.8%	9.0%	9.1%	9.3%	

Table 2 - Private fleet CAPEX model

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
<b>CAPEX</b>	8,833	24,677	26,908	35,816	14,558	-	28,310	58,383	67,066	76,813	47,663	50,586	52,803	57,187	59,563	61,815	63,825	65,668	67,279	68,642	69,747	70,640
CAPEX with 3PLs	8,833	24,677	26,908	35,816	14,558	-	28,310	36,676	39,276	41,329	43,490	45,765	47,929	49,957	51,820	53,494	54,954	56,179	57,151	57,854	58,276	58,410
Private fleet size in Spain (units)	-	-	-	-	-	-	541	1,220	2,070	2,168	2,279	2,389	2,549	2,717	2,894	3,079	3,273	3,476	3,688	3,909	4,140	-
Fleet size % revenues	0.7%	0.7%	0.8%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Fleet size in Portugal (units)	3,685	3,804	4,018	3,964	4,371	4,415	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues in Portugal	558,445	555,227	520,990	541,708	515,935	528,349	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proportion of private fleet	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	30.0%	60.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Average value per vehicle	40	41	42	43	43	44	45	46	47	48	49	50	51	52	53	-	-	-	-	-	-	-
Average value of LCVs	30	31	32	32	33	34	34	35	36	37	37	38	39	40	-	-	-	-	-	-	-	-
Proportion of LCVs	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Average value of medium/heavy vans	40	41	42	42	43	44	45	46	47	48	49	50	51	52	53	-	-	-	-	-	-	-
Proportion of medium/heavy vans	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Average value of trucks	109	111	113	115	118	120	122	125	127	130	133	135	138	141	143	-	-	-	-	-	-	-
Proportion of trucks	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Average value of motorcycles	5	5	5	5	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	7
Proportion of motorcycles	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%