MAY 2020

Banco Comercial Português

Disclaimer

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- The figures presented do not constitute any form of commitment by BCP in regard to future earnings.

- Figures for the first three months of 2020 not audited.

- The information in this presentation is for information purposes only, and should be read in conjunction with all other information made public by the BCP Group.

AGENDA

01 Highlights

02 Group

03 Portugal

04 International operations

05 Key figures

01

Highlights

Five priorities that guide our actions in 2020

- Protect Employees
- Defend the quality of the balance sheet, liquidity and solvency of the Bank
- Support the economy, families, businesses and institutions
- Adapt business models and processes to the new normal
- Strengthen the social support component for the most vulnerable

Covid-19: quick adaptation to the context, protecting Employees and Customers and ensuring business continuity

Employees
Protection and prevention of contagion

- Use of protective equipment, reinforcement of disinfection and adaptation of facilities and internal circuits
- Identification and special protection of risk groups and implementation of quarantine policy
- Enhanced health care, including preferred access via remote channels
- Quick setting of telework, which covered 53% of Employees
- Preparation of phased return of Employees to the workplace in safe conditions

Customers
Availability of service in safe conditions

- 99% of branches operating with 87% of Employees *in situ*
- Active promotion of the use of the app and remote channels
- Dynamic management in the event of possible contagion implied closure, disinfection and prompt reopening of 20% of the branch network
- Prevention of contagion at branches, with the installation of protective equipment, limitations to the number of Customers inside the branch and the use of a mask

Business Processes
Operating continuity in a risk context

- Segregation and rotation of teams in critical areas
- Reinforcement of technological infrastructure to allow simultaneous, large scale teleworking
- Ensuring the reliability and quality of services from critical suppliers
- Reformulation of the objectives of the commercial network, focused on supporting Customers in overcoming emergency phase
- Robotization and deep learning allow scaling of operational capacity for applications to moratoriums and underwriting of credit lines

Supervision Authorities
Close and permanent monitoring

- Continuity of operation and critical functions
- Cybersecurity
- IT risk and resilience
- Liquidity
- Exposure to risk
- Measures to mitigate adverse impacts

Corporate governance structures manage crisis situation based on a model with three pillars

- ***Governance***

  Executive Committee monitors emergency situation, makes strategic decisions and introduces required adjustments to commercial activity

  Reinforced and permanent interaction with the Board of Directors and its commissions

- ***Operational continuity***

  Crisis Management Office operating since March 6th, comprised of the Executive Committee, health technicians and critical areas

  Quick analysis of information, quick decision and agile implementation of main measures

- ***Monitoring of the international portfolio***

  Sharing resources and experiences with learning best practices

  Chief Risk Officer integrates Crisis Management Offices in Poland, Mozambique and Switzerland

Covid-19: Supporting the economy and the communities we serve, preserving the quality of the balance sheet and the sustainability of the Bank

	Measures	Indicators
Companies	• Credit lines with State guarantee to support treasury (€6.6 billion) • Own lines of €1 billion • Capital and interest moratoriums (Decree-Law 10-j / 2020) • Waving of commissions on acceptance of purchases through MBWay, suspension of POS's monthly fees for Customers impacted by the crisis and earlier payment to suppliers	**More than 12,400 applications to Covid-19 lines were already approved by SGMs** • More than €2.2 billion of approved financing 34.0% of the total amount made available • **More than €650 million disbursed** **More than 23,700 moratoriums approved**
Families	• Capital and interest moratoriums (Decree-Law 10-j / 2020) • Private sector moratoriums (protocol of the Portuguese Banking Association) • Suspension of spread aggravation due to non-compliance with contractual conditions in all mortgage loans • Reduced fees on integrated solutions, provision of insurance with Covid-19 coverage and access to online doctor	**More than 76,700 moratoriums approved**

Reinforced commitment to People and Society

Community

- Donation for the acquisition of means to fight Covid-19 and to the Curry Cabral Hospital; delivery of medical equipment to the National Health Service; € 230,000 contribution to the purchase of 100 ventilators by the Portuguese Banking Association for donation to the NHS; participation in the European Union's "Global Response to Covid-19" initiative; Millennium bim donation to Maputo's Central Hospital
- Reinforcement of the support to the Food Bank against Hunger through the Millennium bcp Foundation
- Support to the Field Hospital at Lisbon University stadium to respond to the COVID-19 pandemic

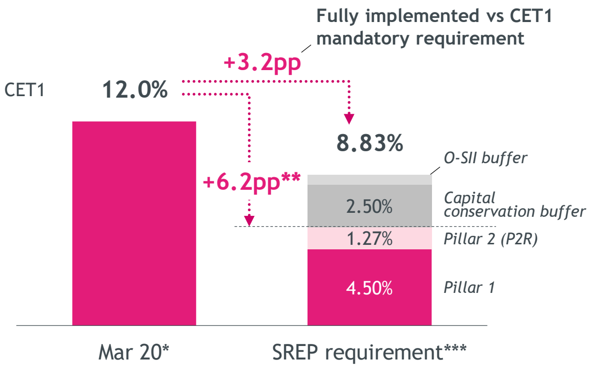
The Bank's future profitability depends on the viability and sustainability of its Customers

Covid-19: Millennium bcp has a solid position to face the economic shock caused by the pandemic

CAPITAL

Strong capital, above regulatory requirements

Indicators



Additional measures

ECB measures:

- Banks may operate below the P2G and the capital conservation reserve
- Possibility to fulfill 44% of the P2R requirement with non-CET1 instruments
- Recommendation for the non-distribution of dividends

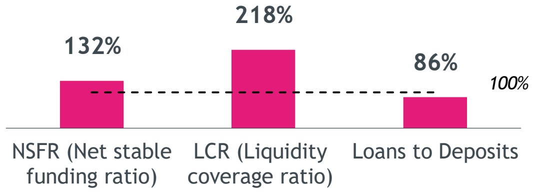
Measures from the Bank of Portugal:

- Postponement of the phase-in period of the O-SII capital buffer

LIQUIDITY

Strong liquidity and ample collateral pool

Indicators



Eligible assets for ECB funding: €16.1 billion

Additional measures

ECB measures:

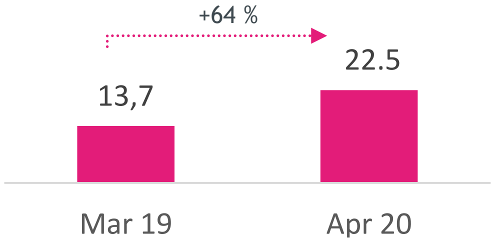
- Enlargement of the asset purchase program, new program totaling €750 billion (PEPP****)
- Possibility to operate with an LCR below 100%
- Less stringent requirements for collateral acceptance

*Fully implemented. Including unaudited net income for Q1 2020. | **Fully implemented vs requirement considering the use of buffers. | ***Minimum phased-in regulatory requirements from March 12, 2020. | ****Pandemic Emergency Purchase Programme.

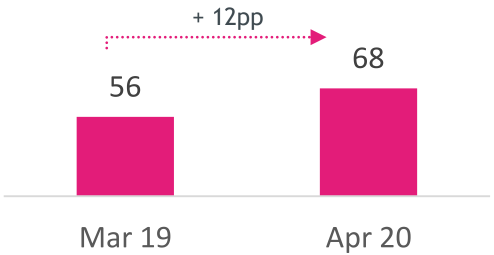
Covid-19: active promotion of remote channels, facilitating access to Customers and minimizing the need for face-to-face interaction

Digital growth accelerates

Digital accesses
(#, million)



Weight of digital transactions [1]
(% digital transactions/total transactions)

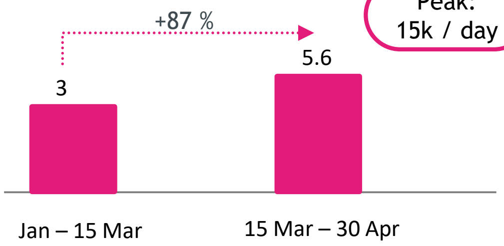


New mobile Customers/ day | **+1.2k**

Increased demand for the Contact Center

Incoming calls
(#k, daily average)

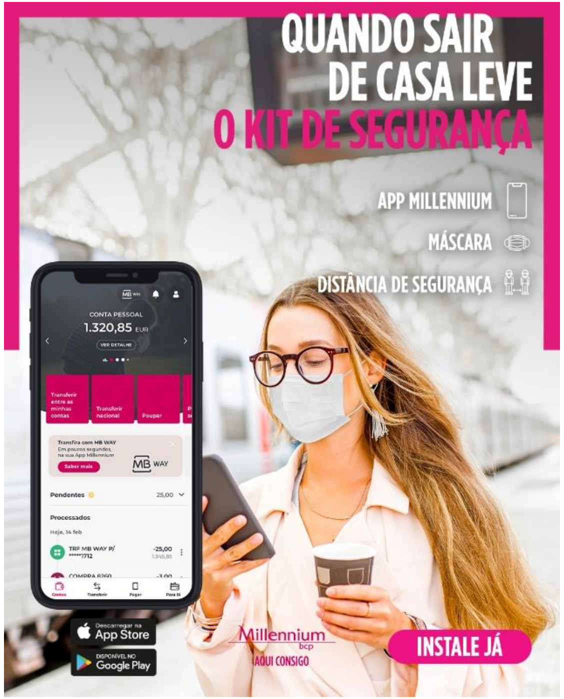
Peak: 15k / day



Call Center for moratoriums | **100%** Teleworking

Virtual Call Center | **4k** Agents [2] configured with telework capability

Permanent communication



1 Includes individuals and companies
2 With recording capacity, allowing dynamic coverage of different models in commercial networks and markets room

Highlights

Net income for the 1st quarter of 2020

- Net profit of €35.3 million, influenced by Covid-19 provisions of €78.8 million
- Core income up by 6.8%
- Improved credit quality: NPEs of €3.9 billion, a decrease of €1.3 billion in the last 12 months and of €279 million in the 1st quarter of 2020
- Fully implemented CET1 capital ratio of 12.0%, above regulatory requirements of 8.83%

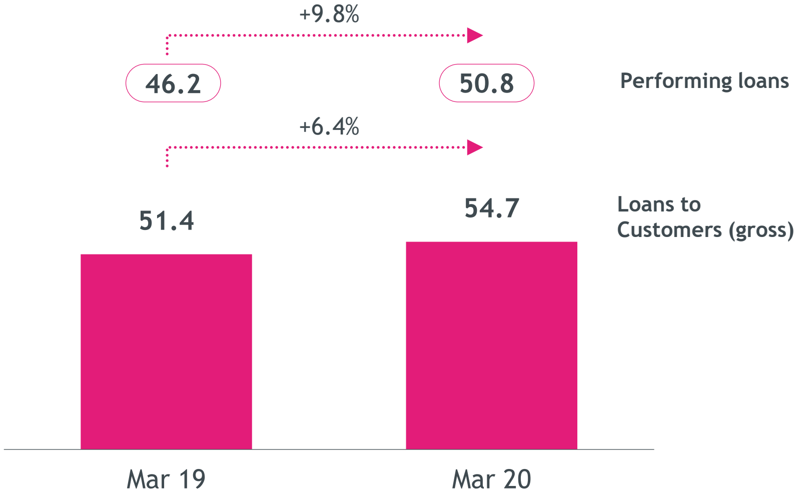
Business activity

- Growing business volumes: performing loans increased to €50.7 billion (+9.8%); total Customers funds reach €80.0 billion (+6.2%)
- More than 12,000 Covid-19 credit lines and more than 100,000 moratoriums approved
- More than 5.6 million Customers, with the expansion of the mobile Customer base standing out: +37% to 2.3 million Customers
- Digital channels with strong growth, with emphasis on the increased Customer interaction with the Bank. Contacts through mobile devices increased 68% from March 2019

