



FY20

Results Presentation

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Committed to deliver

March 2021

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01

Introduction

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CTT is a leading logistics and financial services provider with 4 business units...

€ million

Revenues: 745.2
EBITDA¹: 90.5
EBIT: 34.5
Net profit²: 16.7

Mail & other³
€426.1m

	Revenues	YoY growth (%)
Addressed mail	383.5	-11.9%
Unaddressed mail	6.6	-22.3%
Business Solutions	15.9	54.8%
Other ⁴	20.2	-14.3%


Express & Parcels
€193.0m

	Revenues	YoY growth (%)
Portugal	118.0	20.2%
Spain	72.3	39.6%
Mozambique	2.7	10.6%


Banco CTT
€82.1m

	Revenues	YoY growth (%)
Net interest	17.3	35.6%
Commissions	13.7	52.9%
321 Crédito	33.9	61.2%
Payments & other	17.2	-14.6%


Financial Services & Retail
€44.0m

	Revenues	YoY growth (%)
Savings & insurance	23.2	-13.9%
Money orders	6.0	7.5%
Retail products & services	13.0	-2.5%
Payments & other	1.9	18.9%

¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortisation, impairments & provisions.

² Attributable to equity holders; ³ Including Central Structure; ⁴ Includes Philately, US parcels, Central Structure and other revenues.

...supported by common infrastructure, robust brand and enjoying significant economies of scale

Strategic Assets

Distribution Network



5,693

Human resources



4,312

Mailmen & women



3,511

Operational fleet



225

Delivery offices

Retail Network



2,433

Human resources



562

Post offices



1,804

Postal agencies



81k

Clients per day

Mail & other



517m

Addressed mail
Items

-16.5%

vs. FY19

Express & Parcels



53m

Express & Parcels
Items

+41.0%

vs. FY19

Banco CTT



€1.1bn

Credit to clients ¹

+23.4%

vs. FY19

Financial Services & Retail



€3.8bn

Public debt
Placements

-2.0%

vs. FY19

¹Net of impairments.

02

Highlights

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2020 Highlights

A year marked by the pandemic impact on peoples and companies

➤ **4Q20, with the strongest EBITDA¹ since 1Q16, delivers on guidance at all levels**

➤ **Enabling the digital transformation of the Portuguese companies**

➤ **Strong volumes growth in parcels leads to profitability improvements**

➤ **Banco CTT reaches the profitability milestone**

➤ **Stronger counter measures accelerated for restoring mail sustainability, given the pandemic impacts**

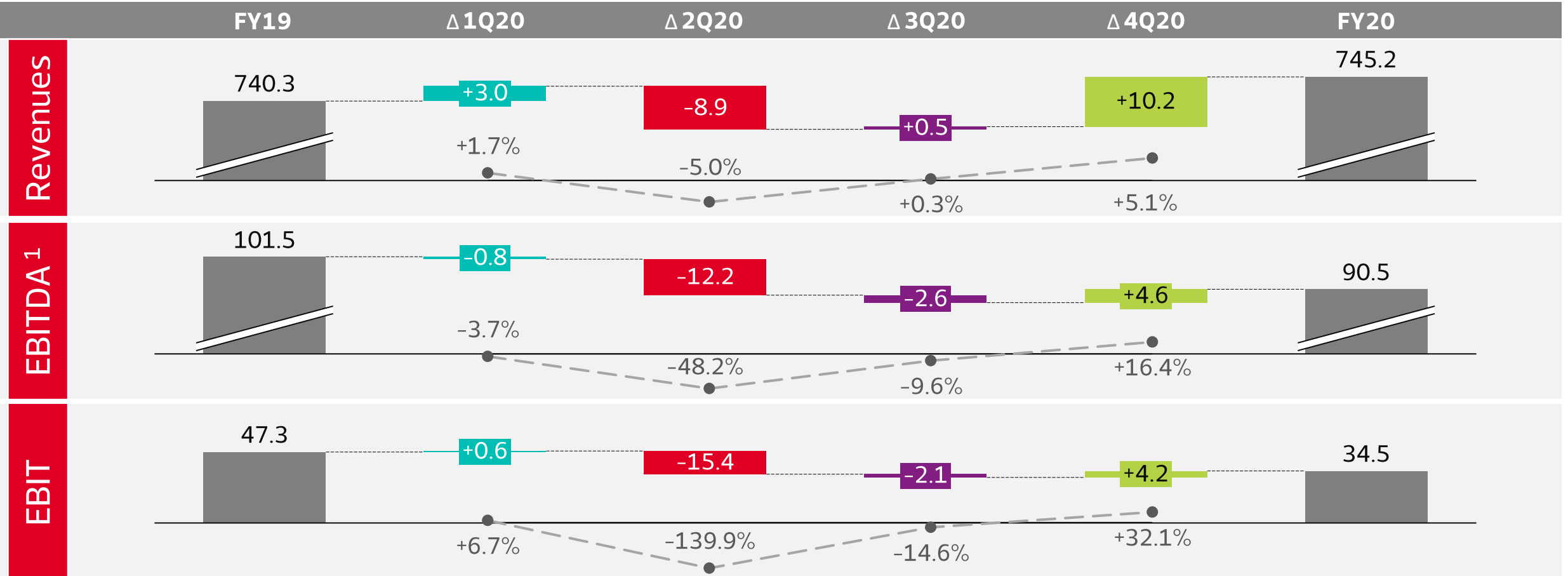
➤ **Taking a leadership role in sustainability**

¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

The recovery from the mid-year lows, provoked by the COVID-19 pandemic, accelerated in 4Q20, underpinned also by seasonal factors

Financial highlights

€ million; % change vs. prior year



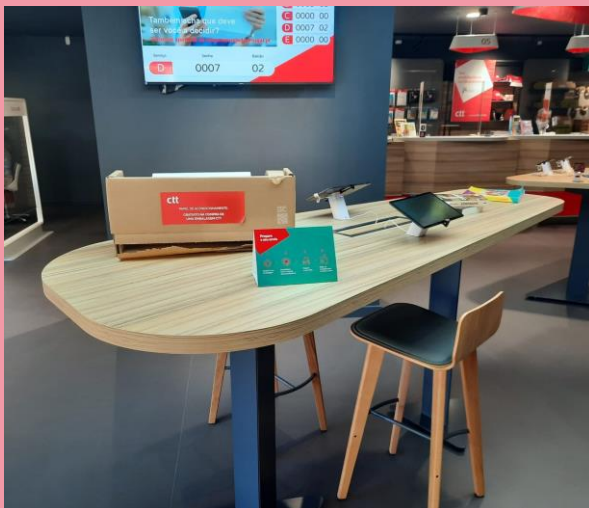
¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

2020 was also a year of modernization and innovation, marked by many new partnerships and new product launches...

- **New brand positioning**, to reflect the Company's evolution
- Launch of a **new store concept** with 24h self-service
- Installation of **new mixed-mail sorting machines**, acquired as part of the **project to modernize mail operations**



- **Partnership** with the Portuguese Institute of Records and Notary for **home delivery of citizen cards**, leveraging on the digitalization of the economy to **increase mail volumes**. Circa 150k cards were delivered to this date



- Partnership with BNP Paribas to **provide factoring solutions to SMEs**, with no additional capital requirements for Banco CTT
- Banco CTT distinguished with the **No.1 in Customer Satisfaction** award by ECSI and **Net Promoter Score of 46.7** in 2020



LEADING COMPANY

BANKING

bancocctt

2020

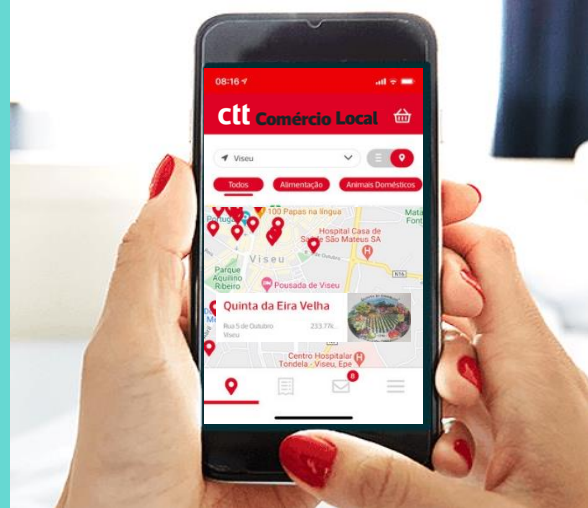
European Customer Satisfaction Index

ECSI PORTUGAL

- **Partnership** with EduBox to facilitate **top ups of student meal cards** in the Payshop network through a **digital wallet** which **enables cashless payments in schools**. Currently there are >27k digital wallets

...especially in the Express & Parcels business, where CTT continues to invest, partner and lead in the development of the e-commerce ecosystem in Portugal and in Spain

- **Partnership** with Lidl to install co-hosted **parcel lockers**. At year end, CTT's PUDO network in Portugal consisted of >1,800 points
- **Partnership** with the National Association of Pharmacies and Well's **to deliver medicines**



- **New facilities** in Barcelona & Valencia and **new sorters** in Madrid & Barcelona, with capacity for 15k parcels/hour
- **New brand launched in Spain** (CTT Express), positioning for the strong growth ahead



- Launch of **SME online shops creation** initiative, with >1,800 SMEs registered
- **Dott marketplace** reached **200k registered users** & 1.4k vendors
- **Launch of app CTT Comércio Local** to foster e-commerce amongst small businesses



