

**PUBLIC REPORT NO 2. PURSUANT TO ARTICLE 73A OF THE DUTCH BANKRUPTCY
ACT**

**(4th PUBLIC REPORT IN THE SUSPENSION OF PAYMENTS AND THE BANKRUPTCY
OF PORTUGAL TELECOM INTERNATIONAL FINANCE B.V. EM RECUPERACAO
JUDICIAL)**

Name company:	Portugal Telecom International Finance B.V. <i>em recuperação judicial</i> (PTIF)
Suspension of payments proceedings number:	S.13/16/43
Bankruptcy number:	F.13/17/164
Date appointment silent administrator:	13 September 2016
Date of (provisional) suspension of payments:	3 October 2016
Date of bankruptcy:	19 April 2017
Trustee:	<i>mr. drs. J.L.M. Groenewegen</i>
Supervisory Judge:	<i>mr. A.E. de Vos</i> (with effect from 1 January 2018)
Report number:	2 (pursuant to Article 73a DBA) and 4 (pursuant to Articles 227 and 73a DBA)
Reporting period:	16 July 2017 – 15 January 2018
Hours spent during reporting period:	850.48 hours
Hours spent during bankruptcy (19 April 2017 – 15 January 2018):	1628.06 hours
Reporting date:	19 January 2018

CMS (Amsterdam Office)

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The Netherlands

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1. INTRODUCTION

1.1 General

This is the second public report pursuant to Article 73a of the Dutch Bankruptcy Act (*Faillissementswet*, hereafter **DBA**) of PTIF's bankruptcy trustee (*curator*, hereafter the **Trustee**). The report covers the period from 16 July 2017 to 15 January 2018. This public report follows the previous two public reports of the administrator in PTIF's provisional suspension of payments pursuant to Article 227 DBA and the first public report of the Trustee pursuant to Article 73 DBA in PTIF's bankruptcy and is therefore the fourth public report in the consecutive suspension of payment proceedings and bankruptcy proceedings.

Insofar as this public report makes no reference to matters that were referred to in the previous public reports, these matters have either been settled or no developments worthy of mention have taken place in comparison to the state of affairs mentioned in the previous reports. This report will continue to use the definitions used in the previous reports.

In this report, the Trustee describes in a simplified manner the current state of affairs in accordance with the reporting guidelines as applicable in the Netherlands.

In PTIF's bankruptcy, the Trustee is faced with a number of complicated legal issues, mainly resulting from a Brazilian judicial reorganisation procedure to which PTIF is also subject (the **RJ Proceedings**). The RJ Proceedings also relate to other entities of the group of companies which PTIF is part of.

The Trustee stresses that the information contained in this report is the subject of further study and is (to a large degree) based on information and statements provided by the board of PTIF, advisers of PTIF and other third parties. It may later become apparent that this information is incorrect. Consequently, no statements can be made about the completeness and accuracy of the information contained in this report.

No rights can be derived from this and/or subsequent public reports. Nothing in this public report can be interpreted as an acknowledgement of liability or as a waiver of any right.

In the performance of his activities in this reporting period, the Trustee made use of the (advisory) services of CMS Nederland, Wijn en Stael Advocaten, CMS Portugal, E. Munhoz Advogados (Sao Paulo, Brazil), KPMG Meijburg & Co belastingadviseurs and Citco Nederland B.V.

1.2 Information for creditors

For further information on this bankruptcy, the Trustee refers to the public reports and other communications already published or to be published on <http://www.cms-dsb.com/ptif> (the **Website**). The Trustee will inform creditors by means of the public reports as much as possible.

In addition to public reports, the Trustee will also send so called 'Notices' to creditors, when, for example, the information to be communicated relates to only one subject or the urgent character of the information requires disclosure before publication of the first following public report.

Interested parties can register for the free CMS Electronic Alert Service via the Website so that they automatically receive an email message as soon as new information (such as a report or Notice) is published on the Website. 312 interested parties already use this service.

This public report will also be published on the Website and in the central bankruptcy register (<http://www.rechtspraak.nl>). An English translation of this public report will be made available via the Website as soon as possible. The Dutch version will prevail in case of any differences (in interpretation) between the Dutch and English version of this public report.