Increasing business volumes

Increasing performing loans portfolio

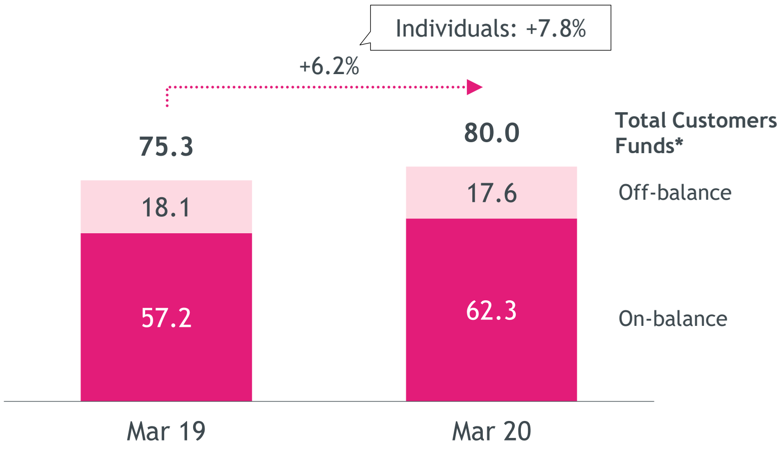
(Consolidated, billion euros)



Performing loans up by €4.5 billion from March 31, 2019 and by €239 million from end-2019

Increasing total Customers funds

(Consolidated, billion euros)

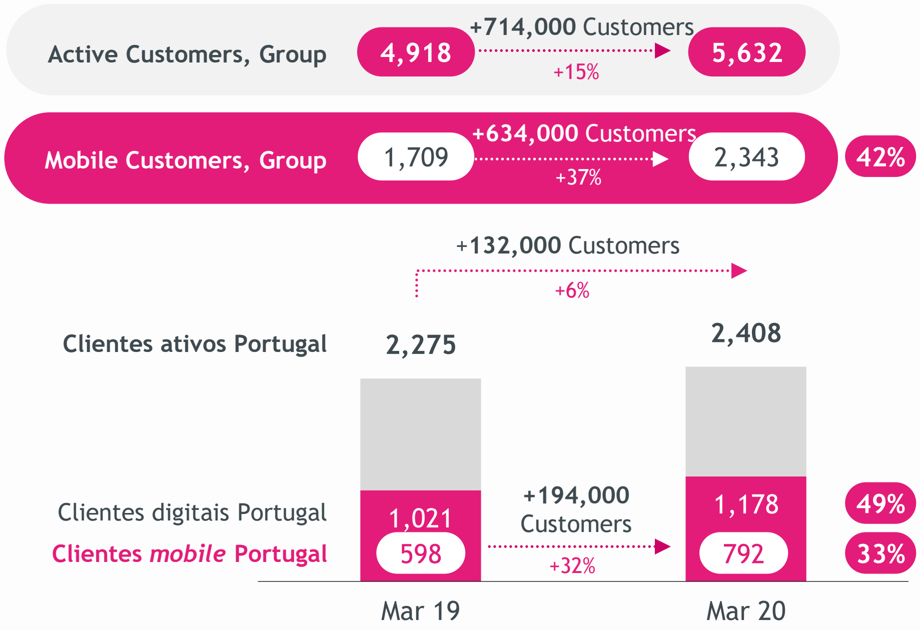


Total Customers funds up by €4.7 billion from March 31, 2019

*Deposits, debt securities, assets under management, assets placed with Customers and insurance products (savings and investments).

Growing Customer base, mobile Customers standing out

'000 Customers



Voted as **closest to Customers**, most innovating, **clearest information**; Bank of choice and **most recommended by Customers**: leader in overall Customer satisfaction, in quality of service, in product quality, in satisfaction with account manager and in **Customer recommendation**

Basef 5 largest banks in Portugal, march 2020

Customer counting criteria used in the Strategic Plan.

Digital: a Bank prepared to support Customers in any context!

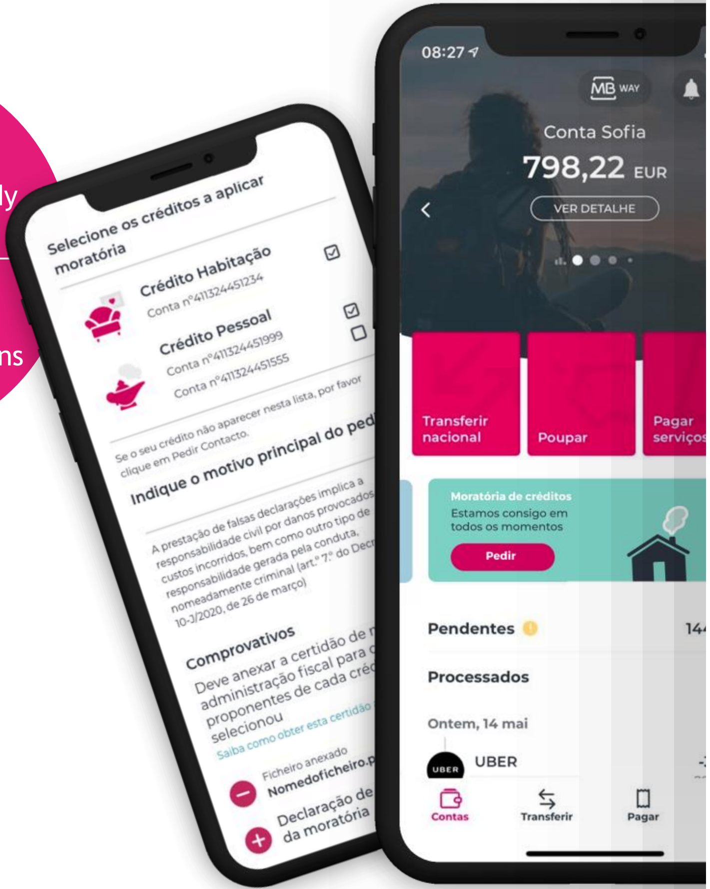
33%
of Customers already use the app

85%
of digital interactions are mobile

Strong mobile yoy growth

Vs same period 2019

+68% Logins	**+75%** Payments
+108% Transfers	**+72%** Sales



End-to-end Innovation and Digitalisation end-to-end

(Q1 2020)

New **100% digital** credit card order process

In-app card activation

Personal loans with personalized experience - assistance to simulation and life insurance

Credit moratoriums **without the need to visit the branch** (95% of orders processed via digital channels)

Open Banking now also with **transfers from any bank via the Millennium app**

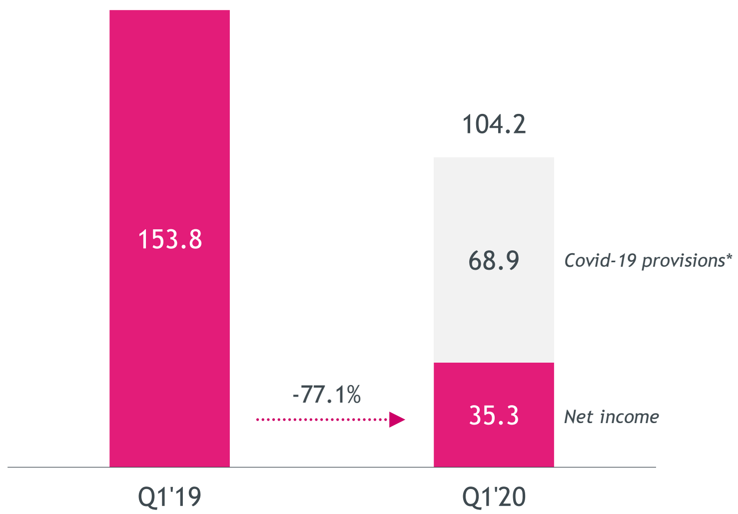
Partnership with Transferwise and faster international transfer service (ActivoBank)

Best Digital Bank Q1 2020
BrandScore survey

Net income of Q1 2020: main highlights

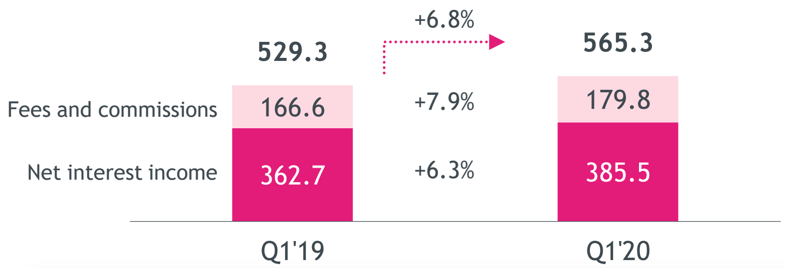
Net income

(Million euros)



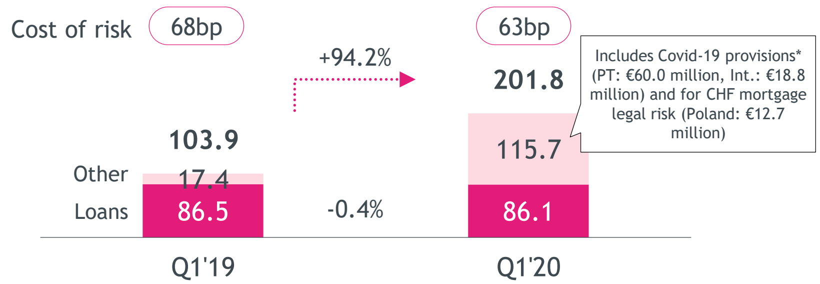
Core income (net interest income + commissions)

(Million euros)



Impairment and provision charges

(Million euros)



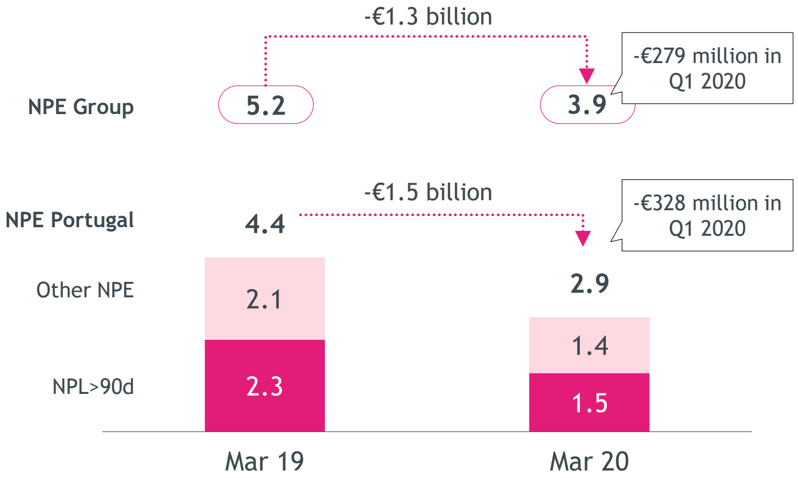
Notice: Net income would have decreased by 32.3% without Covid-19 provisions.