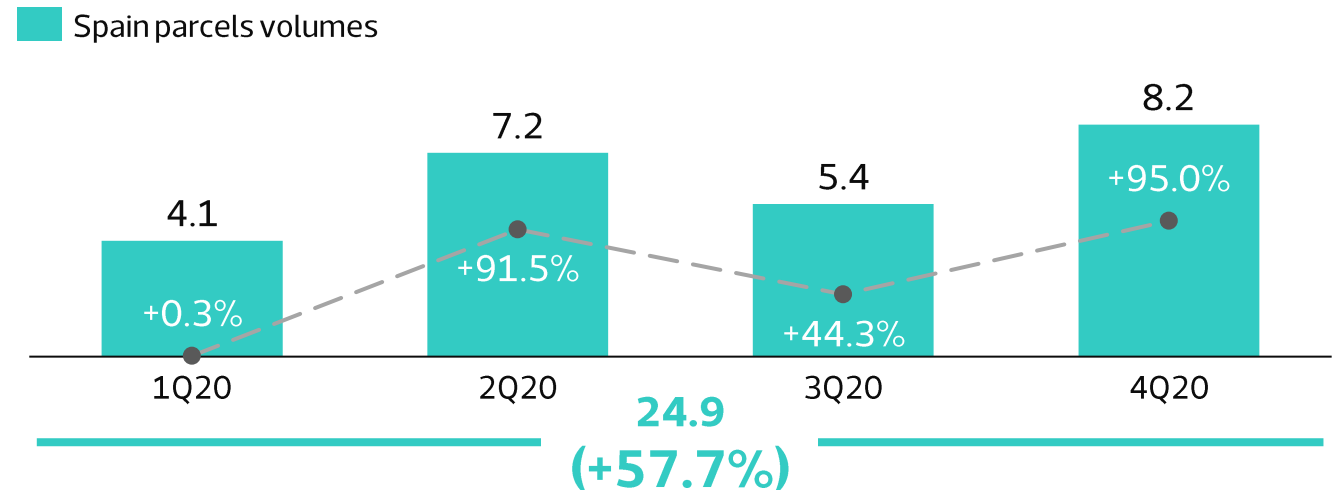
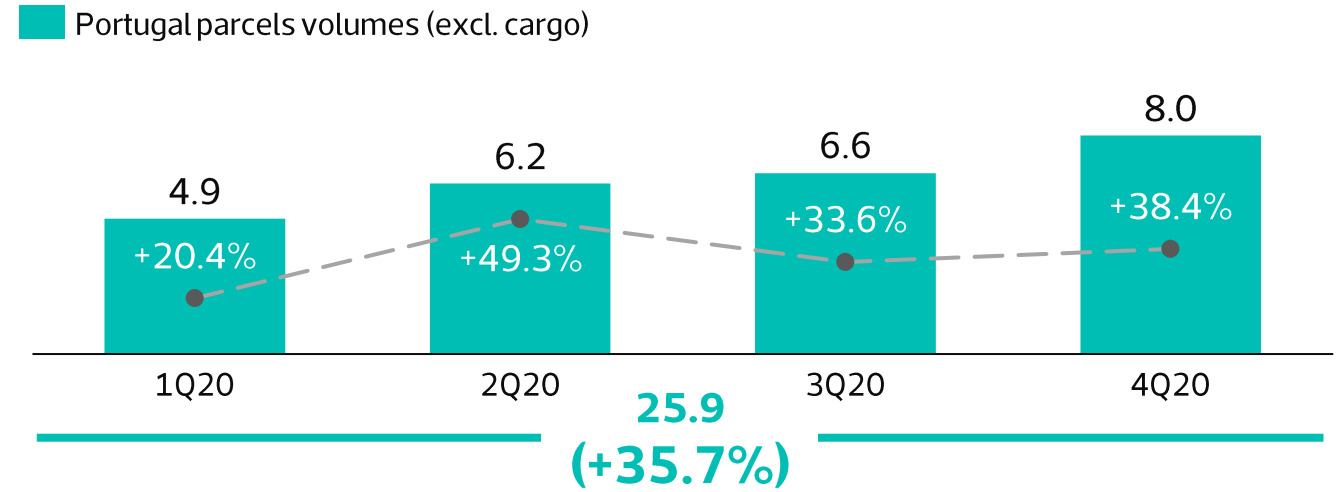
- Launch of premium international **next-day delivery** and **2-men delivery services**
- **"Green delivery"** partnership with Nespresso for customers' orders to be delivered in electric vehicles

Stellar year for Express & Parcels, which is turning into a true growth engine for CTT, as investments in e-commerce infrastructure meet strong demand, spurred by the pandemic

Express & Parcels volumes

million items; % change vs. prior year

- **Portugal has finally embraced online shopping**, at the same time as CTT's long-standing efforts as an enabler of the development of e-commerce in the country are starting to flourish
- **Record 8.0m parcels delivered in Portugal in 4Q20**, with increasing market share (ANACOM data indicates that the overall parcels market grew by 20.0% in 2020¹)
- **Capture of new large e-tailer clients** such as Amazon and AliExpress (with c.60k daily parcels) provided a strong boost to Spanish volumes in 4Q20
- **Increased own sales & distribution** (vs. franchisee) to 65% & 78% of total in 4Q20 (from 38% & 42% in 4Q19, respectively), **to align own capabilities with clients' e-commerce needs**

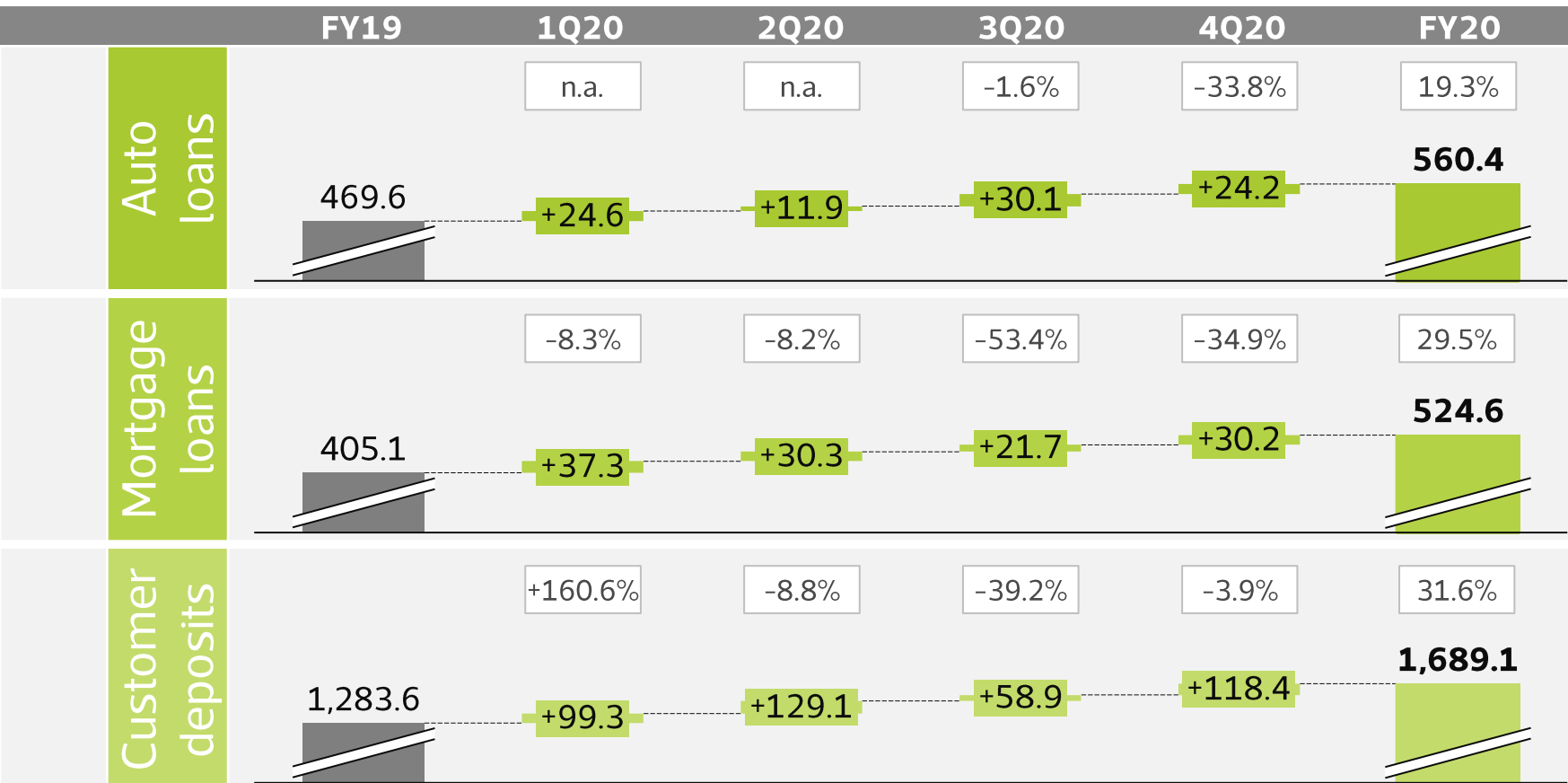


¹ Self-reported data by market participants to ANACOM (some players do not report data).

Banco CTT reached the profitability milestone in only the 5th year of its existence, demonstrating the business model's resilience in a year of relevant impairments across the financial sector

Banco CTT loans / deposits stock & quarterly production

€ million; % change vs. prior year

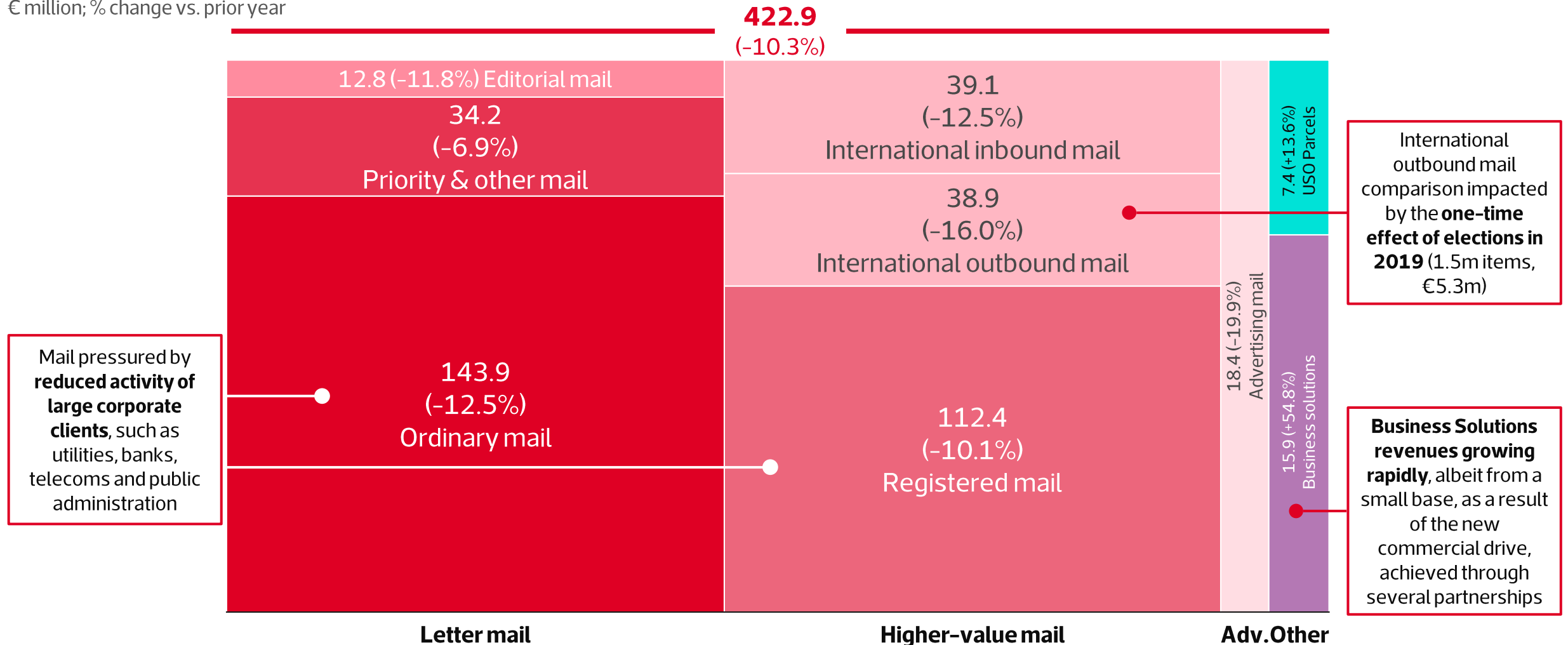


- **Demand for used cars remained robust throughout the pandemic** – more volumes and smaller ticket sizes –, minimizing the impacts of the pandemic on auto loan book growth
- To actively maximize the risk-adjusted return on capital, **emphasis shifted from mortgage to auto loans**
- At the end of 2020, **moratorium requests amounted to €40.4m** (€31.1m in mortgage, €6.4m in auto and €2.9m in other loans), representing only 3.6% of the gross credit portfolio, much lower than the market
- **Customer deposits registered another year of strong growth**, as 56k current accounts were added, despite the restrictions caused by the lockdown and the introduction of debit card commissions since Apr-20