1.3 The Trustee is not an adviser to creditors

The Trustee emphasises that the bankruptcy of PTIF and the RJ Proceedings could have far-reaching consequences for the recourse position of individual or collective creditors of PTIF. The Trustee does not advise creditors regarding their positions, rights and obligations. This report cannot be interpreted as legal advice (of whatever nature) to PTIF's creditors in any way.

In particular, it holds that the creditor itself must assess its financial and/or legal position in the context of the RJ Proceedings, the restructuring plan that was accepted in the RJ Proceedings and the Dutch bankruptcy. The same holds for the manner of operation in these separate proceedings. In case of doubt about their position and the decisions to be made, PTIF's creditors must themselves obtain financial and/or legal advice from their own stockbroker, bank, lawyer, accountant or at another independent adviser.

The holders of the bonds issued by PTIF can furthermore contact the trustee that represents them (Citicorp, see also section 10.2 of the first public report) via the customary communication channels (including the e-mail address PTIFRestructuring@allenoverly.com).

1.4 Information on the RJ Proceedings and the developments therein

More information on the RJ Proceedings and the developments therein can be found on the websites of the Oi Group and the Brazilian administrator (Wald) (www.recjud.com.br and www.recuperacaojudicialoi.com.br).

2. MOST IMPORTANT EVENTS AND DEVELOPMENTS DURING THE REPORTING PERIOD

2.1 The most important developments of this reporting period are as follows:

- Further to an appeal that was initiated by, inter alia, the Trustee, a decision was rendered in appeal proceedings in Brazil that the RJ Proceedings cannot automatically be settled in a consolidated manner, but that the creditors must vote on this matter (see section 4.3 of this report);
- Further to an appeal that was lodged by the Trustee, it was initially decided that the Trustee could conditionally exercise the right to vote on PTIF's intercompany claim against Coop in Brazil. This decision was later revised, so that the Trustee was not allowed to conditionally exercise the right to vote on that claim (see section 4.4 of this report);

- On 19 and 20 December 2017, a creditors' meeting was held in the RJ Proceedings wherein a new version of the restructuring plan of the Oi Group was adopted (see section 4.7 of this report);
- On 8 January 2018, the Brazilian bankruptcy court approved the restructuring plan of the Oi Group that was accepted by the creditors (see section 4.8 of this report);
- The Trustee is conducting consultations with the Tax and Customs Administration about the implementation of the corporation tax refunds for 2014 and 2015 (see section 6.5 of this report).

3. ACTIVITIES AND CORPORATE STRUCTURE

For the activities and the corporate structure of PTIF, the Trustee refers to the first three public reports.

4. THE RJ PROCEEDINGS (RECENT DEVELOPMENTS)

4.1 General

Oi and a number of its subsidiaries (including PTIF) are involved in the RJ Proceedings. Besides Oi, PTIF and Coop, this involvement includes Oi Móvel S.A., Telemar Norte Leste S.A., Copart 4 Participações S.A. and Copart 5 Participações S.A. (the **RJ Debtors**).

The Trustee refers to chapter 3 of the first public report for more information about the RJ Proceedings and their background.

4.2 Creditors Meeting

The Creditors Meeting is of decisive importance in the RJ Proceedings. During the Creditors Meeting, the RJ Plan can be deliberated and voted on. The Brazilian court adjusted the date on which the Creditors Meeting will take place several times (at the request of the RJ Debtors).

The Creditors Meeting finally took place on 19 and 20 December. During the Creditors Meeting, the RJ Debtors and the creditors negotiated for a long time. These negotiations resulted in a change of the RJ Plan that was ultimately adopted with the majority that is required under Brazilian law (see section 4.7)

4.3 Proceedings regarding the consolidated RJ Proceedings

During the past couple of months, various parties (including the Dutch Trustees of PTIF and Coop) conducted legal proceedings in Brazil regarding the question whether the RJ Proceedings can be handled in a consolidated manner and, if so, whether this question must be voted on in a consolidated manner or per individual RJ Debtor. All restructuring plans filed by the RJ Debtors start from consolidated settlement and the Oi Group also supported a consolidated vote.

The proceedings were initiated (among other things) because the RJ Debtors made it insufficiently clear why consolidation is required and what the consequences of consolidation are for the creditors (including PTIF). In that context, additional information about the individual financial position of the RJ Debtors was requested.