*Impact after of taxes. Total Covid-19 provisions: €78.8 million, of which €60.0 million in Portugal and €18.8 million in the international operations (€10.2 million, net of non-controlling interests).

Credit quality

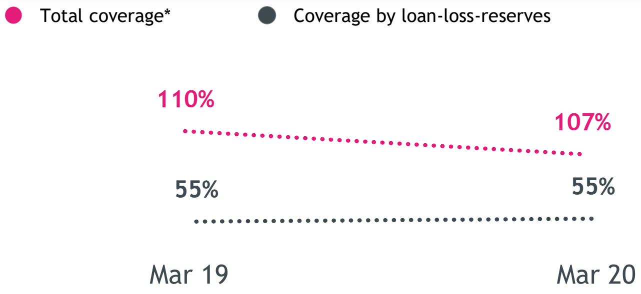
Improved credit quality

(Billion euros)

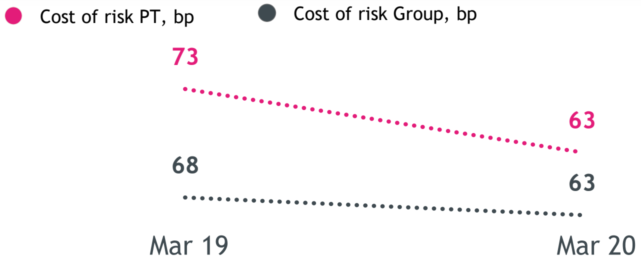


Decrease of NPEs **(-€1.3 billion from March 31, 2019)** and of cost of risk (63bp in in Q1 2020); strong coverage

NPE coverage



Cost of risk



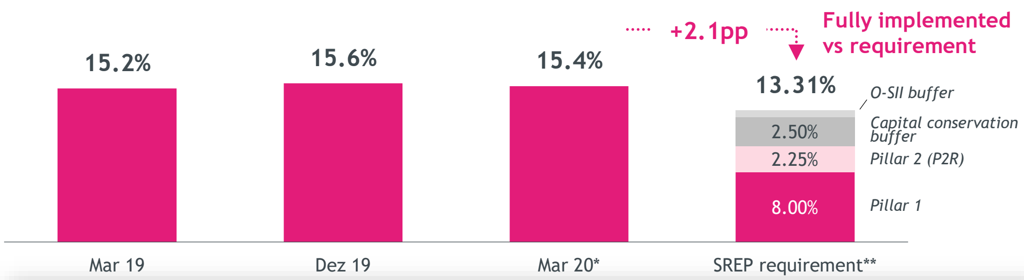
NPE include loans to Customers only.

*By loan-loss reserves, expected loss gap and collaterals.

Capital above regulatory requirements

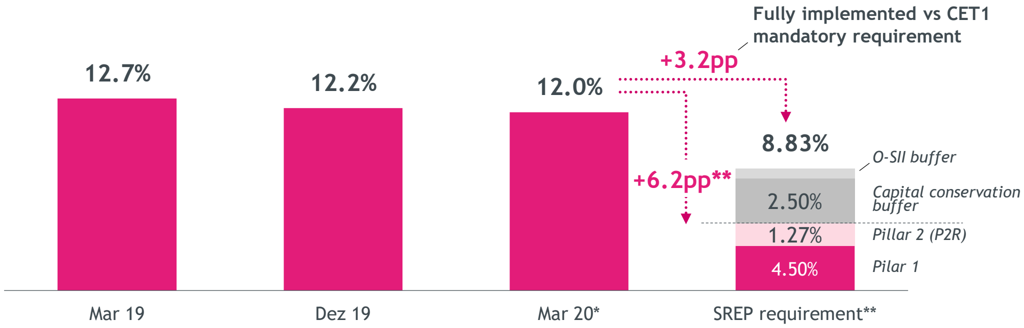
Total capital ratio

(Fully implemented)



CET1 capital ratio

(Fully implemented)



- **Capital ratio of 15.4%*,** above regulatory requirements
- **Buffer of €1.0 billion** above the level at which there are restrictions on the maximum distributable amount of net income (MDA), in accordance with banking regulation

- **Difference from the fully implemented ratio to the requirement that has to be fulfilled with CET1 capital of €1.4 billion not considering the use of the capital conservation and of the O-SII buffers, €2.8 billion if such buffers are used**

*Including unaudited net income for Q1 2020. | **Minimum phased-in regulatory requirements from March 12, 2020.

02

Group

Profitability

Net income of €35.3 million in the 1st quarter of 2020

(Million euros)	Q1'19	Q1'20	YoY	Impact on earnings
Net interest income	362.7	385.5	+6.3%	+22.8
Commissions	166.6	179.8	+7.9%	+13.2
Core income	**529.3**	**565.3**	**+6.8%**	**+36.0**
Operating costs excluding non-usual items	-253.1	-276.9	+9.4%	-23.8
Core earnings	**276.2**	**288.4**	**+4.4%**	**+12.2**
Non-usual operating costs Compensation for temporary salary cuts, restructuring costs, Euro Bank integration	-6.5	-9.5	+46.6%	-3.0
Other income*	68.3	32.5	-52.4%	-35.8
Operating net income	**338.1**	**311.4**	**-7.9%**	**-26.7**
Covid-19 provisions**		-78.8		-78.8
Impairment and other provisions	-103.9	-123.0	+18.4%	-19.1
Net income before income tax	**234.2**	**109.6**	**-53.2%**	
Income taxes, non-controlling interests and discontinued operations	-80.4	-74.3	-7.5%	
Net income	**153.8**	**35.3**	**-77.1%**	

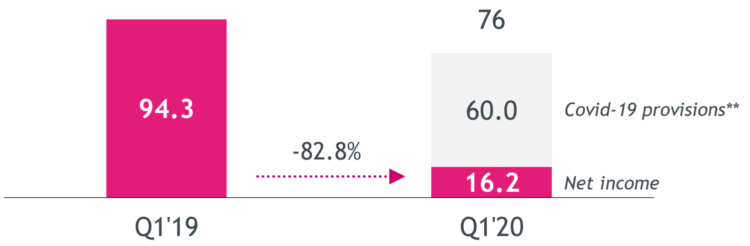
*Includes dividends from equity instruments, other net operating income, net trading income and equity accounted earnings.
** Total Covid-19 provisions: €78.8 million, of which €60.0 million in Portugal and €18.8 million in the international operations (€10.2 million, net of non-controlling interests).

Contribution from operations to consolidated net income

	Q1'19	Q1'20	Δ % local currency	Δ % euros
Net income, Portugal (1)	**94.3**	**16.2**		**-82.8%**
Poland	36.8	4.2	-88.7%	-88.8%
*Poland, comparable**	*44.0*	*43.7*	*-0.8%*	*-2.4%*
Mozambique	27.2	19.4	-28.6%	-29.0%
Contribution of the Angolan operation	3.6	1.4		
Other	3.7	2.6		
Net income international operations	**71.3**	**27.6**		
Non-controlling int. (Poland and Mozambique)	-27.4	-8.5		
Exchange rate effect	2.2	--		
Contribution from international op. (2)	**46.1**	**19.1**		**-58.7%**
Discontinued operations (3)	13.5	0.0		
Net income (consolidated) (4)=(1+2+3)	**153.8**	**35.3**		**-77.1%**

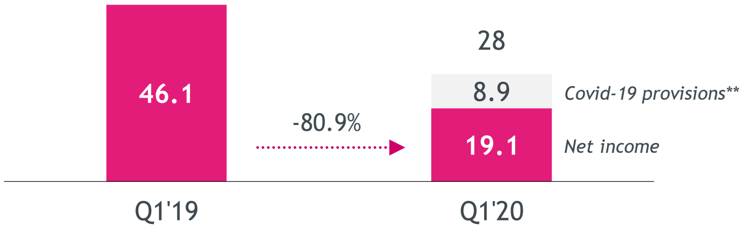
Portugal

(Million euros)



International operations

(Million euros)

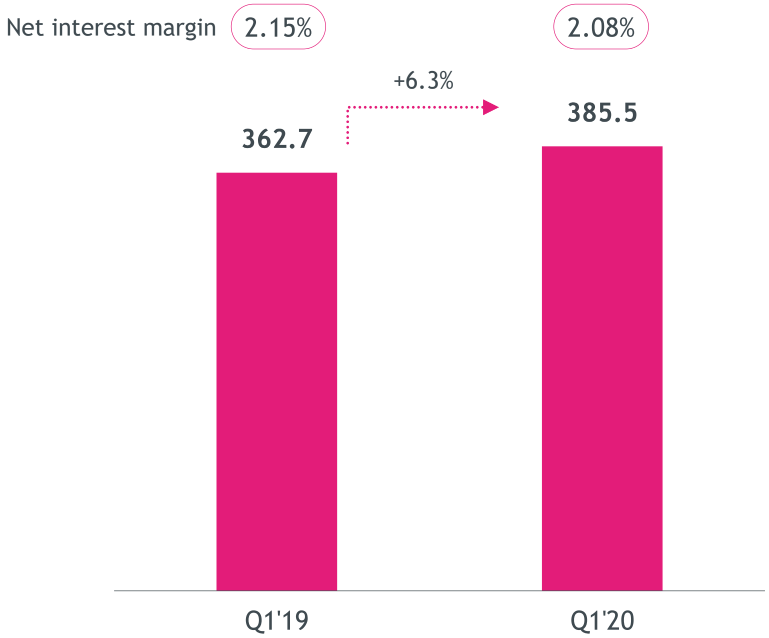


*One-offs excluded: Euro Bank integration costs, provisions for FX mortgage legal risk, Covid-19 provisions and linear distribution of BFG resolution fund fee in Q1'20; Euro Bank integration costs, release of tax asset provision and linear distribution of BFG resolution fund fee in Q1'19. | **Impact after of taxes. Total Covid-19 provisions: €78.8 million, of which €60.0 million in Portugal and €18.8 million in the international operations (€10.2 million, net of non-controlling interests). | Subsidiaries' net income presented for 2019 at the same exchange rate as of 2020 for comparison purposes.