Weaker than expected recovery of mail volumes in 2H20 led to double-digit decline in mail revenues for the year, despite very strong growth in Business Solutions and USO Parcels

Mail revenues

€ million; % change vs. prior year

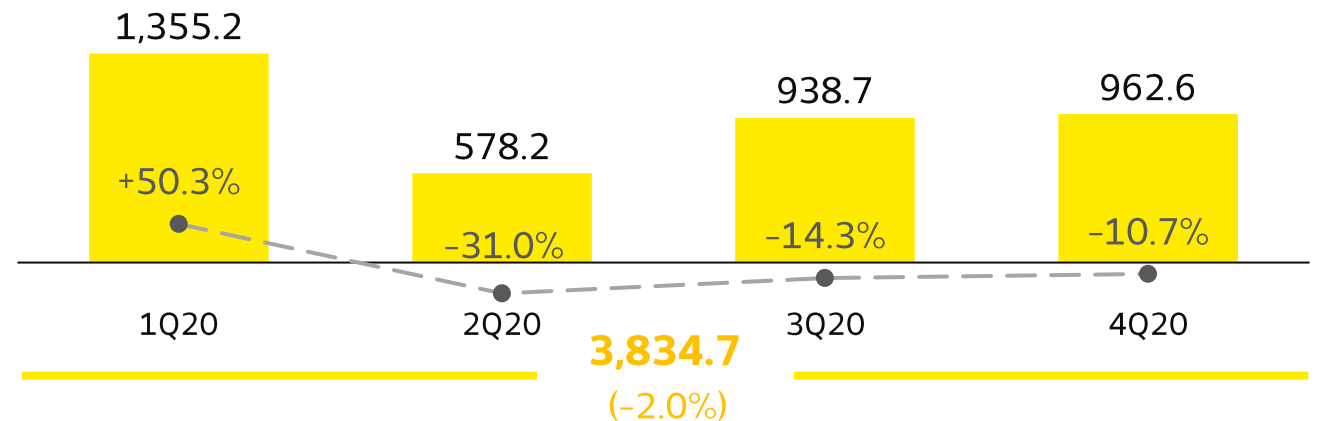


Financial Services volumes remained stable, despite the challenging operational environment for high-street retail, benefitting from CTT's close ties with the population

Public debt placements

€ million; % change vs. prior year

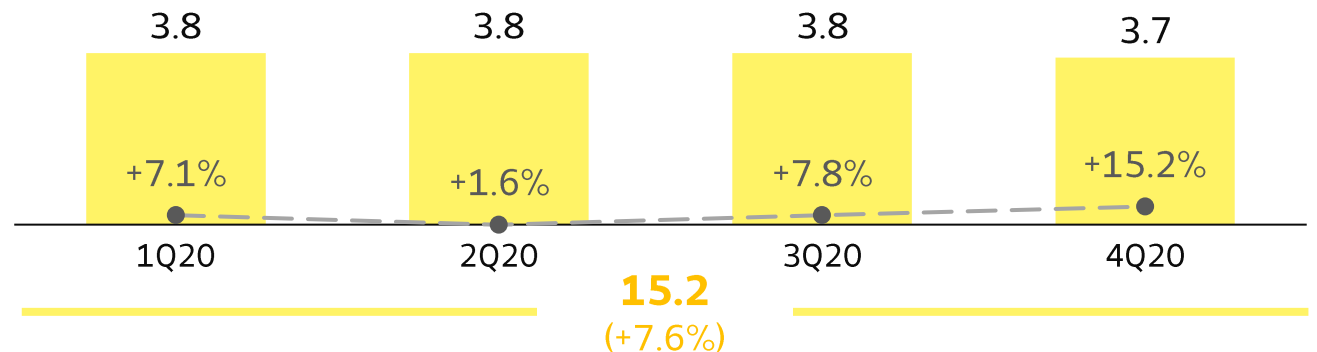
- Public debt placements benefited from a very strong start of the year with large amounts of certificates maturing in January; however, they were also impacted by the unprecedented restrictions on the movement of people in 2Q20 and the partial lockdown in 4Q20



Money orders

m operations; % change vs. prior year

- Money orders grew due to the partnerships with the Government for the payment of unemployment and other social subsidies, reaffirming CTT's continued commitment to public service

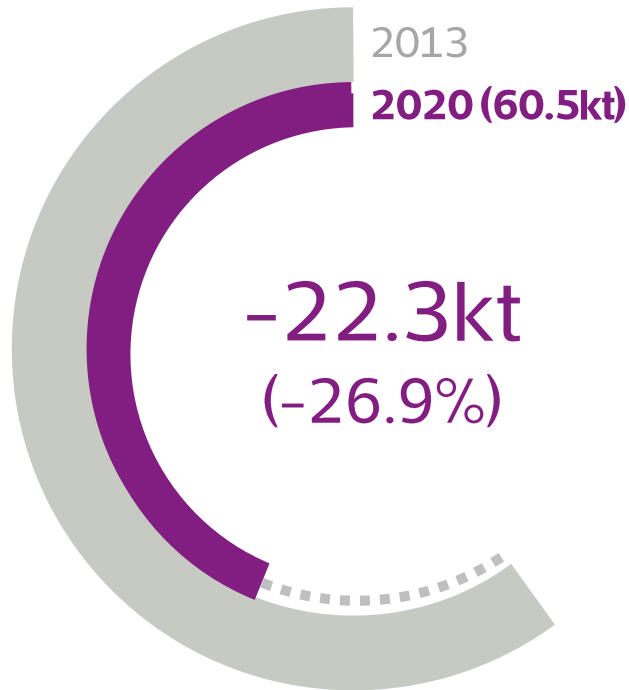


Leading on sustainability

Alignment with the UN Sustainable Development Goals ¹

Carbon Emissions

CO₂ tons (scopes 1+2+3) vs. 2013 base year (CTT science-based target)



CTT is committed to reduce absolute emissions by 30% (scopes 1, 2 and 3) by 2025, using 2013 as the base year



Leadership A

CDP™ CTT distinguished with the highest score of Carbon Disclosure Project climate change rating

2nd best in our industry

CTT ranked 2nd among 19 postal operators worldwide in the International Post Corporation sustainability program



-6% (vs. 2019)

Decrease in energy consumption

Driven by **decreases in electricity and fuel consumption**



335 (+20 vs. 2019)

Ecological vehicles in fleet

The largest ecological transport and distribution fleet in Portugal



-25% (vs. 2019)

Decrease in road accidents

As a result of **prevention and training efforts** and the lockdown measures



>100k trees planted

Campaign "A Tree for the forest"

Project to protect the national forest attained remarkable adherence



¹ CTT prioritized 8 Goals for the preservation of the planet and the dignity of human beings through its value chain: SDG 3; SDG 4; SDG 7; SDG 8; SDG 11; SDG 12; SDG 13; and SDG 16 (listed on the right-hand side of the slide).

03

Financials

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Underpinned by seasonal factors, 4Q20 confirmed the recovery trend...

Key financial indicators

€ million; % change vs. prior year

	Quarter			Full year		
	4Q19	4Q20	Δ%	2019	2020	Δ%
Revenues¹	200.7	211.0	5.1%	740.3	745.2	0.7%
Operating costs ¹	172.5	178.1	3.3%	638.8	654.7	2.5%
EBITDA¹	28.2	32.8	16.4%	101.5	90.5	-10.8%
EBITDA including IFRS 16	34.6	40.3	16.4%	128.3	118.9	-7.3%
Specific items	2.2	4.9	120.8%	18.2	7.0	-61.7%
EBIT	13.0	17.2	32.1%	47.3	34.5	-27.0%
Tax	2.8	1.9	-32.6%	6.2	6.4	1.9%
Net profit attributable to equity holders	6.3	12.3	94.5%	29.2	16.7	-42.9%
Free cash flow	16.2	22.0	36.1%	32.3	21.8	-32.4%

The strongest quarterly performance since 1Q16

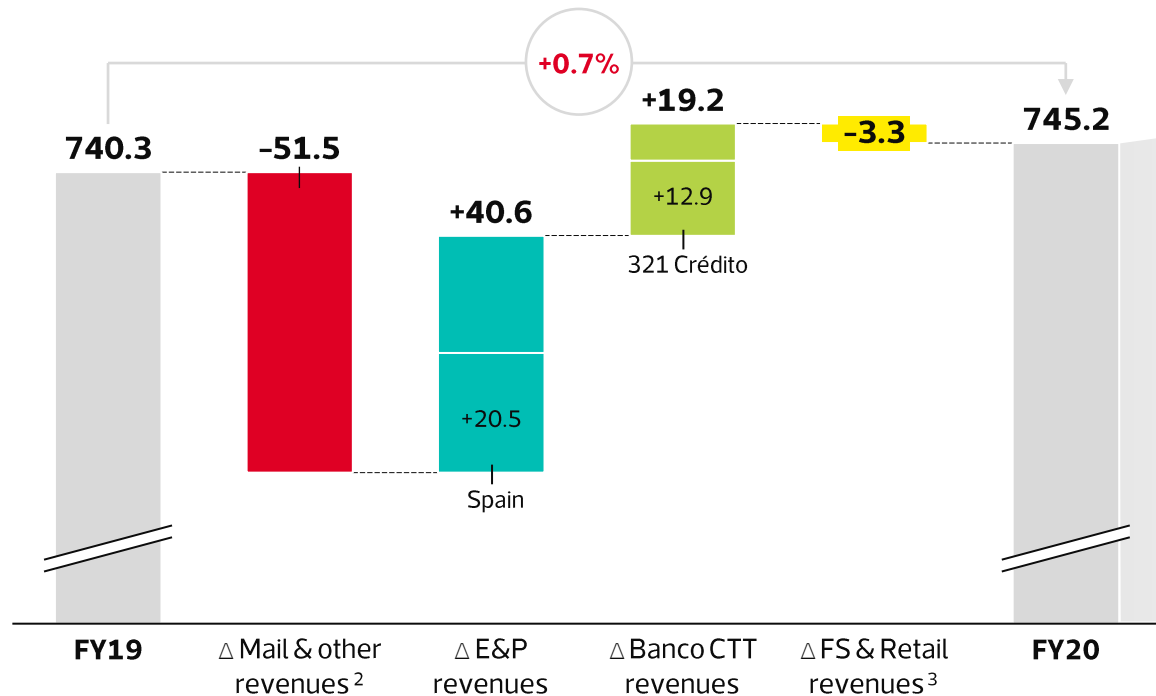
Tax expenses are not directly comparable between periods, due to the one-time tax refund of €6.8m received in 2019 and the tax credit of €3.3m recognized in 4Q20

¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

...as dynamic performances by the growth levers Express & Parcels and Banco CTT compensate the revenues decline in the legacy businesses