Below, you will find a very brief overview of the various decisions of the Brazilian courts that preceded the Creditors Meeting of 19 and 20 December 2017.

The Brazilian bankruptcy court in the first instance decided on 21 August 2017 (in conformity with the RJ Debtors' statements) that a single joint plan must be voted on in a consolidated creditors' meeting.

On 24 August 2017, the Trustee and Coop's Trustee lodged an appeal against this decision. On appeal, the court was requested (by way of preliminary relief) to impose an obligation on the RJ Debtors to provide information on a non-consolidated basis (which RJ Debtors are responsible for which claims and overviews of the assets of the individual RJ Debtors).

On 6 September 2017, the reporting judge (read: the judge who is charged with the requests for preliminary relief on appeal) partially allowed the preliminary relief sought and determined that the RJ Debtors were obliged to provide the requested information for each individual RJ Debtor. The court furthermore held that the question *whether* settlement can take place in a consolidated manner must be answered by the creditors during the Creditors Meeting, but did not specify whether this preliminary question also had to be put to vote in a consolidated manner.

During parallel proceedings on appeal that were initiated by Capricorn et al. against the judgment dated 21 August 2017, the reporting judge (with reference to the decision dated 6 September 2017) rendered a similar ruling and confirmed that the question whether consolidated settlement was allowed had to be separately voted on per RJ Debtor during the Creditors Meeting.

4.4 The representation of PTIF (and Coop) at the Creditors Meeting

PTIF's most important asset is the intercompany claim against Coop of approximately € 3.8 billion (see also section 6.1 of this report). Coop's most important assets are its intercompany claims against Oi S.A. (approximately € 4 billion) and Oi Móvel (approximately € 1.6 billion).¹ These three claims will hereinafter jointly be referred to as the **Intercompany Claims**.

The debtors of the Intercompany Claims are Coop, Oi S.A. and Oi Móvel. These three entities are also involved as debtor in the RJ Proceedings and the course of the RJ Proceedings is therefore of major importance for the value of the Intercompany Claims.

In the (original) RJ Plan, PTIF as creditor was not offered adequate compensation for its claim against Coop.² The same holds for Coop's claims against Oi S.A. and Oi Móvel.³ In order to prevent the RJ Debtors from infringing the rights of PTIF and Coop in this way, the Trustee and Coop's Trustee wanted to exercise their voting right attached to the Intercompany Claims.

In order to obtain clarity about the (exercising of the) voting rights attached to the Intercompany Claims prior to the Creditors Meeting, the Trustee and Coop's Trustee requested the Brazilian bankruptcy court on 4 October 2017 to determine that they (i) can

¹ See chapter 5.1 of the first public report of Coop's administrator (now Trustee).

² See chapter 4.5 of the second public report.

³ See chapter 5.9 of the second public report of Coop's administrator (now Trustee).

participate in the Creditors Meeting, (ii) can speak during the Creditors Meeting and (iii) can vote on the Intercompany Claims.

In a decision dated 20 October 2017, the Brazilian bankruptcy court decided that the Trustee and Coop's Trustee can participate in the Creditors Meeting as observers, but cannot speak and cannot vote on the Intercompany Claims either. The most important reasons for this opinion were (i) that the Trustee and Coop's Trustee are not authorised to represent PTIF and Coop in Brazil (because the Brazilian legal system does not acknowledge the Dutch bankruptcy of PTIF and Coop and the powers of the Dutch Trustees arising therefrom) and (ii) that the Intercompany Claims cannot be voted on under Brazilian law because PTIF and Coop are 100% (indirect) subsidiaries of a different RJ Debtor (read: of Oi S.A.).

On 6 November 2017, the Trustee and Coop's Trustee lodged an appeal against this decision. On 9 November 2017, the reporting judge determined by way of preliminary relief that the Dutch Trustees can at least speak during the Creditors Meeting and can furthermore conditionally cast their vote (in case it is ultimately decided on appeal that they can vote on the Intercompany Claims). With the latter relief, the reporting judge attempted to prevent that a new Creditors Meeting would have to take place if it were definitely established after the end of that meeting that the Dutch Trustees can exercise voting rights attached to the Intercompany Claims.

The RJ Debtors filed a petition on 10 November 2017 wherein a defence is advanced against the requests set forth in the notice of appeal of 6 November 2017. On 21 November 2017, the RJ Debtors lodged an appeal against this decision and requested the reporting judge to revise the decision dated 9 November 2017.