Net interest income increases in spite of an adverse environment

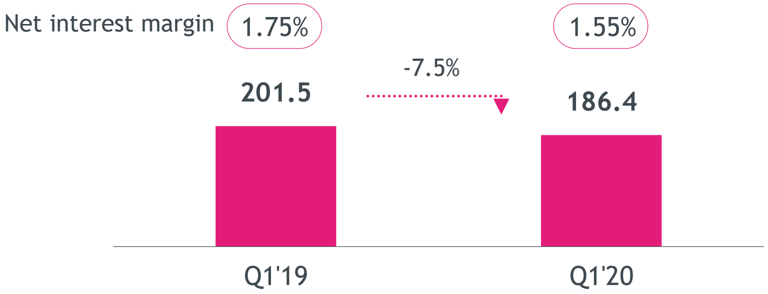
Net interest income

(Consolidated, million euros)



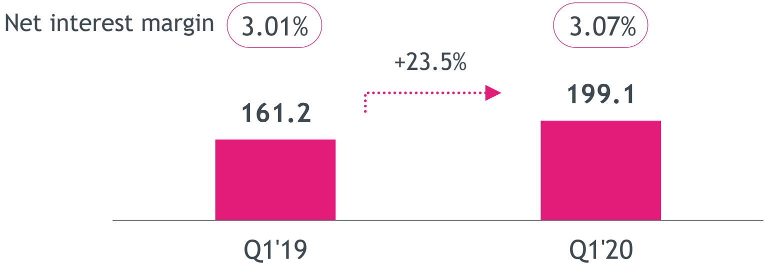
Portugal

(Million euros)



International operations

(Million euros)



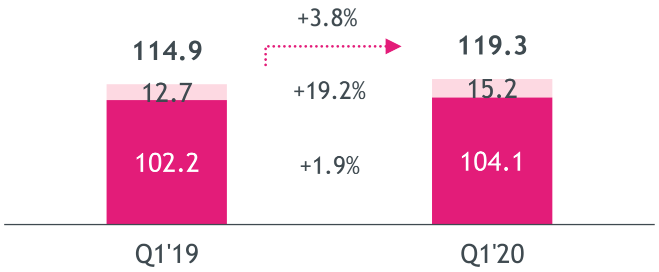
Stronger commissions

Fees and commissions

(Consolidated, million euros)

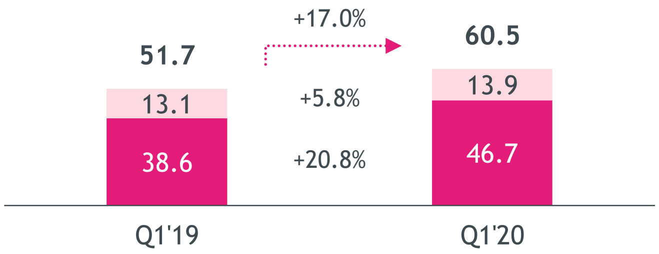
Portugal

(Million euros)



International operations

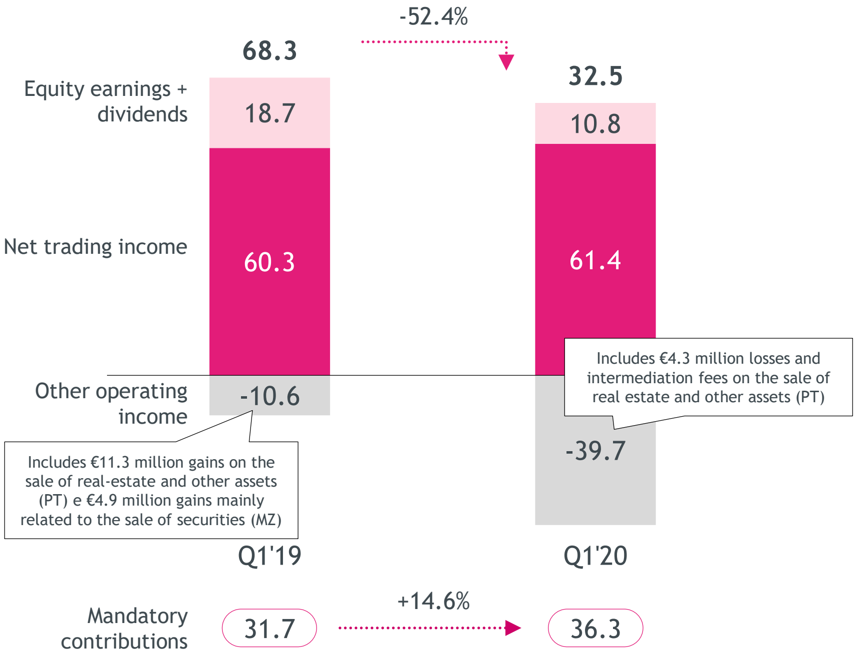
(Million euros)



Performance of other income reflects losses on the sale of assets

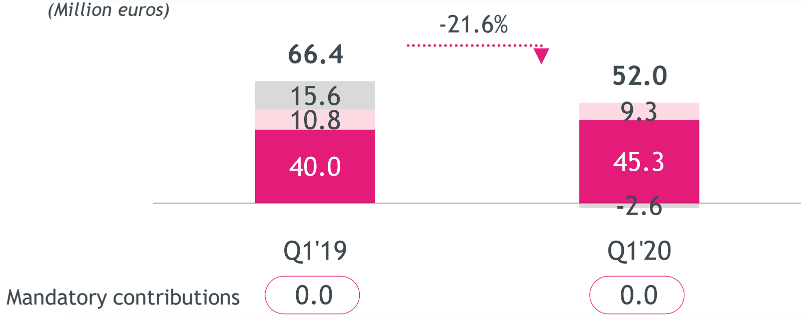
Other income

(Consolidated, million euros)



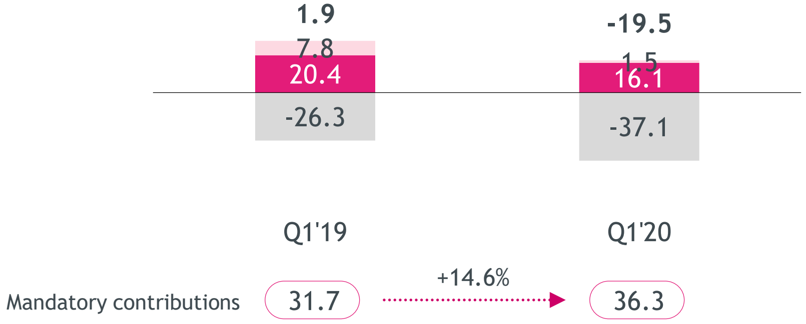
Portugal

(Million euros)



International operations

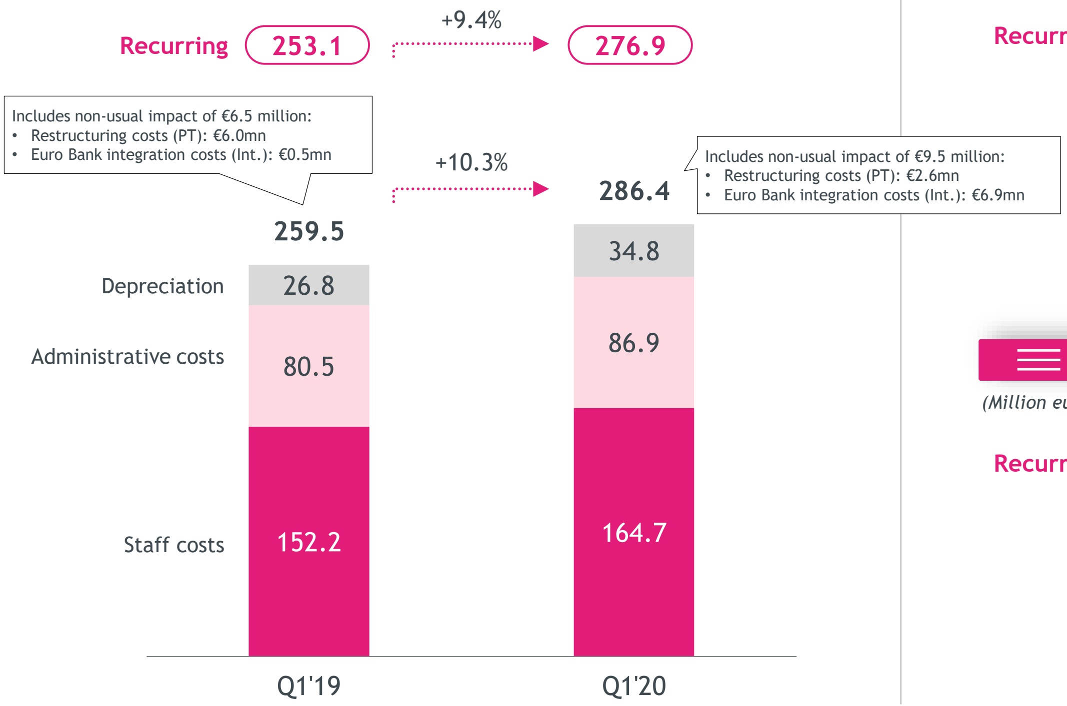
(Million euros)



Recurring operating costs reflect growth strategy

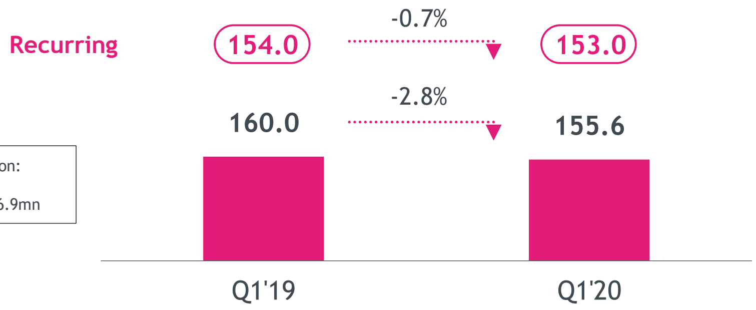
Operating costs

(Consolidated, million euros)



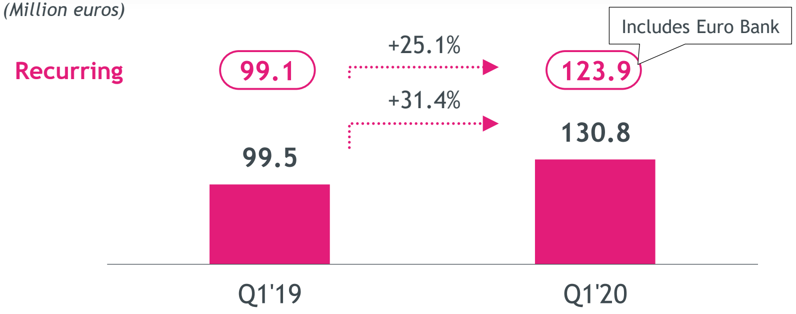
Portugal

(Million euros)