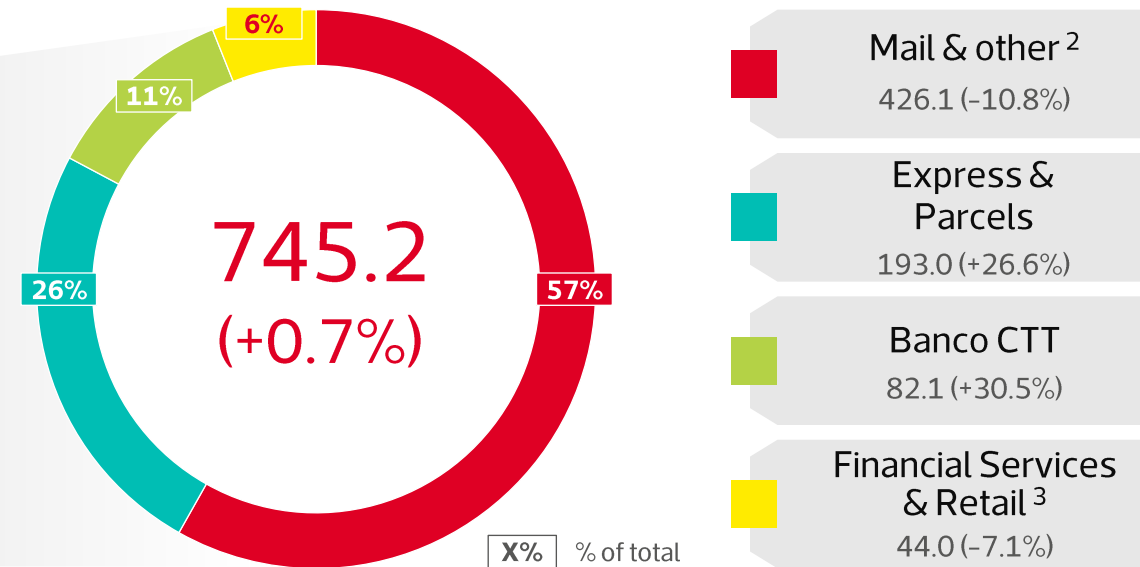
Revenues ¹

€ million; % change vs. prior year



Revenues ¹ breakdown

€ million; % change vs. prior year; % of total



- **Strong growth in Express & Parcels and Banco CTT was offset by declines in Mail & other and Financial Services & Retail revenues, pressured by the impacts of the pandemic.** Excluding the 321 Crédito effect (inorganic in the first 4 months of 2020) & the one-time impact of elections (€5.3m in 2019), revenues were practically flat, declining by €2.6m (-0.4%)

¹ Excluding Specific items. ² Including Central Structure.

³ The business line "Retail sales" of the Mail & other business unit migrated to the Financial Services & Retail business unit in 1Q20 (proforma figures presented for FY19 throughout the presentation).

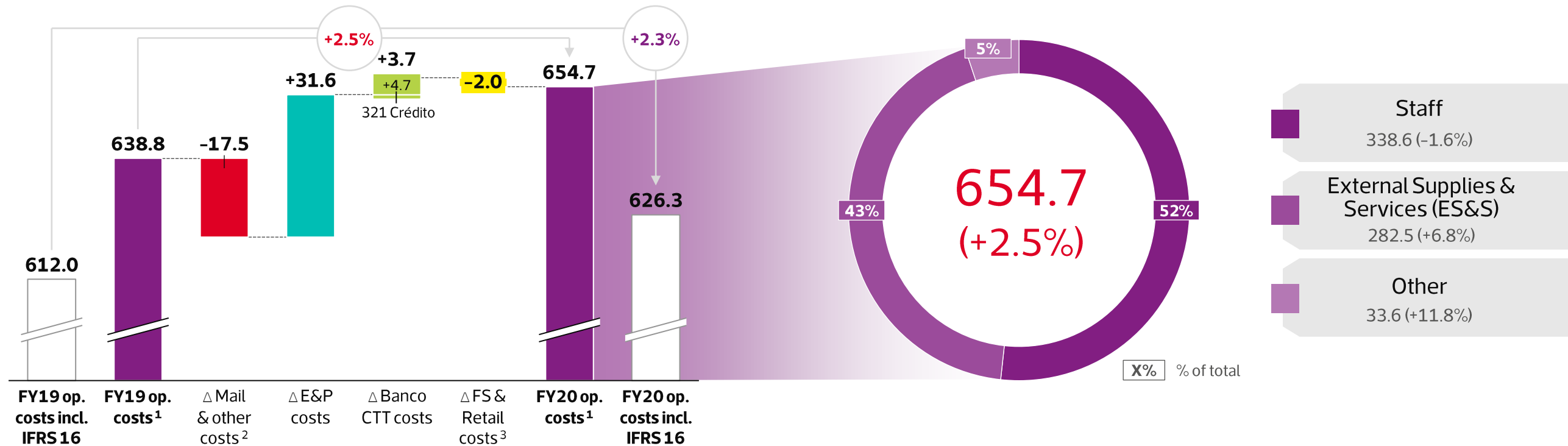
Like-for-like operating costs increased only in Express & Parcels, as a result of the robust growth in volumes

Operating costs¹

€ million; % change vs. prior year

Operating costs¹ breakdown

€ million; % change vs. prior year; % of total



➤ **Excluding the inorganic effect of 321 Crédito (in the first 4 months of 2020):**

- **Staff costs declined by €7.5m (-2.2%).** As the pandemic led to **lower healthcare plan utilization by staff**, healthcare costs decreased by €2.4m (-19.5%)
- **ES&S costs increased by €16.3m (6.2%), given the €14.6m increase in direct costs and the €5.6m increase in temporary work,** as a result of the higher parcel volumes
- **Other costs increased by €2.5m (8.7%),** as a result of the **direct costs of launching new partnerships (€3.9m)**

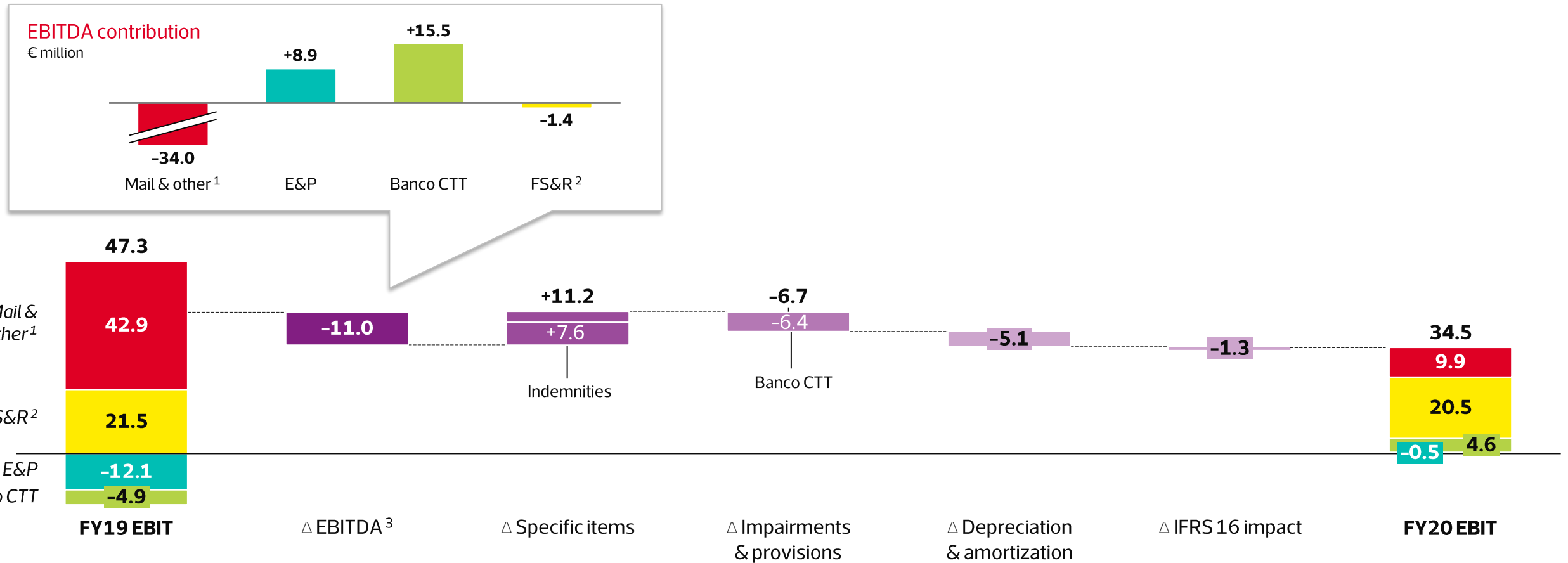
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The business interruption in Mail during the lockdown and the subsequent slow recovery weighed on profitability, given the unsustainable regulatory & pricing framework

EBIT

€ million



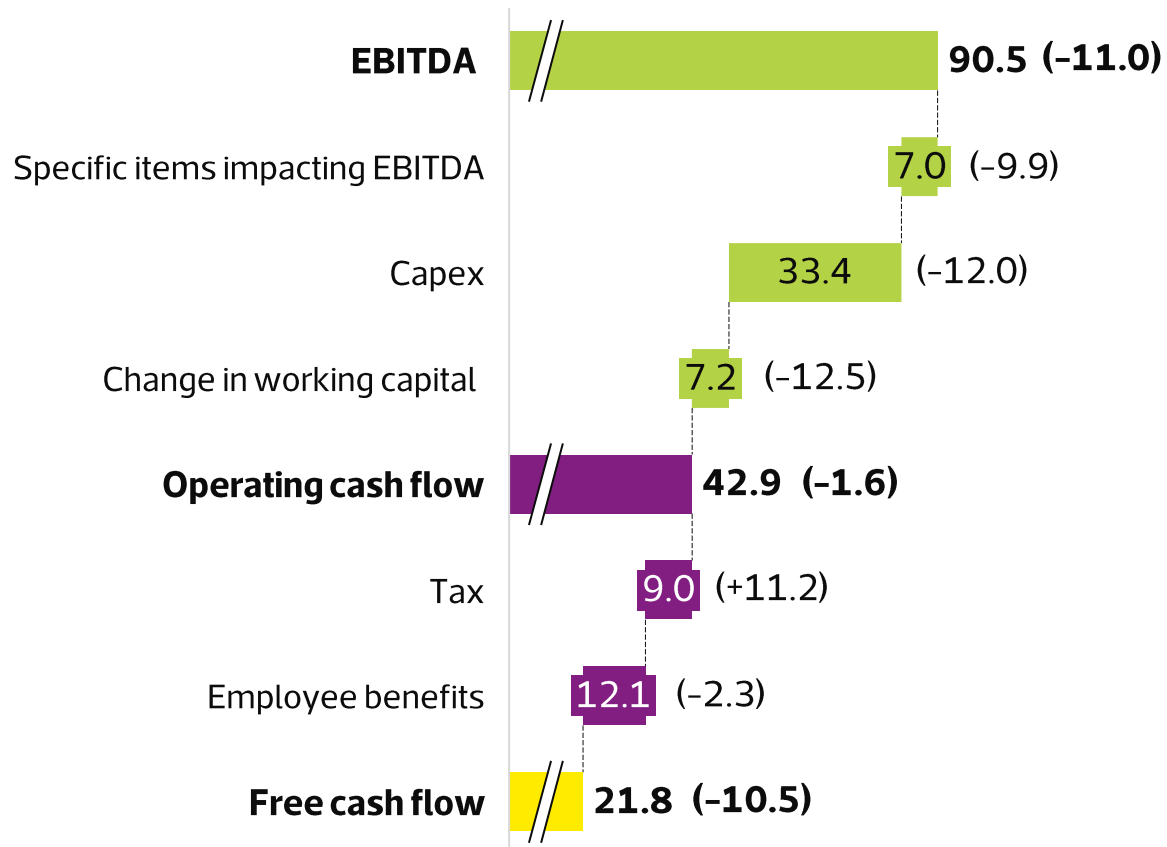
¹ Including Central Structure. ² The business line "Retail sales" of the Mail & other business unit migrated to the Financial Services & Retail business unit in 1Q20 (proforma figures presented for FY19 throughout the presentation).

³ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

The net cash position and the net financial debt remained stable

FY20 Cash flow

€ million; impact on cash flow vs. prior year



31 December 2020 Net financial debt¹

€ million

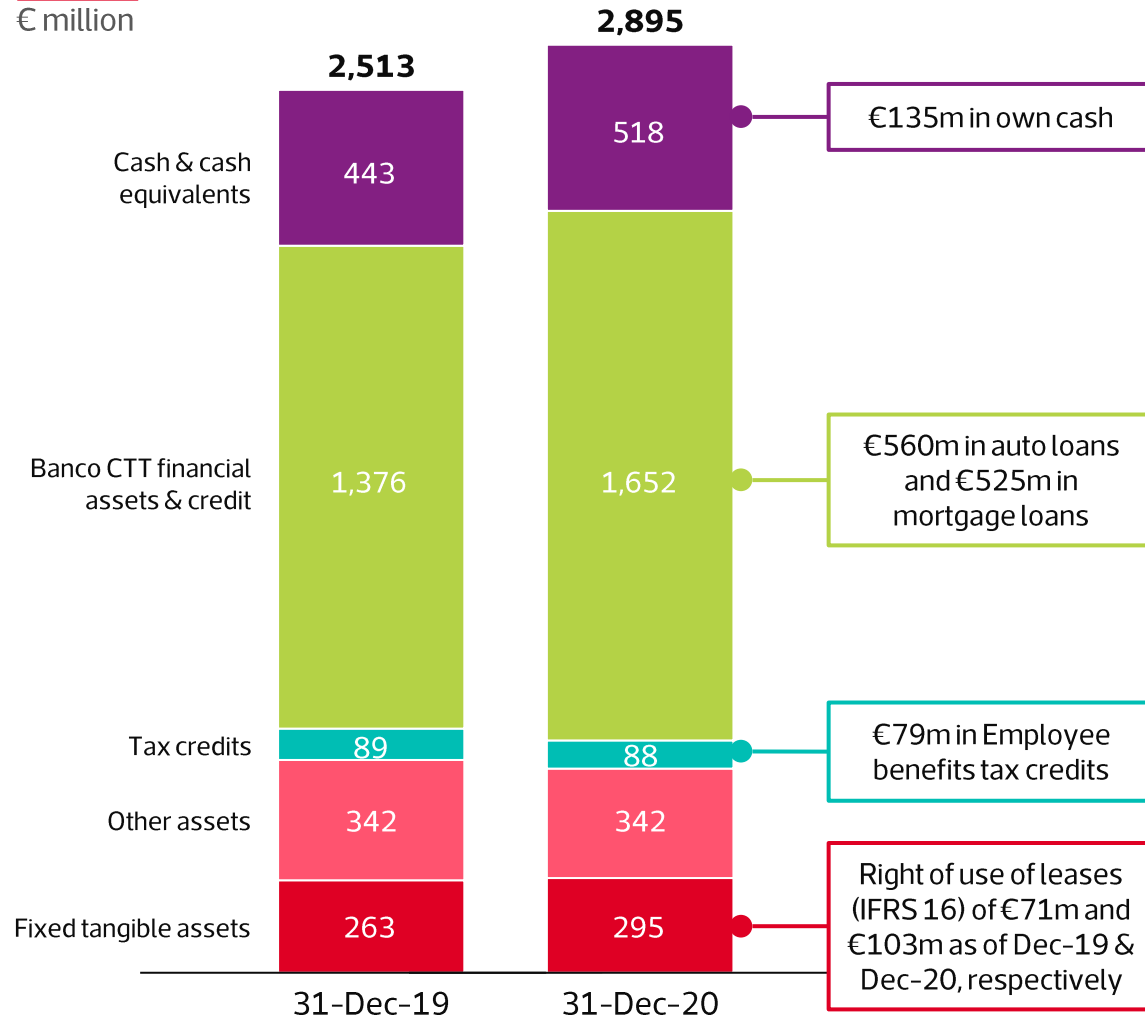
(+) Cash & cash equivalents	518.2
(-) Net Financial Services & other payables	235.7
(-) Banco CTT liabilities, net ²	127.7
(-) Other ³	19.4
(=) Own cash	135.4
(-) Financial debt	91.7
(=) Net cash position	43.8
(-) Lease liabilities (IFRS 16) ⁴	115.2
Net financial debt¹	71.4

¹ Does not consider Employee benefits, net. ² The change in net liabilities of Financial Services and Banco CTT reflects the evolution of credit balances with third parties, depositors or other banking financial liabilities, net of the amounts invested in credit or investments in securities/banking financial assets, of entities of the CTT Group providing financial services, namely CTT financial services, Payshop, Banco CTT and 321 Crédito. ³ The change in other cash items reflects the evolution of Banco CTT's sight deposits at Bank of Portugal, outstanding cheques/clearing of Banco CTT cheques, and impairment of sight and term deposits and bank applications. ⁴ Increase of +€31.3m of lease liabilities (IFRS16) following the revision of the terms of those contracts. This review of lease terms was carried out by CTT following a recent interpretation of the IFRS16 Interpretation Committee on the concept of lease term, which essentially determines that an entity should assess whether the contract is enforceable beyond the period in which it can be cancelled, taking in consideration not only the strict terms of the contract, but also its broader economic aspects.

Equity increased by 14.4%, due to Net profit generation and healthcare plan actuarial gains

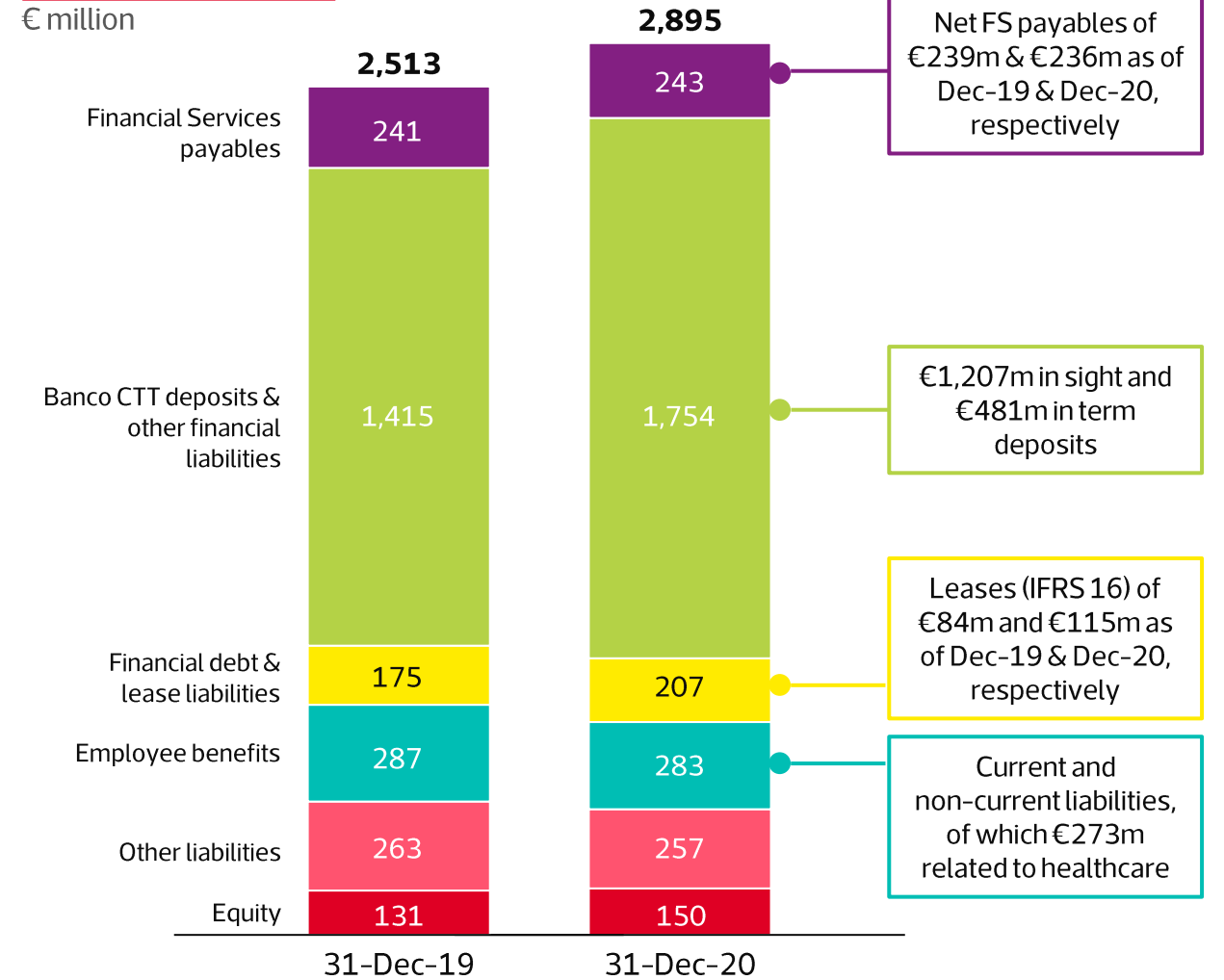
Assets

€ million



Liabilities & Equity

€ million



04

Strategy &
guidance
update

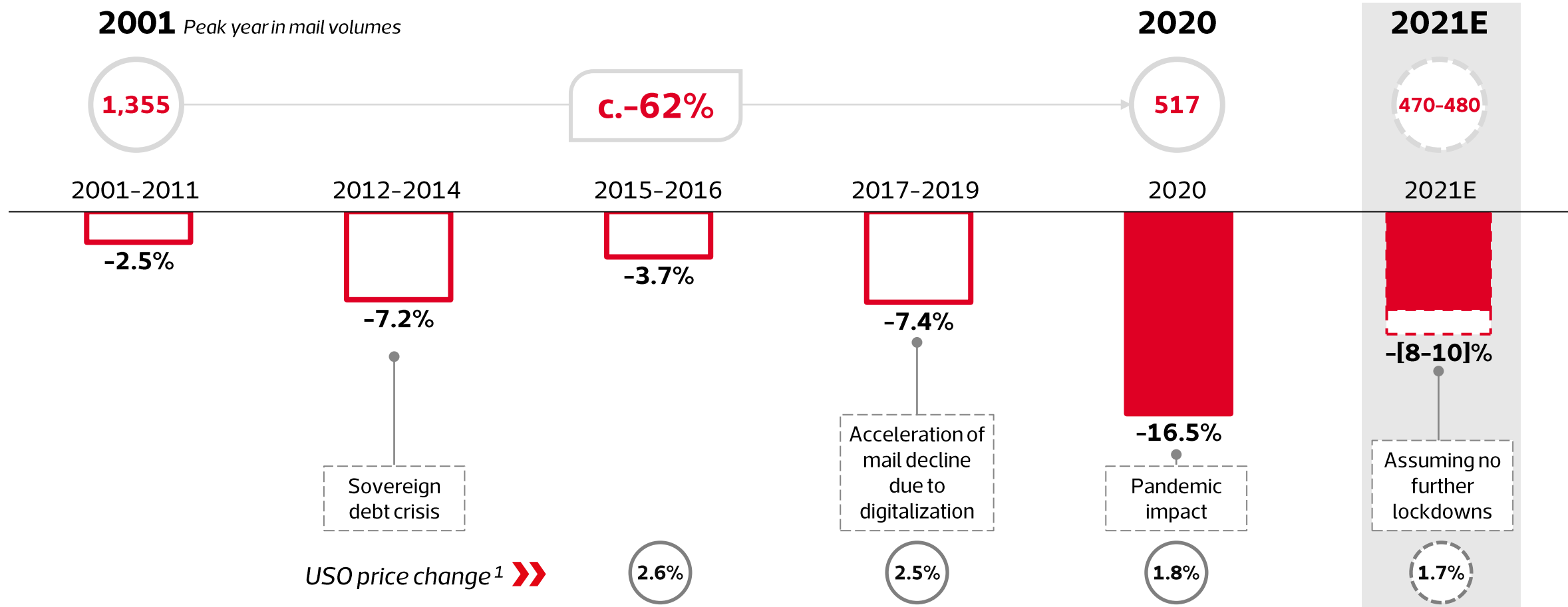
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The mail volumes decline accelerated in 2020 due to the pandemic; the trend is expected to improve in 2021

CTT addressed mail volumes evolution

Million items; CAGR (%)



¹Includes basket of Non-reserved and Reserved USO services, and Special Prices, penalties associated with quality standards are not considered (0.08% in 2019 and 1% in 2020, of which 0.5% reflected on prices and 0.5% compensated by an alternative measure).