On 1 December 2017, the reporting judge indeed revised its decision of 9 November 2017 and still determined that the Dutch Trustees could not conditionally vote during the Creditors Meeting. Because the decision dated 1 December 2017 did not make it clear whether the Dutch Trustees could speak during the Creditors Meeting, they filed a motion for clarification regarding this point on 11 December 2017. Ultimately, a decision on this motion for clarification was not rendered prior to the Creditors Meeting dated 19 and 20 December 2017.

4.5 Different versions of the RJ Plan

On 12 October 2017, the RJ Debtors filed a changed (second) RJ Plan. An English translation of this version of the RJ Plan can be downloaded from the Oi Group's website:

(http://ir.oi.com.br/oi2012/web/conteudo_en.asp?idioma=1&conta=44&tipo=65956).

In this version of the RJ Plan, the Intercompany Claims are treated differently than in the original RJ Plan, which did not provide for even a single payment on the Intercompany Claims. Sections 4.7.1 and 4.7.2 of the changed RJ Plan demonstrate that a repayment period of 38 years had been included for the Intercompany Claims.

4.6 Objections of the creditors

Various creditors in Brazil have made their objections to the changed RJ Plan known to the RJ Debtors. A number of creditors have also submitted their own restructuring plans to the RJ Debtors, which plans were negotiated.

For more information on these negotiations, the Trustee refers to the website of Oi S.A. and various Brazilian news websites. A full report of the various negotiations falls outside of the scope of the Trustee's public reports.

4.7 The Creditors Meeting and the Approved RJ Plan

General

During the Creditors Meeting dated 19 and 20 December 2017, a vote first took place per individual RJ Debtor – in conformity with the Brazilian court's instructions – about the preliminary question whether consolidated settlement was allowed in the context of the RJ Proceedings. This question was answered positively with the required majority for each RJ Debtor.

Consultations and vote on the RJ Plan

On 12 December 2017, the RJ Debtors had (once again) filed a changed RJ Plan, which plan served as a basis for the plan about which agreement was ultimately reached during the Creditors Meeting of 19 and 20 December 2017 (**the Approved RJ Plan**). The Trustee understood from its Brazilian lawyers – who attended the Creditors Meeting on behalf of the Trustee – that the terms of the Approved RJ Plan were extensively negotiated during the Creditors Meeting.

The Approved RJ Plan was ultimately adopted in all four classes of creditors entitled to vote by large majorities.

All RJ Debtors (therefore including PTIF) are jointly and severally liable towards all creditors (of all RJ Debtors) for the performance of all obligations arising from the Approved RJ Plan.

The Trustee emphasises that neither he nor his Brazilian lawyers were in any way involved in the negotiations about the terms of the Approved RJ Plan.

The English translation of the Approved RJ Plan can be downloaded via the Oi Group's website (http://www.recjud.com.br/download_arquivos.asp?id_arquivo=EF160F33-B6BA-4550-8F40-067C93B3B65F).

Handling of the Intercompany Claims and the Approved RJ Plan

In addition to the methods of payment regarding the claims which the RJ Debtors proposed to PTIF's creditors in the Approved RJ Plan (for which the Trustee refers to the Approved RJ Plan), it is of major importance for PTIF's estate how the Approved RJ Plan deals with the Intercompany Claims.

Sections 4.6.1 and 4.6.2 of the Approved RJ Plan demonstrate that a very long repayment period has been included for the Intercompany Claims. This period is structured as follows:

- first, all regular unsecured (Class III) claims are paid. The repayment of the regular unsecured claims is suspended the first 20 years. Then, these claims are repaid in 5 annual instalments; in total it will therefore take 25 years before the regular unsecured claims have been repaid;

- after repayment of the regular unsecured claims, repayment of the Intercompany Claims is suspended another 20 years, after which the Intercompany Claims are repaid in 5 annual instalments, in total again lasting 25 years.

The total repayment period for the Intercompany Claims is therefore 50 years. No interest is paid for the Intercompany Claims in Dollars and in Euros. For claims in Brazilian Reals, the Brazilian target rate (TR) will be calculated. However, this interest is only paid simultaneously with the final annual instalment, therefore at the end of the payment period of 50 years.