International operations

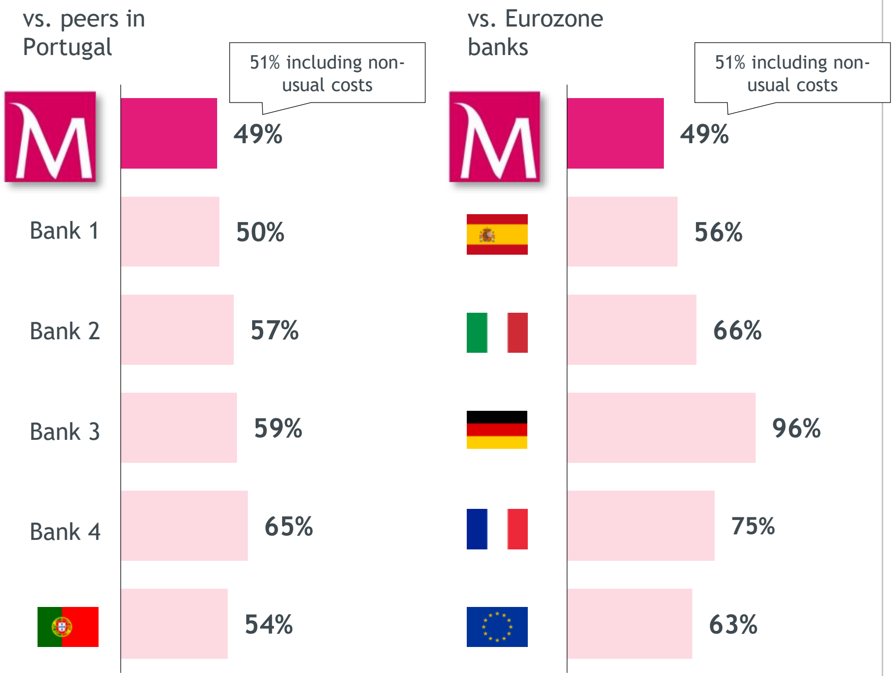
(Million euros)



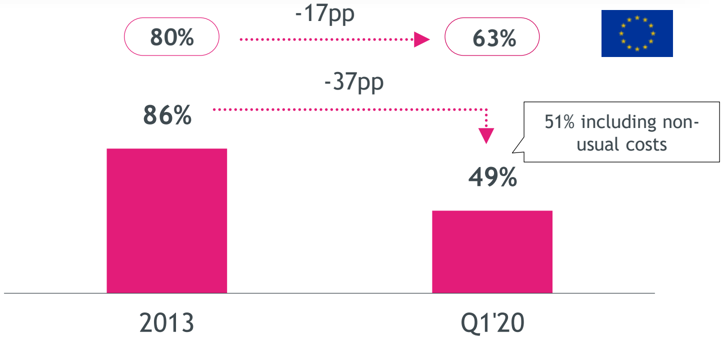
Millennium bcp: one of the most efficient banks in the Eurozone

Cost to core income*

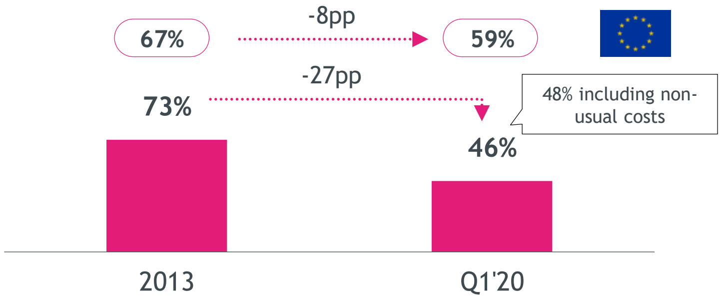
Latest available data



Cost to core income*



Cost to income

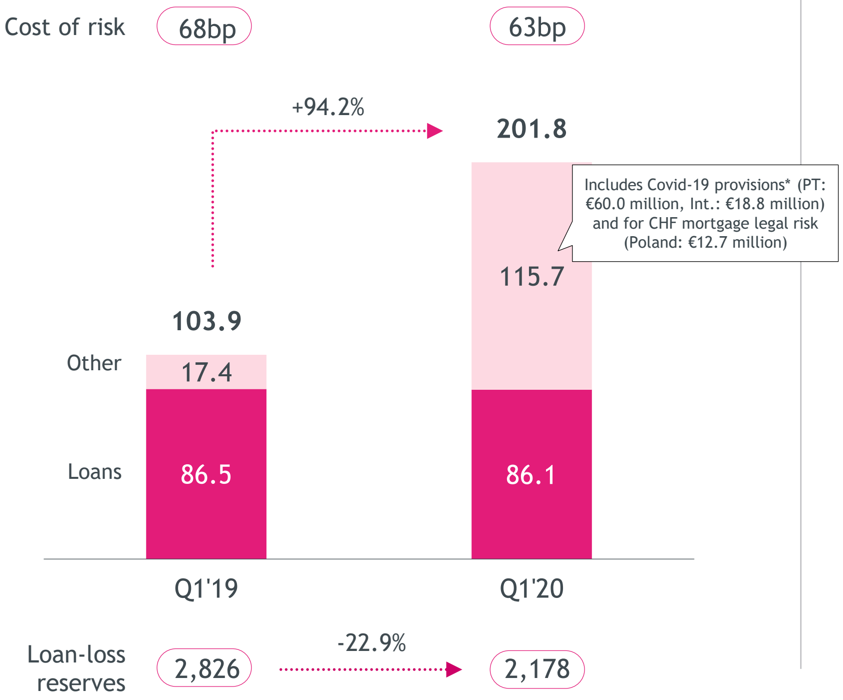


*Core income = net interest income + net fees and commission income.

Cost of risk and provisions

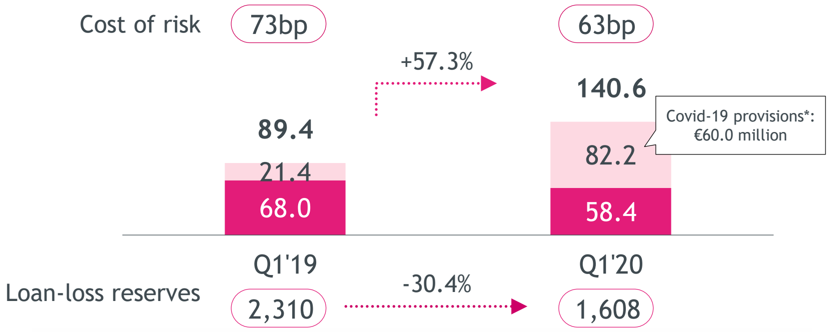
Impairment and provision charges

(Consolidated, million euros)



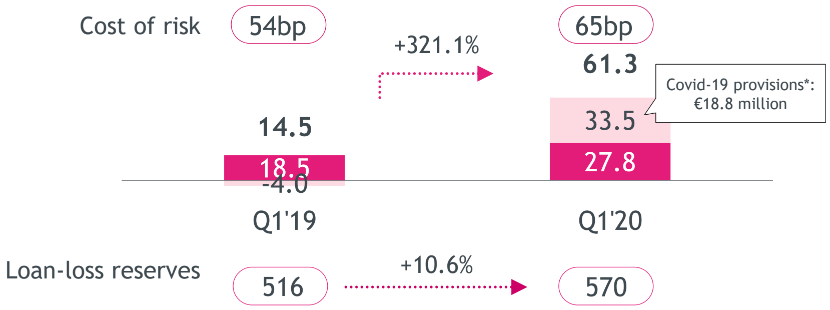
Portugal

(Million euros)



International operations

(Million euros)

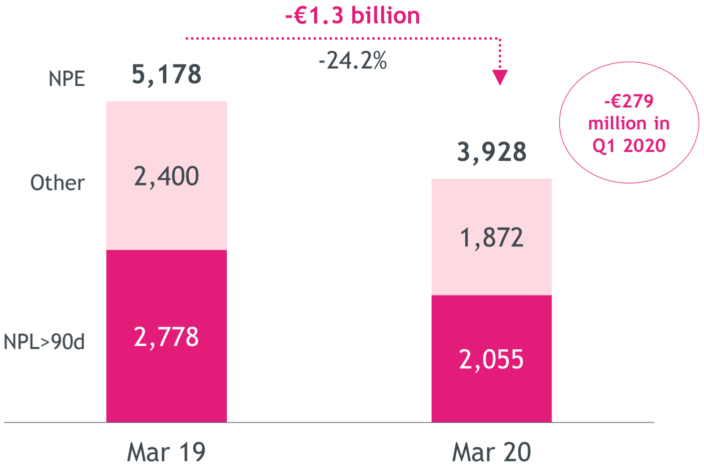


*Total Covid-19 provisions: €78.8 million, of which €60.0 million in Portugal and €18.8 million in the international operations (€10.2 million, net of non-controlling interests).

Credit quality

Credit quality

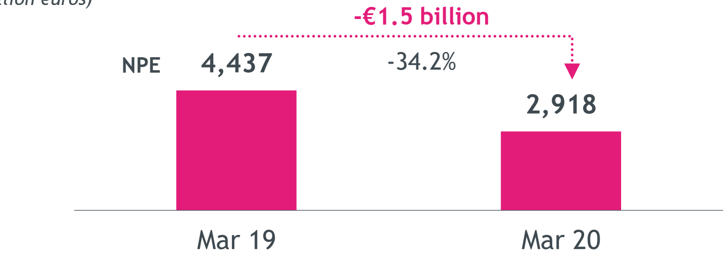
(Consolidated, million euros)



	Mar 19	Dec 19	Mar 20
NPL>90 days ratio	5.4%	4.1%	3.8%
NPE ratio inc. securities and off-BS (EBA)	7.0%	5.3%	5.2%
NPE ratio (loans only)	10.1%	7.7%	7.2%

Portugal

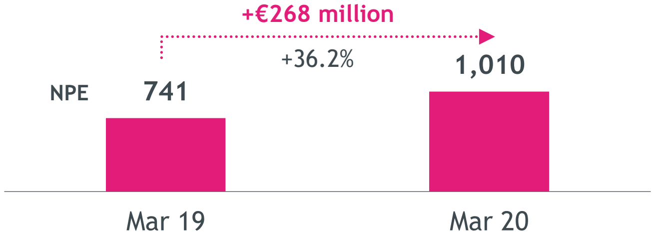
(Million euros)



	Mar 19	Mar 20
NPE loans ratio	11.9%	7.8%
NPE ratio (EBA)	8.5%	5.8%

International operations

(Million euros)



	Mar 19	Mar 20
NPE loans ratio	5.3%	5.8%
NPE ratio (EBA)	3.2%	3.7%

NPE include loans to Customers only, except if otherwise indicated. Increase of NPEs of international operations from March 31, 2019: €243 million in Poland (includes Euro Bank) and €29 million in Mozambique.