A new and improved concession contract will be critical to restore the sustainability of the universal postal service

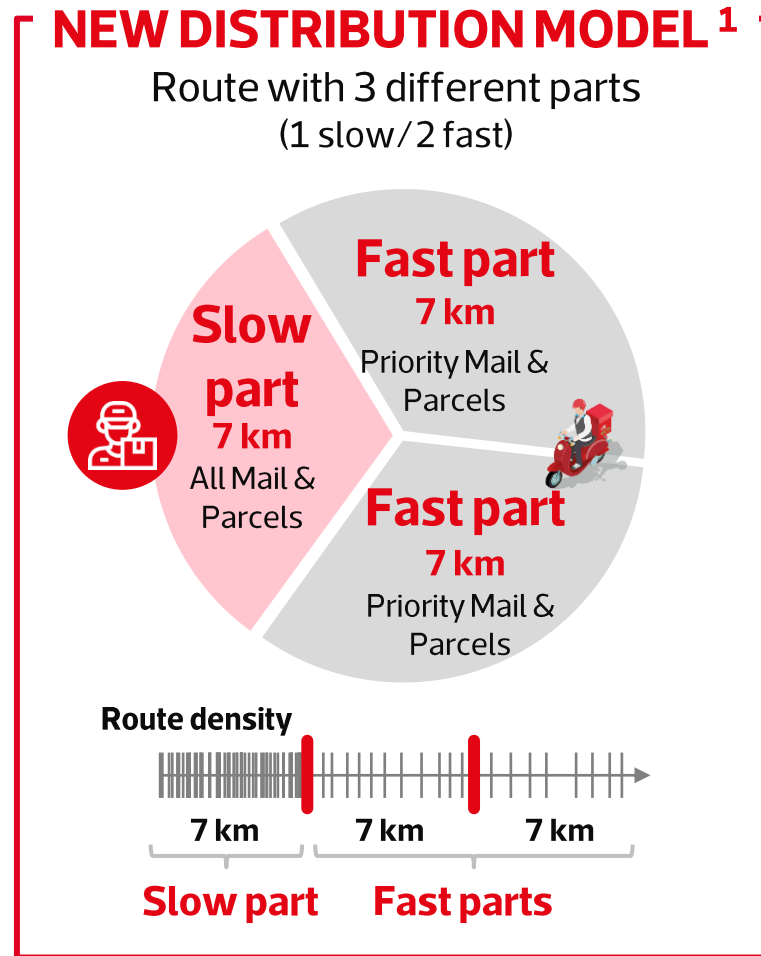
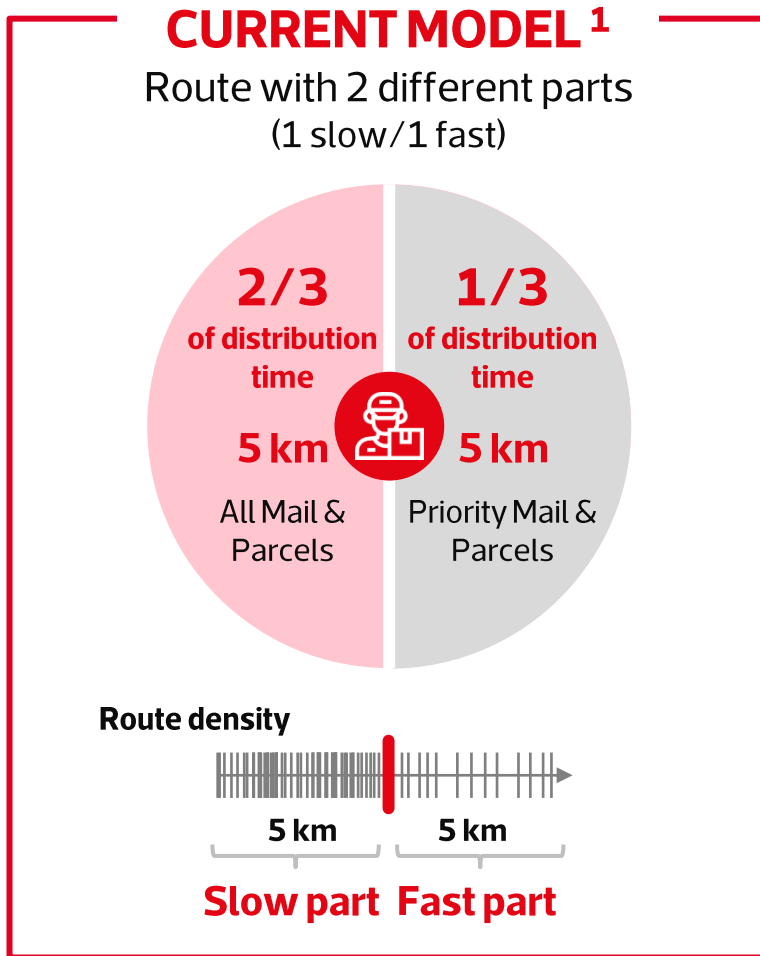
Mail Universal Service Obligation

- It is critical to **redefine a new sustainable concession contract in 2021**, to restore the pricing lever and improve operational flexibility
- For CTT to remain the universal postal service provider, **the contract terms need to improve substantially**
- A **governmental working group has been set up** to establish the basis of the new terms for the future concession contract, in line with the aforementioned concerns

Compensation & Contract Rebalancing

- Given the unilateral decision by the Government to extend the existing concession contract until 31 December 2021 without amendments, **the contractual financial terms require revision**
- In addition, given the impacts of the pandemic, **CTT is seeking special compensation for 2020**
- The **compensation (2020)** and the **rebalancing (2021) formal procedures have already been launched**

The implementation of a new distribution model in 2021 is expected to increase productivity and cargo capacity



[Shamrock model]

Walking route Motorized route

- To be implemented in more than 90 distribution depots (in large cities and district capitals) with expected 15% productivity gain
- Motorization of fast parts expected to result in 3x increase in cargo capacity vs. walking routes
- Regular mail delivered in 3 working days, maximizing density of the slow parts
- Operational capacity geared towards fastest growing products, such as parcels and priority mail
- C.30% length reduction in walking routes – safer for mailmen/women

¹Distance presented corresponds to indicative distance per route.

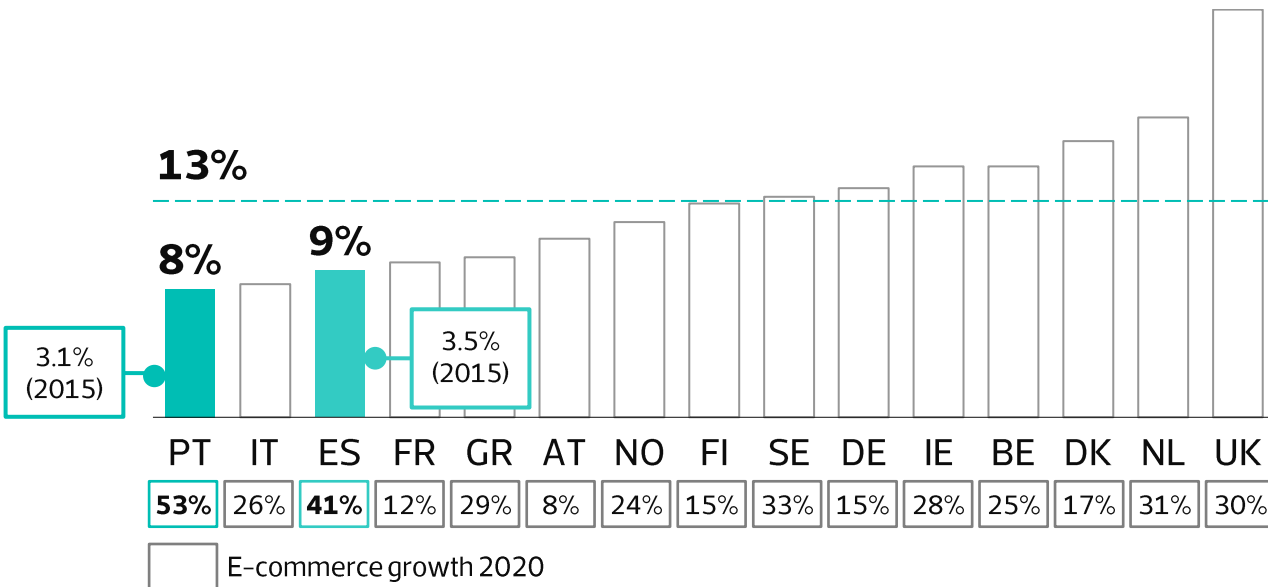
CTT is uniquely positioned to provide services across the whole e-commerce value chain...

E-commerce offer							
Value Chain	Marketing / Advertising	Online sales	Payments	Logistics	Dispatch	Reception	Returns
Solutions	Online and physical marketing campaigns 		Physical & Digital	Traditional logistics	Modular E&P offer Partnerships Uber	Pick-up & Drop-off points	Easy return solutions
		Online Shops creation 		E-fulfillment	Same-day delivery 		
							E-fulfillment

...coupled with the potential for e-commerce growth in Iberia, it enables profitability improvements and promotes the turnaround of the Spanish operation

Percentage of e-commerce in retail sales

2020; International Post Corporation database data



Both **Portugal and Spain** are still lagging in e-commerce as % of total retail when compared to EU peers...

...while in 2020 both countries narrowed the gap, growing by 53% and 41% respectively, this trend should continue with **key e-tailers making their way into Iberia**

¹ Individual company views (not consolidated). Portugal's margin including intercompany eliminations.