The RJ Debtors furthermore made the reservation that they can also pay the Intercompany Claims in a different way, for example by means of a set off.

Even though this is not explicitly stated in the Approved RJ Plan, the foregoing *de facto* means a subordination of the Intercompany Claims to the other unsecured creditor's claims against the RJ Debtors.

ADRs

Section 4.3.3.4 of the Approved RJ Plan demonstrates that the RJ Debtors want to use the ADRs held by PTIF (see also section 6.3 of this report) to partially comply with their obligations by virtue of the Approved RJ Plan by offering them to Qualified Bondholders (bondholders with claims by virtue of bonds exceeding USD 750,000).

4.8 **The approval of the Approved RJ Plan by the Brazilian court**

On 8 January 2018, the Brazilian court approved the Approved RJ Plan. However, this approval was not unconditional.

A number of agreements the RJ Debtors made with specific groups of bondholders were not approved by the Brazilian court. It concerns agreements with professional parties which have claims by virtue of bonds against a number of RJ Debtors (including PTIF and Coop). In the Approved RJ Plan, these parties are defined as Backstopper Investors.

It concerns agreements about the compensation of incurred costs and an additional payment for the obligation these bondholders have entered into in a Subscription and Commitment Agreement (an annex to the Approved RJ Plan) to purchase shares to be newly issued by Oi S.A. up to a total amount of USD 4 billion in order to provide the Oi Group with new capital (in addition to the partial restructuring of debts by the conversion of claims by virtue of bonds in shares (debt for equity swap)).

The Trustee has published an unofficial English translation of the decision dated 8 January 2018 on the Website.

The decision dated 8 January 2018 seems to demonstrate that creditors other than the Backstopper Investors should also have the right to invest in Oi S.A. and should therefore be entitled to the related extra compensation. This in fact concerns a substantive change of the Approved RJ Plan. The same holds with regard to the unapproved agreements regarding the compensation of costs.

At this time, it is not yet clear what the consequences of the conditional approval of the Approved RJ Plan will be (both in Brazil and in the Netherlands for PTIF's bankruptcy).

In addition, there is the possibility that an appeal is lodged against the decision of 8 January 2018. The term for such an appeal commences as from the moment the decision of the Brazilian court is officially published. As of the date of this public report, this publication has not taken place yet.

4.9 **Parallel Dutch approval?**

The Approved RJ Plan and the Subscription and Commitment Agreement seem to demonstrate that the Oi Group intends to offer a parallel Dutch composition (or have it offered) in the Dutch bankruptcy of PTIF and Coop as well. The Trustee has meanwhile requested PTIF's Dutch lawyers to provide clarity about this.

4.10 **Legal proceedings by/against creditors with regard to the RJ Proceedings**

In Brazil, the RJ Debtors are still involved in a large number of legal proceedings with various (groups of) creditors (including the Dutch Trustees of PTIF and Coop). The proceedings are at different stages and are pending before different bodies (both the Bankruptcy Court in the first instance and the court of justice on appeal (Court in Rio de Janeiro)).

The consequences of the Approved RJ Plan for these ongoing proceedings are not clear yet, but it seems obvious that the RJ Debtors will steer towards cancelling these proceedings since the Approved RJ Plan has been conditionally approved. The Trustee is discussing the consequences of the proceedings that involve PTIF's estate with his Brazilian lawyers.

5. **PERSONNEL**

For the information about PTIF's employees, the Trustee refers to the first three public reports.

6. **ASSETS**

6.1 **PTIF's Intercompany Claim against Coop**

The Trustee refers to section 8.1 of the first public report, to section 8.1 of the second public report and to section 9.1 of the third public report.

PTIF's claim ultimately has to be submitted in Coop's bankruptcy for verification. If a composition is indeed offered in Coop's bankruptcy in the Netherlands, this will affect PTIF's claim against Coop. In time, the Trustee will discuss this matter with Coop's Trustee.

6.2 **The claims against Timor Telecom**

The Trustee refers to section 8.2 of the second public report and section 9.2 of the third public report.

Insofar as the Trustee is currently aware, the sale of Timor Telecom has not been completed yet.

6.3 **Shares in Oi held by PTIF**

According to a statement of PTIF's executive board to the Trustee at the time the suspension of payment was (provisionally) granted, PTIF holds approximately EUR 137 million worth of ADR (American Depositary Receipt) shares in Oi (the **ADRs**).