02

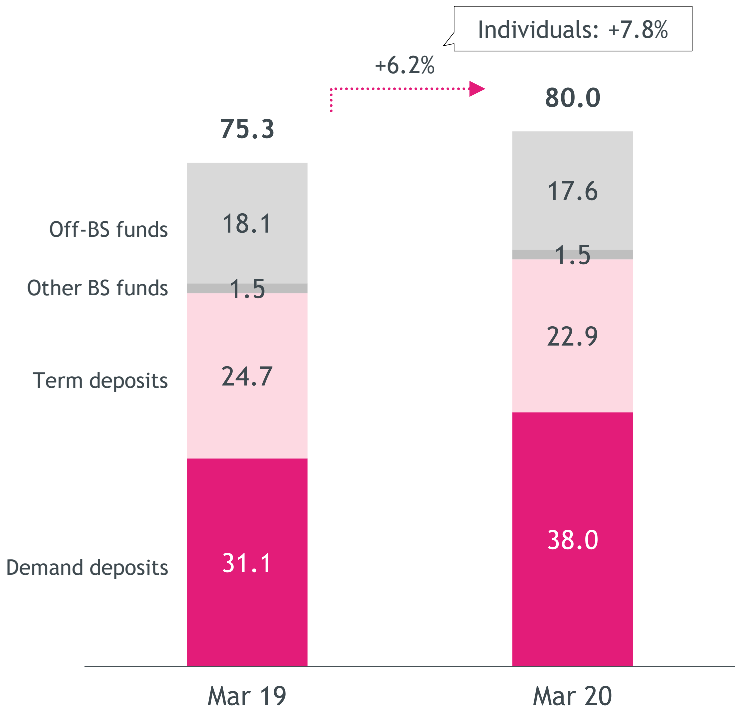
Group

Business activity

Customer funds keep growing

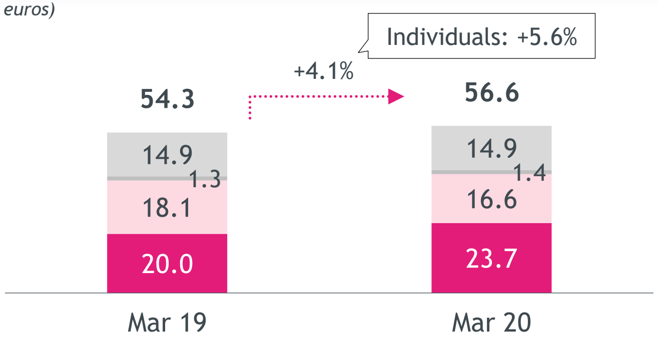
Total Customers Funds*

(Consolidated, billion euros)



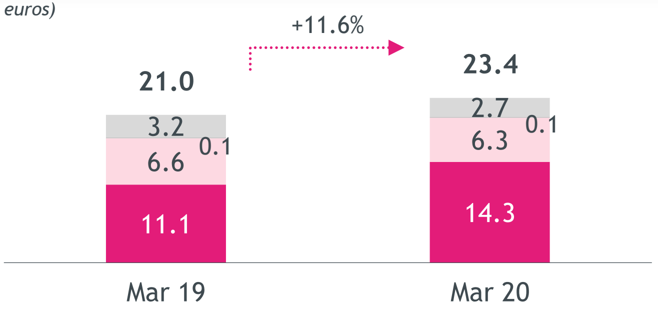
Total Customers Funds* Portugal

(Billion euros)



Total Customers Funds* international operations

(Billion euros)

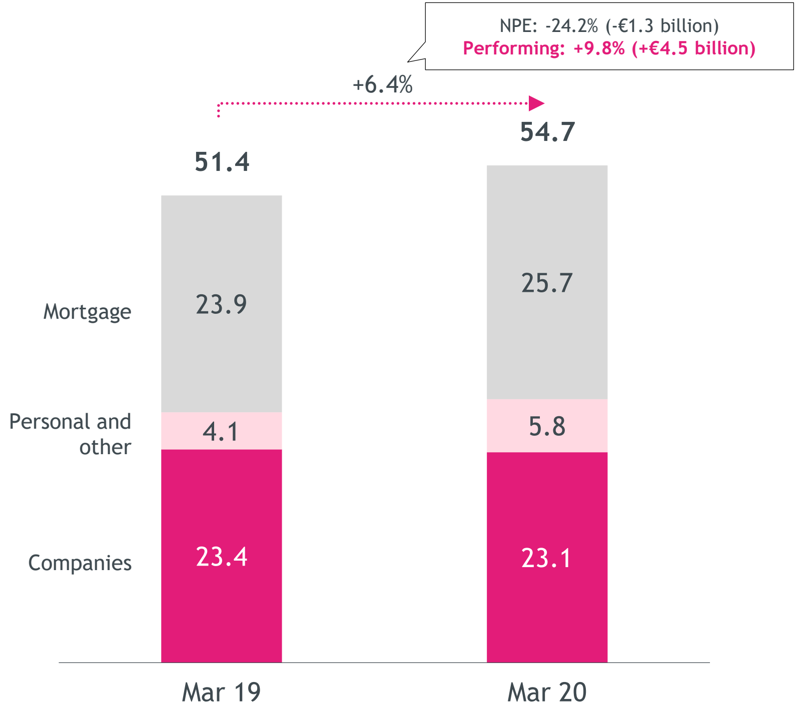


*Deposits, debt securities, assets under management, assets placed with Customers and insurance products (savings and investments).

Increasing loan portfolio

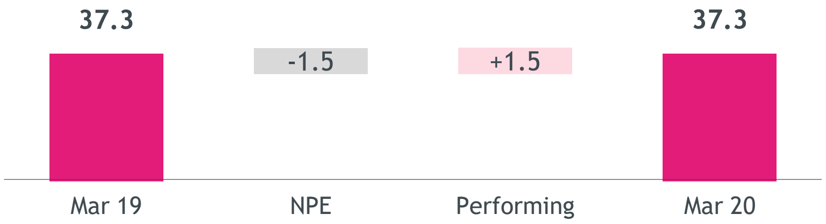
Loans to Customers (gross)

(Consolidated, billion euros)



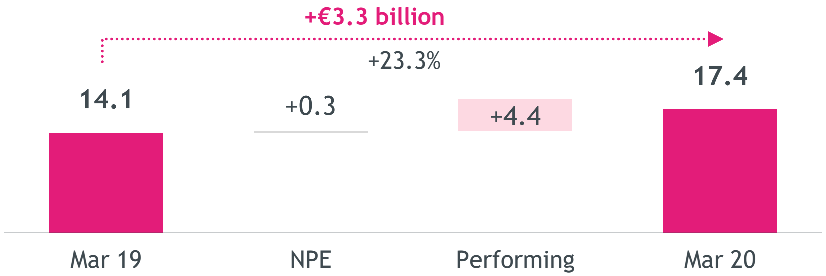
Portugal

(Billion euros)



International operations

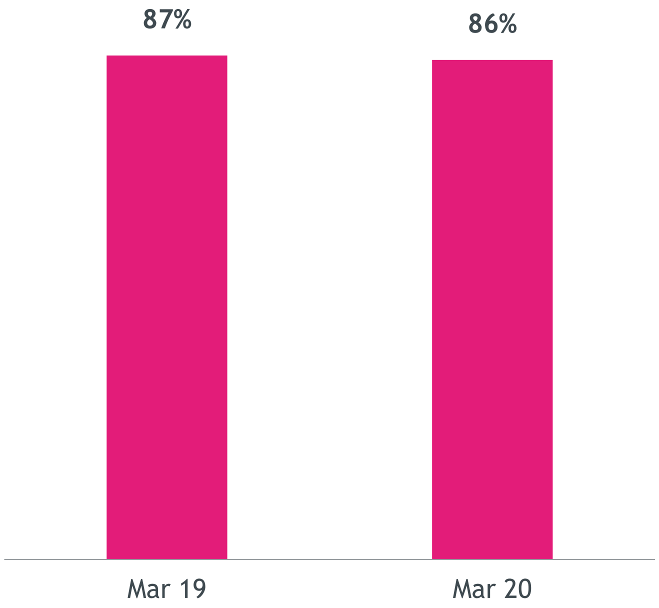
(Billion euros)



NPE include loans to Customers only.

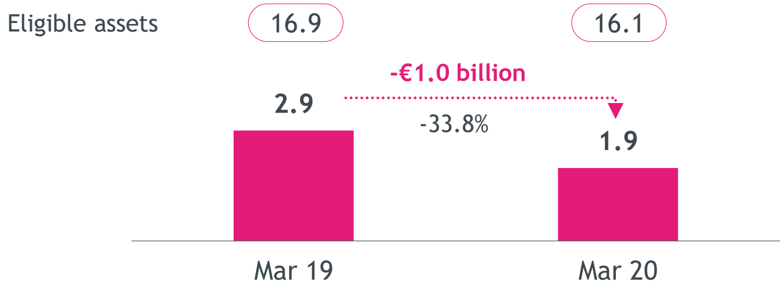
Comfortable liquidity position

Net loans to deposits ratio

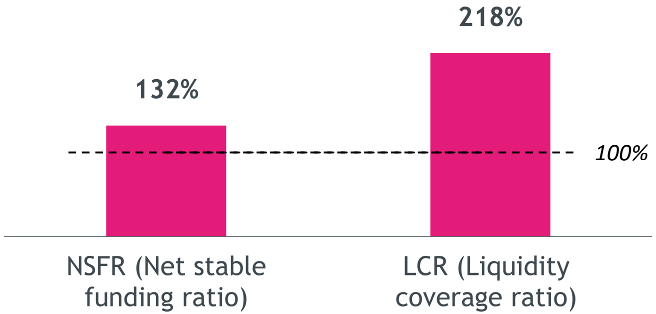


ECB funding, net

(Billion euros)



Rácios de liquidez (CRD/CRR)



02

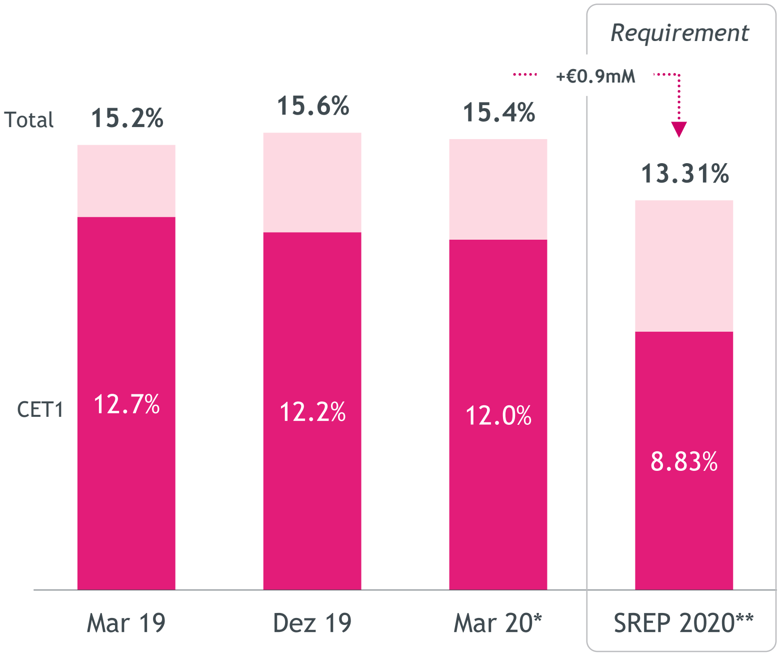
Group

Capital

Capital levels adjusted to business model

Capital ratio

(Fully implemented)



CET1 capital ratio of 12.0%* (fully implemented) as of March 31, 2020

Organic capital generation was more than offset by the negative impacts of Euro Bank's acquisition and related to the pension fund, leading the CET1 ratio to decrease from 12.7% as at March 31, 2019

The decrease from 12.2% as at December 31, 2019 is mainly attributable to the devaluation of the sovereign debt portfolio and by Exchange rate effects, that more than offset **organic capital generation during the quarter**

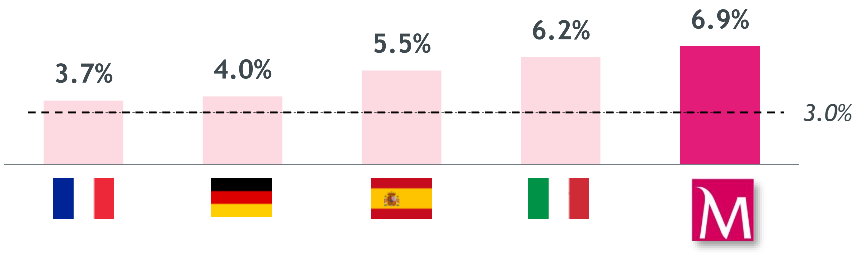
Total capital ratio of 15.4%* (fully implemented) as of March 31, 2020, boosted by the T2 issue completed in September 2020, and comfortably above SREP requirements

*Including unaudited net income for Q1 2020.
**Minimum phased-in regulatory requirements from March 12, 2020.