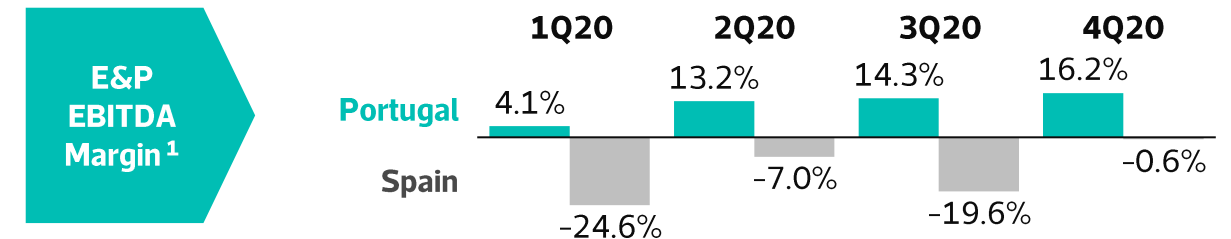
Key priorities

I. Improve profitability

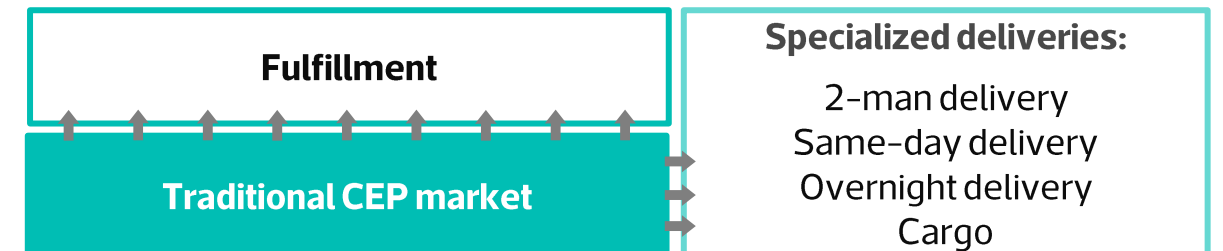
- Build a leading Iberian CEP platform (e.g. 20 new sorting centers, new automated sorters in Madrid, Barcelona, Valencia and Murcia)
- Reinforce the investment in physical and digital assets (e.g. new dynamic routing software)

II. Complete the turnaround of the Spanish operation

- Unit costs improvement since September 2020 due to the onboarding of new large e-tailer clients & continuous investment in automation



III. Explore adjacent markets



Banco CTT aims to continue the strong growth trend, consolidating its profitability and leveraging on digital capabilities

Key priorities



Consumer credit	Auto loans	Mortgage loans	Payments	Deposits & savings
<p>Reinforce digital player nature Leverage on digital channels, with simplified underwriting, raising client consideration and product penetration</p>	<p>Accelerate growth Increase commercial presence and diversify commercial channels, based on a recently deployed technological platform</p>	<p>Sustain growth Continue the growth path while protecting profitability and ensuring significant footprint among credit intermediaries</p>	<p>Refund business model Evolve to digital era, from cash to digital payments services provider Increase value extracted from current agents</p>	<p>Convert into value Monetize client base through commissions and product penetration (including low capital demand products, e.g. off-Balance sheet savings)</p>



Positioning as a mostly digital consumer credit & retail bank

2021 outlook

The agent that best combines **physical & digital** dimensions in **supporting companies' digitalization**, with particular **emphasis on e-commerce**

High single-digit revenues growth

E-commerce parcels, Banco CTT, new postal Financial Services and Business Solutions growth offsetting the mid-to-high single-digit Mail revenues decline

EBIT growing to above €50m

Express & Parcels, Banco CTT and Business Solutions growth more than compensating the erosion of Mail profitability. **Double-digit growth in EBITDA**¹. Capex of c. €35m (€15m expansion), reinforcing E&P capacity & digital capabilities

Resume dividend payments

The Board of Directors will propose a **dividend payment of €0.085 / share** for the 2020 financial year, payable in May-21, subject to AGM approval. The Company will **continue to invest to be the shaper of e-commerce in Portugal**

¹ The EBITDA definition will change in 2021, to include: Earnings before interest, taxes, depreciations & amortizations and Specific items, and including impairments & provisions and IFRS16 impacts.

05

Appendix

ctt

Committed to deliver

Mail revenues generation and profitability levels significantly impaired by the atypical volumes decline in 2020, higher than expected at the start of the year, due to the pandemic

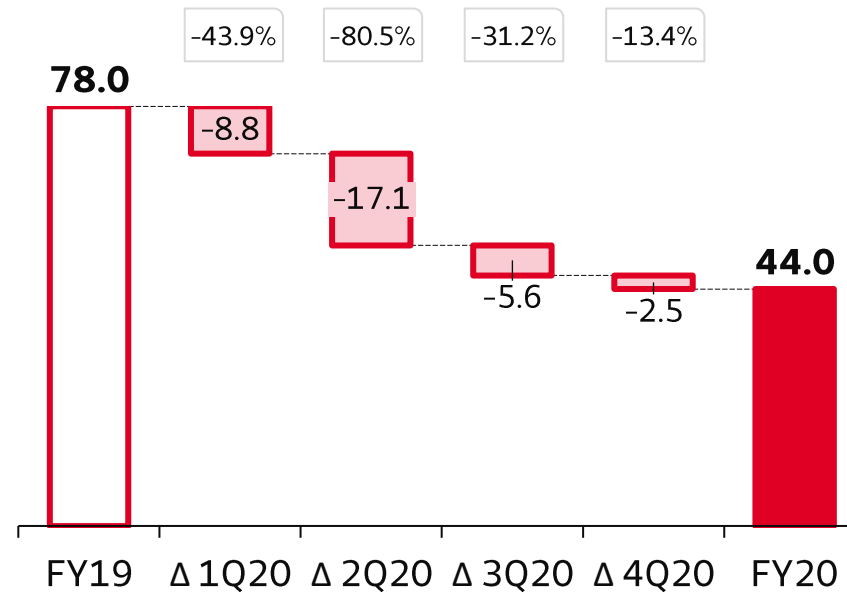
Revenues ¹

€ million; % change vs. prior year

Transactional	€358.9m (-11.7%)
Advertising	€18.4m (-19.9%)
Editorial	€12.8m (-11.8%)
Business Solutions	€15.9m (+54.8%)
USO Parcels	€7.4m (+13.6%)
Philately & other ¹	€12.8m (-24.8%)
Total	€426.1m (-10.8%)

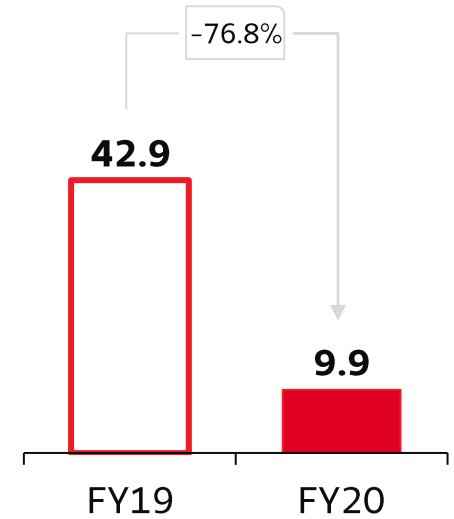
EBITDA ²

€ million; % change vs. prior year



EBIT

€ million



Volumes by type (m items)

Metric	Avg. mail prices	Addressed mail	Transactional	Advertising	Editorial	Unaddressed mail
FY20	N / D	516.9	447.2	39.7	30.0	412.3
vs. FY19	+1.8% <small>1.4% after quality of service level penalties</small>	-16.5%	-16.6%	-17.6%	-13.7%	-20.9%

¹ Including Central Structure. The business line "Retail sales" of the Mail & other business unit migrated to the Financial Services & Retail business unit in 1Q20 (proforma figures presented for FY19).

² Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

Strong parcels growth is translating into improved profitability in both Portugal and Spain

Revenues

Consolidated view; € million; % change vs. prior year

Portugal	€118.0m (+20.2%)
Parcels	€96.5m (+28.6%)
Cargo	€11.4m (-8.2%)
Banking network	€6.6m (-1.4%)
Logistics	€2.4m (-23.5%)
Other	€1.1m (+18.5%)
Spain	€72.3m (+39.6%)
Mozambique	€2.7m (+10.6%)
Total	€193.0m (+26.6%)

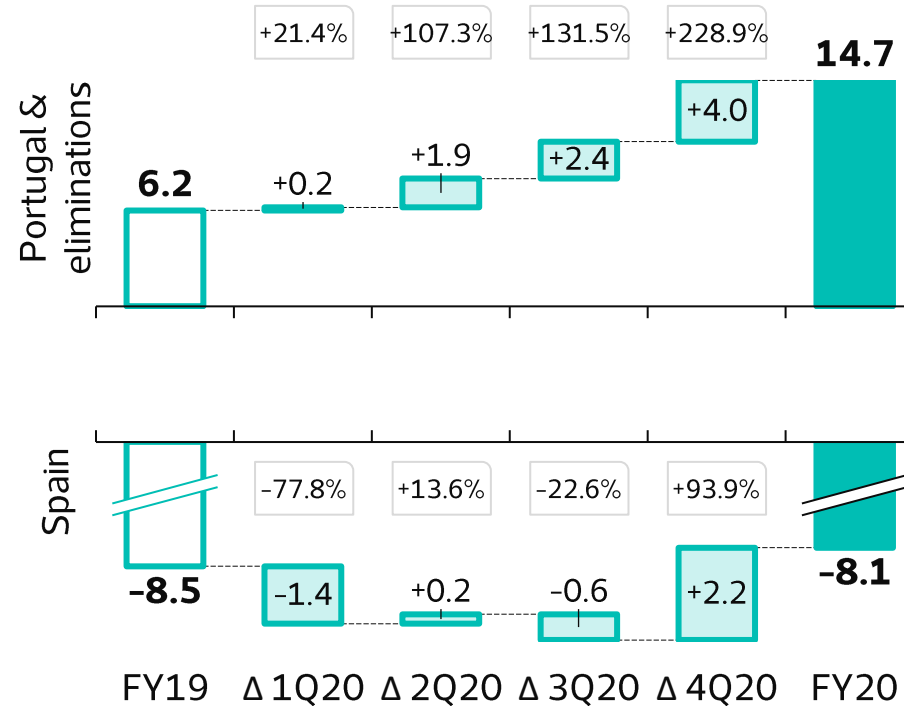
Volumes by region (m items)

Metric	Total	Portugal	Spain	Mozambique
FY20	53.3	28.4	24.9	0.04
vs. FY19	+41.0%	+29.2%	+57.7%	-28.0%

Note: Portugal FY20 volume of 25.9 (+35.7%) excluding cargo.

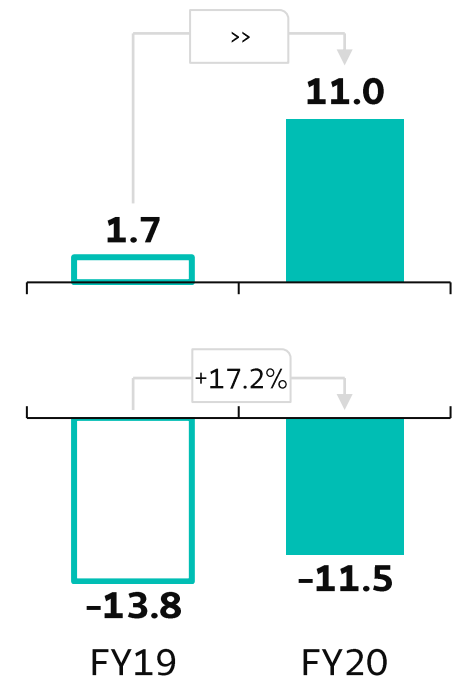
EBITDA^{1,2}

€ million; % change vs. prior year



EBIT²

€ million



¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

² Individual company views (not consolidated).