PTIF wants to make the ADRs available to specific groups of creditors in the context of the performance of the Approved RJ Plan (see also section 4.7 of this report). It is not clear how this will be brought about yet and which role the possible composition to be offered by PTIF in the Netherlands will play in this context.

6.4 Bank balances

The Trustee refers to the first three public reports.

6.5 Corporation tax refund for 2014 and 2015

Based on the information known to the Trustee at this time, PTIF seems to be entitled to a refund of a substantial amount of corporation tax it wrongfully paid for 2014 and 2015. In total, it concerns approximately EUR 3.8 million.

The Tax and Customs Administration has meanwhile blocked repayment of the formally approved tax refunds (partially by imposing further corporation tax assessments) in connection with the questions about the corporation tax returns of PTIF for the years 2014 and 2015. With the help of KPMG Meijburg & Co and Citco Nederland B.V., the Trustee has answered a large number of questions of the Tax and Customs Administration. A follow-up meeting will take place with the Tax and Customs Administration in the short term.

7. LIABILITIES

The Trustee refers to chapter 10 of the first public report.

8. ADMINISTRATIVE ACCOUNTS

The Trustee refers to the first three public reports.

9. LAWFULNESS

9.1 Financial Statements 2013, 2014 and 2015

The Trustee refers to section 9.2 of the first public report and section 9.1 of the second public report.

9.2 Financial Statement 2016

PTIF's financial statements for the 2016 financial year have not been drawn up. The Trustee is examining whether it is necessary to still arrange for these financial statements to be drawn up at the expense of the estate (for example with a view to possible requests for a corporation tax refund that could be based on these financial statements).

9.3 Mismanagement and fraudulent acts in respect of creditors

While awaiting a possible composition to be offered by PTIF to its creditors in the Netherlands, the Trustee has suspended any further investigation into possible mismanagement and/or fraudulent acts.

10. CREDITORS

10.1 Filing of claims

The Trustee requests PTIF's creditors to not file any claims for verification for the time

being. Depending on the question whether PTIF will offer a composition to its creditors in the Netherlands as well, it will become clear whether a verification meeting will take place within the foreseeable future, wherein claims can be handled and where the composition can be put to vote after the closure of the verification process.

The creditors will naturally receive further information on this matter in a timely manner.

To avoid misunderstandings, the Trustee emphasises that the aforementioned provisions exclusively relate to the filing of claims in the Dutch bankruptcy.

With regard to the RJ Proceedings, all creditors of PTIF must independently represent their interests in the RJ Proceedings and their rights by virtue of the Approved RJ Plan.

Every creditor is itself required to seek (legal) advice on the subsequent steps to be taken and, if necessary, contact the Oi Group or the Brazilian administrators in case of uncertainty.

11. LEGAL PROCEEDINGS AND LEGAL MEASURES AGAINST PTIF

11.1 Capricorn and Syzygy proceedings

The Trustee refers to the first public report.

PTIF has not (yet) appeared in the proceedings and the district court has granted a default judgment against PTIF. Because several co-defendants of PTIF did appear in the proceedings, the district court has not yet rendered a judgment against PTIF for the present time.

As a consequence of the bankruptcy of PTIF and Coop, the proceedings with regard to PTIF have been suspended by operation of law pursuant to Article 29 DBA. The district court is aware of the bankruptcy of PTIF. The proceedings are continued against the other defendants.

On 14 November 2017, a personal appearance of the parties took place in these proceedings which the Trustee attended as observer. It is expected that the district court will render judgment on 24 January 2018.

11.2 Proceedings in Portugal

Prior to the bankruptcy, a noteholder instituted proceedings against PTIF in Portugal. The proceedings in Portugal have not been suspended by operation of law as a consequence of PTIF's bankruptcy in the Netherlands.

The Trustee, together with CMS's lawyers in Portugal and PTIF's lawyers in the Netherlands, agreed that a defence will also be put forward on behalf of PTIF in the Portuguese proceedings.

12. HOURS SPENT, PLAN OF APPROACH, INTERIM FINANCIAL REPORT AND NEXT REPORT

12.1 Hours spent

In the period covered by this report, the Trustee and his team have spent 850 hours in total on this bankruptcy.