Capital at adequate levels

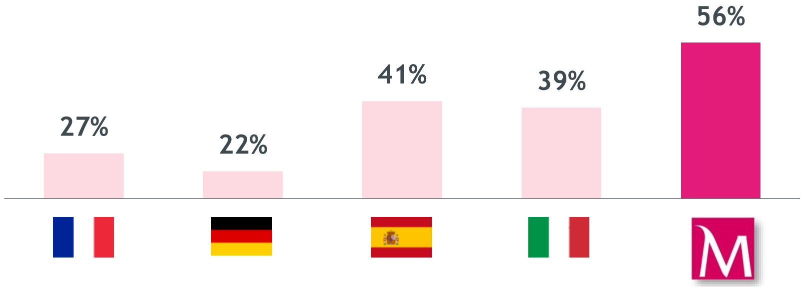
Leverage ratio

(Fully implemented, latest available data)



RWA density

(RWAs as a % of assets, latest available data)



Leverage ratio at 6.9% as of March 31, 2020, a comfortable and comparatively strong figure in European banking

High RWA density (56% as of March 31, 2020), comparing favourably to most European banking markets

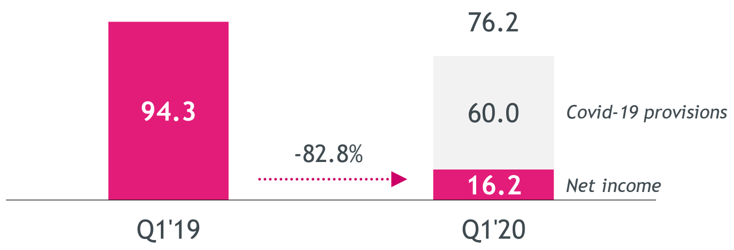
03

Portugal

Net income affected by Covid-19 provisions

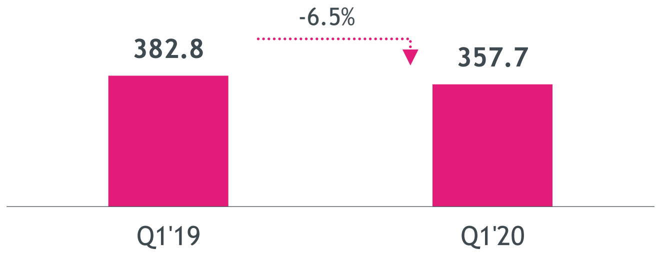
Net income*

(Million euros)



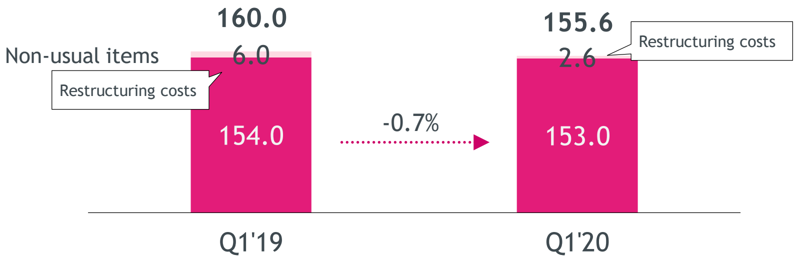
Net operating revenue

(Million euros)



Operating costs

(Million euros)

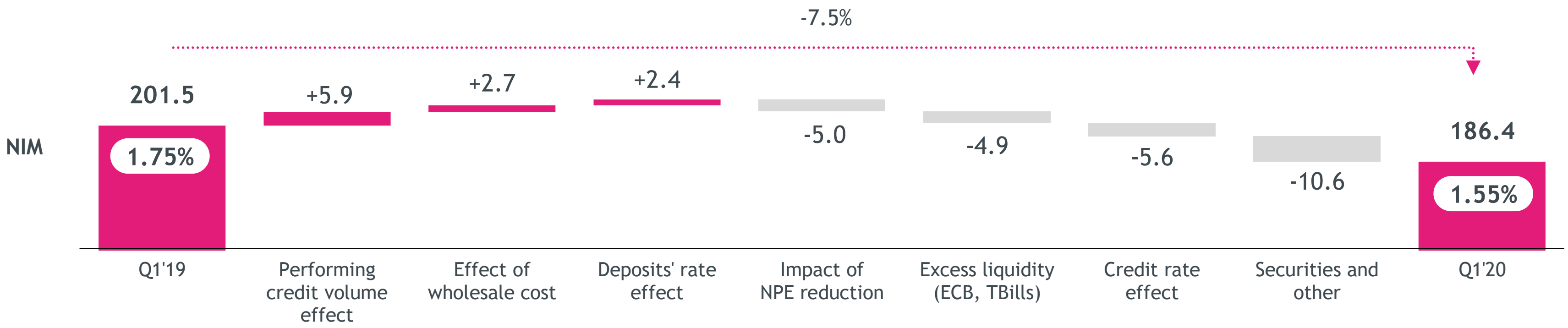


- Net income of €16.2 million in the 1st three months of 2030 (including Covid-19 provisions of €60.0 million), -82.8% compared to €94.3 million in the same period of the previous year
- Net income was affected by lower net interest income and other net operating income (due to decreased results on the sale of assets), that more than offset lower impairment charges and increased commissions

*Net income from activity in Portugal does not include net income from operations booked as discontinued or to be discontinued.

Net interest income

(Million euros)



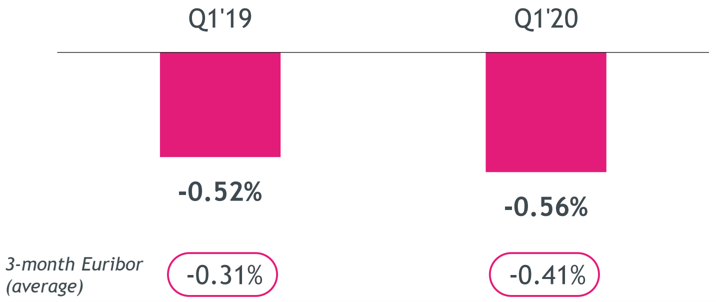
Net interest income stood at €186.4 million in the 1st quarter of 2020, comparing to €201.5 million in the same period of 2019. The positive impacts of a growing loan portfolio (as the growth of the performing loan compensated the reduction of NPEs), of the lower wholesale funding cost and of the continued decline in the remuneration of time deposits dis not compensate for the negative effects of the NPE reduction, of the application of the liquidity surplus (negative yields on the amounts applied at the ECB and in Treasury Bills), of lower credit yields, reflecting the normalization of the macro-economic environment, and of the securities portfolio, reflecting a lower yield on the balances applied in securities other than Treasury Bills.

NPE include loans to Customers only.

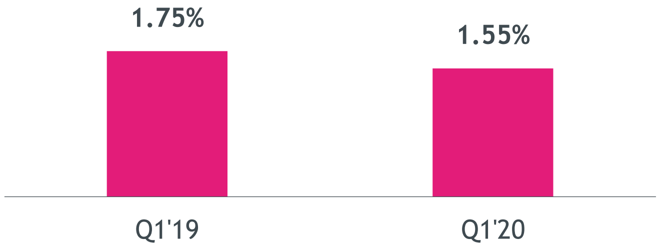
Continued effort to reduce the cost of deposits

Spread on the book of term deposits

(vs 3m Euribor)

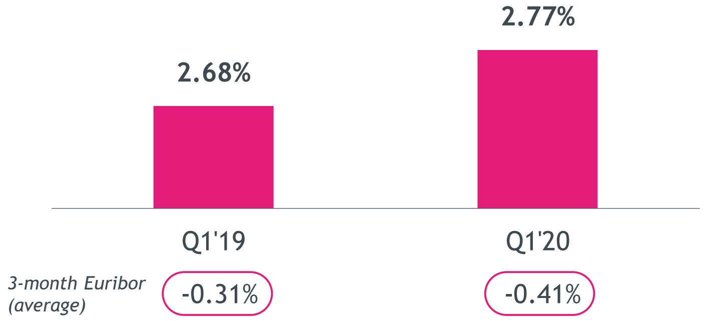


NIM



Spread on the performing loan book

(vs 3m Euribor)



- Spread of the portfolio of term deposits of -0.56% in the 1st quarter of 2020 (-0.52% in the same period of 2019); front book priced at an average spread of -0.42% in the 1st quarter of 2020, still below the current back book
- Spread on the performing loan portfolio stood at 2.77% in the 1st quarter months of 2020, compared to 2.68% in the 1st quarter of 2019
- NIM stood at 1.55%

Growing commissions

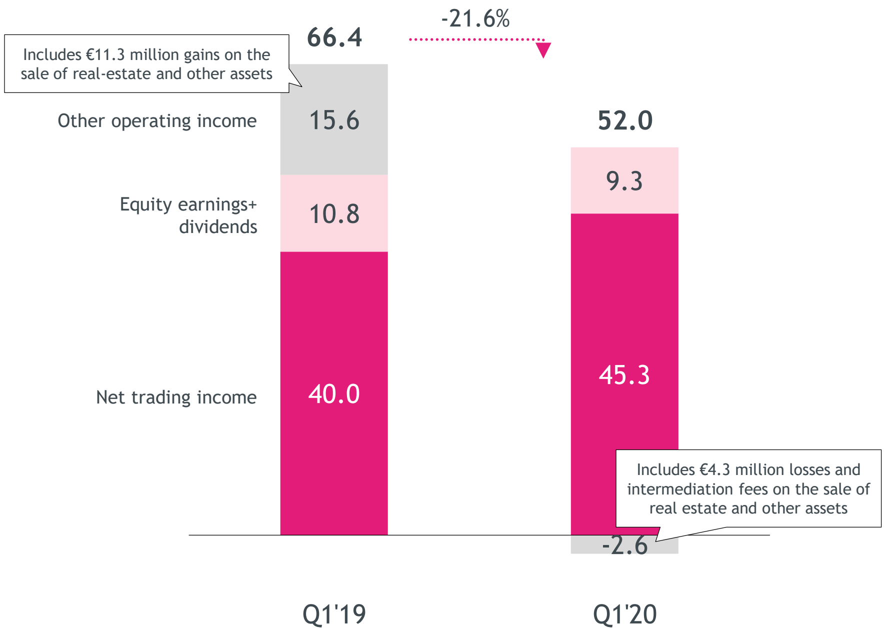
Fees and commissions

(Million euros)