Banco CTT reaches profitability for the first time in its short 5-year history

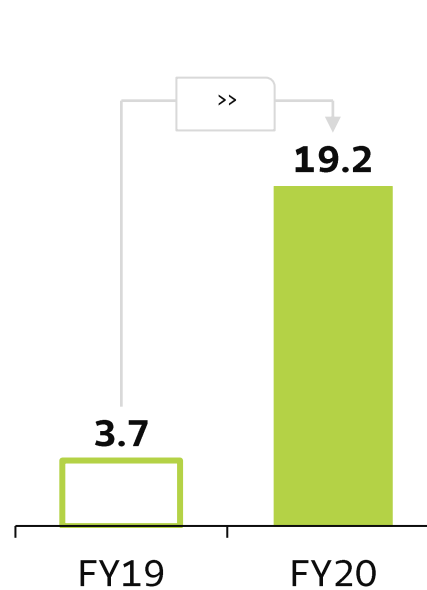
Revenues

€ million; % change vs. prior year

Net interest income	€17.3m (+35.6%)
Interest income	€18.2m (+33.6%)
Interest expense	-€0.9m (-4.5%)
Fees & commissions income	€13.7m (+52.9%)
Own products	€8.8m (+59.1%)
Third-party products	€4.9m (+42.8%)
Payments & other	€17.2m (-14.6%)
321 Crédito (auto loans)	€33.9m (+61.2%)
Total	€82.1m (+30.5%)

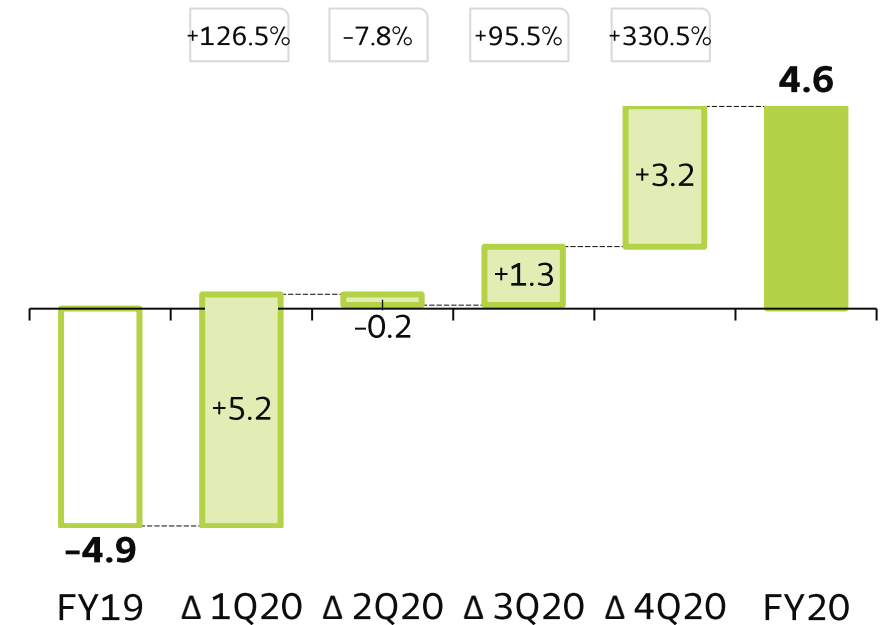
EBITDA¹

€ million



EBIT

€ million; % change vs. prior year



Selected Banco CTT Balance sheet indicators

Metric	Assets (€m)	Cash & equivalents	Investments	Credit to clients (net of impairments)	Customer deposits (€m)	Equity (€m) / CET 1 Fully implemented (%)
31-Dec-20	1,999.9	270.6	517.8	1,093.3	1,689.1	211.7 / 16.8%
vs. 31-Dec-19	+20.0%	+30.9%	+13.5%	+23.4%	+31.6% <small>517k current accounts (+12.2%)</small>	+0.2% / -2.2 p.p.

¹ Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

Financial Services & Retail provides a solid contribution to group profitability, despite the challenging environment for brick-and-mortar retail

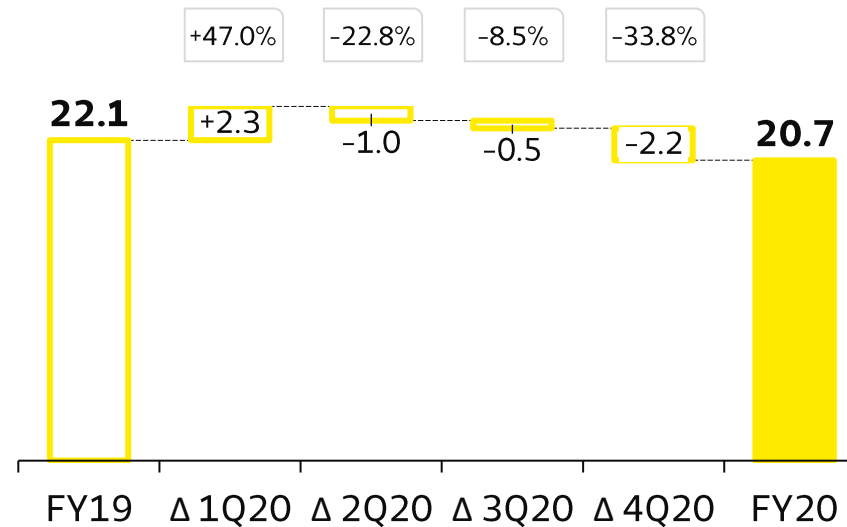
Revenues ¹

€ million; % change vs. prior year

Savings & insurance	€23.2m (-13.9%)
Money orders	€6.0m (+7.5%)
Payments	€1.5m (+31.0%)
Retail products & services	€13.0m (-2.5%)
Other	€0.4m (-14.5%)
Total	€44.0m (-7.1%)

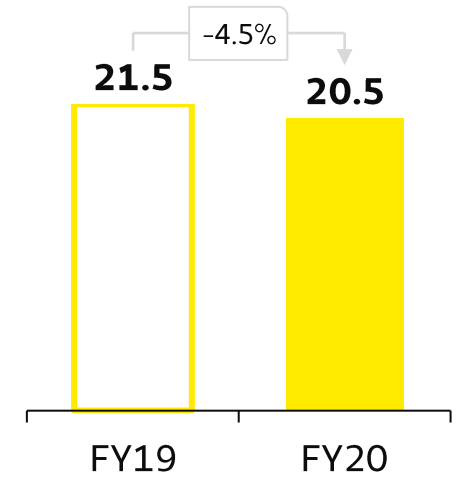
EBITDA ²

€ million; % change vs. prior year



EBIT

€ million



Financial Services volumes by type

Metric	Savings & insurance flows (€bn)	Placements	Redemptions	Money orders (m ops.)
FY20	4.7	3.8	0.8	15.2
vs. FY19	-3.8%	-3.4%	-5.7%	+7.6%

of which 3.8 (-2.0%) public debt

¹ The business line "Retail sales" of the Mail & other business unit migrated to the Financial Services & Retail business unit in 1Q20 (proforma figures presented for FY19).

² Excluding Specific items & IFRS 16 impacts, depreciation, amortization, impairments and provisions.

Consolidated Income statement

Income statement

€ million

	Reported		With Banco CTT under equity method	
	2019	2020	2019	2020
Revenues	740.3	745.2	695.3	679.2
Operating costs	638.8	654.7	593.0	604.5
EBITDA	101.5	90.5	102.3	74.7
EBITDA including IFRS 16	128.3	118.9	128.5	102.3
Impairments & provisions	8.6	15.3	5.7	6.1
Depreciation & amortization	54.2	62.1	49.4	56.3
of which IFRS 16 impact	21.6	24.5	21.0	23.7
Specific items	18.2	7.0	16.7	6.8
EBIT	47.3	34.5	56.7	33.2
Net financial income / (costs)	-10.4	-9.6	-10.3	-9.6
of which IFRS 16 impact	-3.7	-3.3	-3.6	-3.2
Associated companies – gains / (losses)	-1.4	-1.7	-9.4	-1.5
Earnings before taxes	35.5	23.1	37.0	22.2
Net profit attributable to equity holders	29.2	16.7	29.2	16.7

Consolidated Balance sheet

Balance sheet

€ million

	Reported		With Banco CTT under equity method	
	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20
Non-current assets	1,734.7	1,984.3	615.8	638.8
Current assets	778.8	910.6	456.9	484.0
Assets	2,513.4	2,894.9	1,072.8	1,122.8
Equity	131.4	150.3	131.4	150.3
Liabilities	2,382.0	2,744.6	941.3	972.5
Non-current liabilities	512.8	493.4	432.0	444.0
Current liabilities	1,869.2	2,251.2	509.3	528.5
Equity and Liabilities	2,513.4	2,894.9	1,072.8	1,122.8

Consolidated Cash flow statement

Cash flow

€ million

	Reported			With Banco CTT under equity method		
	2019	2020	Δ 20/19	2019	2020	Δ 20/19
EBITDA	101.5	90.5	-11.0	102.3	74.7	-27.6
Specific items affecting EBITDA	16.8	7.0	-9.9	15.3	6.8	-8.6
Capex	45.4	33.4	-12.0	39.0	27.2	-11.8
Change in working capital	5.3	-7.2	-12.5	3.9	-2.5	-6.4
Operating cash flow	44.5	42.9	-1.6	51.9	38.2	-13.7
Tax	2.2	-9.0	-11.2	5.2	-2.6	-7.8
Employee benefits	-14.4	-12.1	+2.3	-14.4	-12.1	+2.3
Free cash flow	32.3	21.8	-10.5	42.7	23.5	-19.2
Debt (principal + interest)	59.3	-1.5	-60.9	59.3	-1.5	-60.9
Dividends	-15.0	0.0	+15.0	-15.0	0.0	+15.0
Financial investments & other	-107.6	-0.3	+107.3	-133.6	-0.3	+133.3
Net change in own cash	-30.9	20.0	+51.0	-46.5	21.7	68.3
Change in liabilities FS & other & Banco CTT (net) ¹	30.9	63.9	+33.0	37.4	-3.5	-40.8
Change in other ²	20.3	-8.8	-29.0	0.0	0.0	0.0
Net change in cash	20.3	75.2	+54.9	-9.2	18.3	27.5

¹ The change in net liabilities of Financial Services and Banco CTT reflects the evolution of credit balances with third parties, depositors or other banking financial liabilities, net of the amounts invested in credit or investments in securities / banking financial assets, of entities of the CTT Group providing financial services, namely the financial services of CTT, Payshop, Banco CTT and 321 Crédito. ² The change in other cash items reflects the evolution of Banco CTT's sight deposits at Bank of Portugal, outstanding cheques / clearing of Banco CTT cheques, and impairment of sight and term deposits and bank applications.

Specific items with reduced impact on the FY20 P&L

Specific items

€ million

	Reported		
	2019	2020	
EBIT excluding Specific items	65.5	41.5	
Specific items	18.2	7.0	
Revenues	-0.6	-0.7	€0.7m capital gain related to the sale of 3 non-strategic real estate assets
Staff costs	11.9	3.9	€3.9m of Staff costs of which €2.9m related to the HR optimization program
ES&S & other op. costs	7.0	3.8	€3.8m of ES&S & other operating costs, of which €1.1m related to COVID-19, €1.1m of regulatory fines and €0.9m of strategic studies (mainly related to the future renegotiation of the concession)
EBIT	47.3	34.5	

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to whatever
you want

From a parcel
to whatever
you dream of

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