12.2 Plan of approach

In the reporting period ahead, the activities of the Trustee are expected to mainly consist of, among other things:

- consultations with PTIF and its Dutch lawyers about the consequences of the composition in Brazil for PTIF's bankruptcy in the Netherlands;
- if PTIF will indeed offer a composition in the Netherlands: the planning of the verification meeting and arranging the required provisions in order to allow bondholders to submit their claims and to vote on the composition (for which purpose consultations with Citicorp as bond trustee are required as well) and drawing up the advice to creditors pursuant to Article 140 of the DBA;
- continuation of the consultations with the Tax and Customs Administration about the corporation tax refund.

12.3 Interim financial report

Appendix 1 to this public report contains the interim financial report as at 31 December 2017, from which it follows that estate assets amount to EUR 9,087,241.62 as of this date. The Trustee, however, points out that the bankruptcy costs incurred from 01 July 2017 onwards must still be deducted from this amount.

12.4 Next report

Unless exceptional circumstances require an earlier report, the next report will be published at the end of April/ start of May 2018.

Amsterdam, 19 January 2018

J.L.M. Groenewegen
Bankruptcy Trustee

APPENDIX 1:

Interim financial report as at 31 December 2017

TUSSENTIJD'S FINANCIEEL VERSLAG 31 december 2017

in het faillissement van:

Portugal Telecom International Finance B.V.

Faillissementsnummer

F13/17/164

Datum uitspraak

19 april 2017 (Hof Amsterdam)

Rechter-commissaris

mr. A.E. de Vos (met ingang van 1 januari 2018)

Curator

mr. drs. J.L.M. Groenewegen

A.	BATEN	subtot. incl. BTW	mutaties	totaal	Af te dragen BTW
1.	aangetroffen middelen				
	kas	€ -	€ -	€ -	€ -
	bank	€ 10.029.475,10	€ -	€ 10.029.475,10	€ -
	restant kostenvoorschot PTIF	€ 467.618,30	€ -	€ 467.618,30	€ -
	correctie facturen De Brauw		€ 20.286,00	€ 20.286,00	€ -
2.	opbrengsten verkopen				
	opbrengsten verkopen	€ -	€ -	€ -	€ -
	kosten ivm verkoop	€ -	€ -	€ -	€ -
3.	debiteuren				
	prae-faillissement debiteuren	€ -	€ -	€ -	€ -
	boedeldebiteuren	€ -	€ -	€ -	€ -
4.	overige baten				
	boedelbijdrage	€ -	€ -	€ -	€ -
	restitutie belastingdienst	€ -	€ -	€ -	€ -
	retour betalingen ivm foutieve overboeking Kas Bank N.V.	€ -	€ 33.041,48	€ 33.041,48	
	rente	€ -	€ -	€ -	€ -
5.	totaal	€ 10.497.093,40	€ 53.327,48	€ 10.550.420,88	€ -
B.	REEDS BETAALDE VERSCHOTTEN / BOEDELSCULDEN	subtot. incl. BTW	mutaties	totaal	Terug te ontvangen BTW
	salaris curator (*)	€ 525.412,47	€ 330.480,56	€ 855.893,03	€ -
	verschotten curator (*)	€ 21.016,50	€ 13.219,23	€ 34.235,73	€ -
	vertaalkosten voor Q3 2017	€ 7.651,09		€ 7.651,09	€ -
	vertaalkosten Q3 en verder 2017	€ 1.083,48	€ 15.862,44	€ 16.945,92	€ -
	kosten juridische advisering derden	€ 207.114,65	€ 332.406,54	€ 539.521,19	€ -
	kosten Kas Bank N.V.		€ 409,68	€ 409,68	€ -
	Belastingdienst (BTW Q2 2017)		€ 8.202,00	€ 8.202,00	€ -
	factuur Interbolsa	€ 320,62		€ 320,62	€ -
6.	totaal	€ 762.598,81	€ 700.580,45	€ 1.463.179,26	€ -
C.	THANS NOG BESCHIKBAAR				
	totaal A	€ -	€ -	€ 10.550.420,88	
	totaal B	€ -	€ -	€ 1.463.179,26	
7.	saldo boedelrekening	€ -	€ -	€ 9.087.241,62	

(*) stand per 1 juli 2017 (exclusief onderhanden werk vanaf 1 juli 2017)