	Q1'19	Q1'20	YoY
Banking fees and commissions	**102.2**	**104.1**	**+1.9%**
Cards and transfers	26.1	25.6	-2.1%
Loans and guarantees	27.7	27.9	+0.7%
Bancassurance	22.2	21.8	-1.6%
Customer account related	24.7	26.8	+8.3%
Other fees and commissions	1.5	2.1	+42.5%
Market related fees and commissions	**12.7**	**15.2**	**+19.2%**
Securities operations	9.3	11.2	+20.4%
Asset management	3.4	3.9	+16.0%
Total fees and commissions	**114.9**	**119.3**	**+3.8%**

Other income

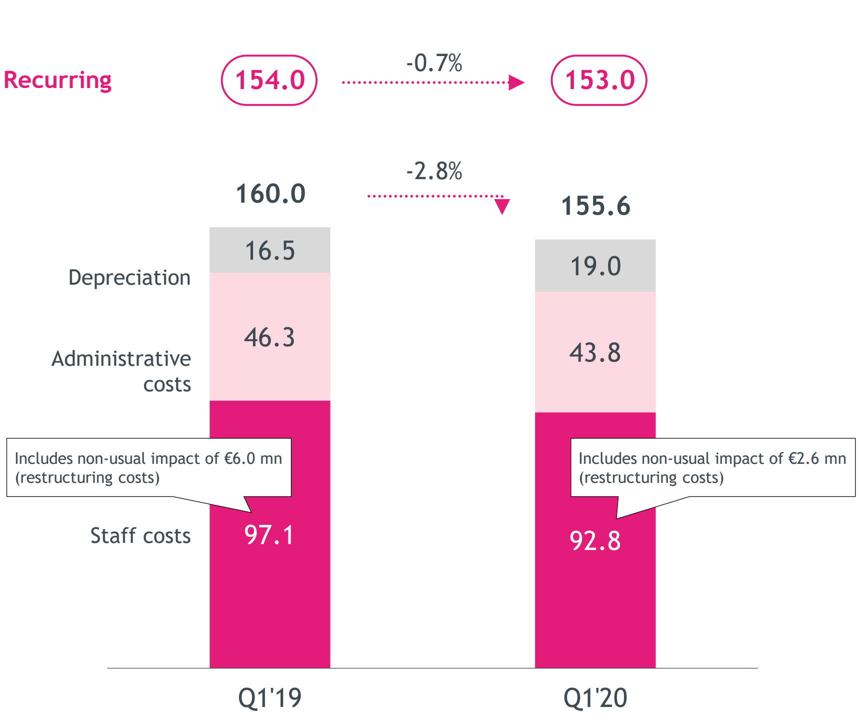
(Million euros)



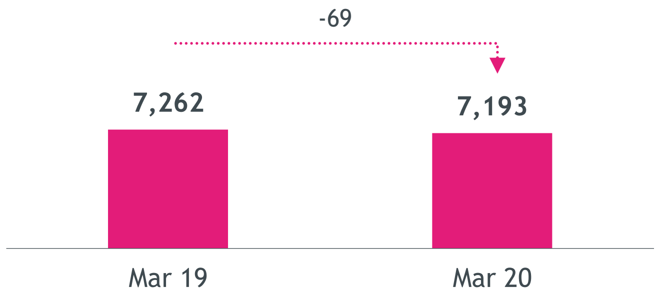
Controlled recurring operating costs

Operating costs

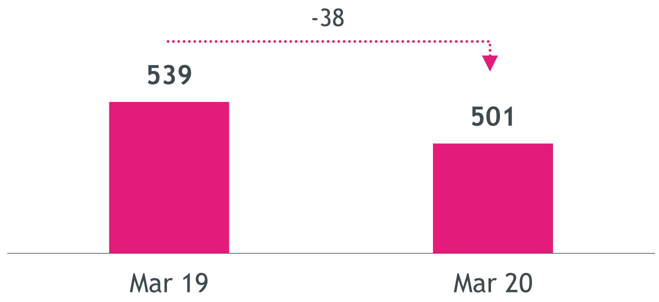
(Million euros)



Employees



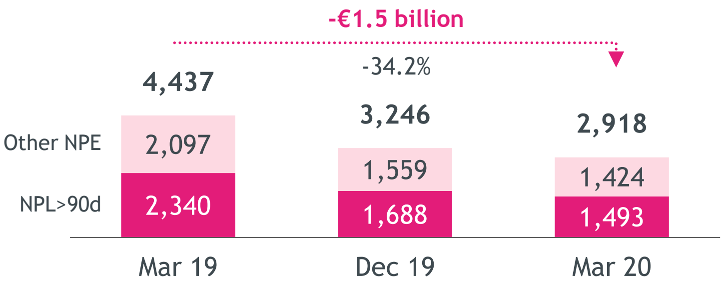
Branches



Significantly lower NPEs

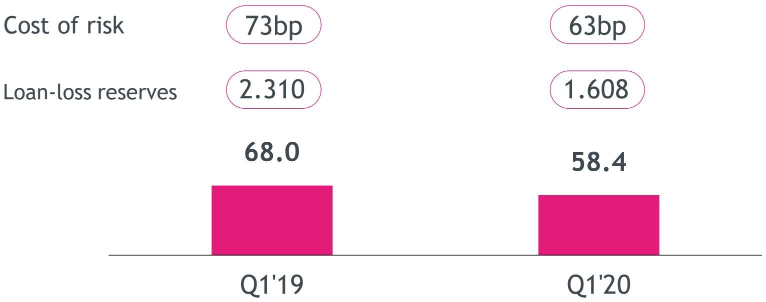
Non-performing exposures (NPEs)

(Million euros)



Loan impairment (net of recoveries)

(Million euros)



NPE include loans to Customers only.

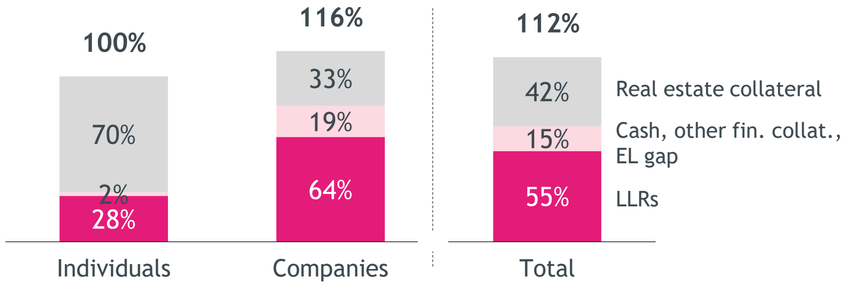
NPE build-up

(Million euros)	Mar 20 vs.Mar 19	Mar 20 vs.Dec 19
Opening balance	4,437	3,246
Net exits	-1,127	70
Write-offs	-9	-10
Sales	-383	-388
Ending balance	**2,918**	**2,918**

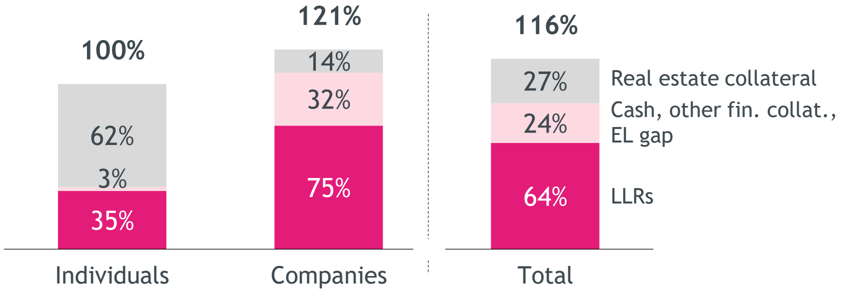
- NPEs in Portugal down by €1.5 billion, from €4.4 billion as at March 31, 2019 to €2.9 billion as at the same date of 2020
- This decrease results from net outflows of €1.1 billion and sales of €0.4 billion
- The decrease of NPEs from March 31, 2019 is attributable to a €0.8 billion reduction of NPL>90d and to a €0.7 billion decrease of other NPEs
- Reduction of the cost of risk to 63bp in the 1st quarter of 2020 from 73bp in the same period of 2019, with a reinforcement of NPE coverage by loan-loss reserves to 55% from 52%, respectively

NPE coverage

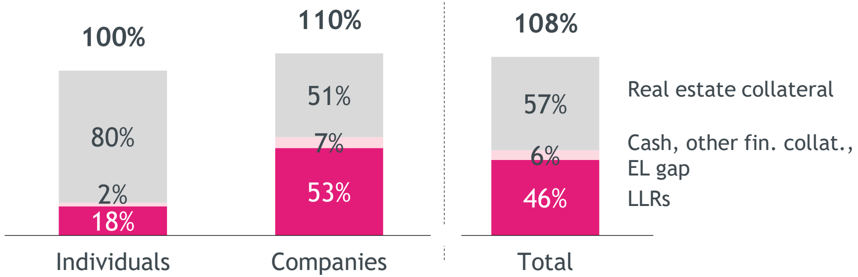
NPE total coverage*



NPL>90d total coverage*



Other NPE total coverage*



- Total coverage* ≥100%, for both individuals and companies, and for both NPE categories (NPL>90d and other NPE)
- Coverage by loan-loss reserves is stronger in loans to companies, where real-estate collateral, usually more liquid and with a more predictable market value, accounts for a lower coverage than in loans to individuals: coverage by loan-losses was 64% for companies NPE as at March 31, 2020, reaching 75% for companies NPL>90d (83% and 107%, respectively, if cash, financial collateral and expected loss gap are included)

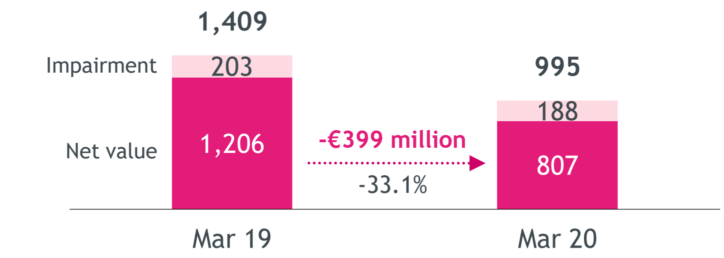
NPE include loans to Customers only.

*By loan-loss reserves, expected loss gap and collaterals.

Foreclosed assets and corporate restructuring funds

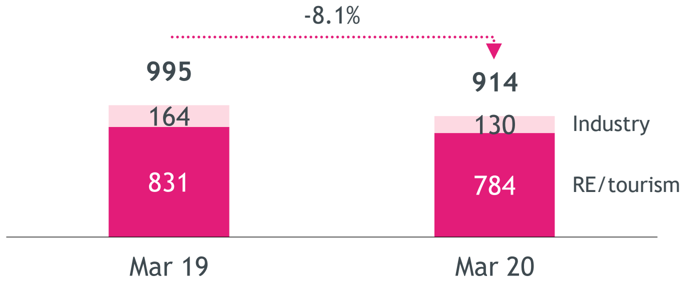
Foreclosed assets

(Million euros)



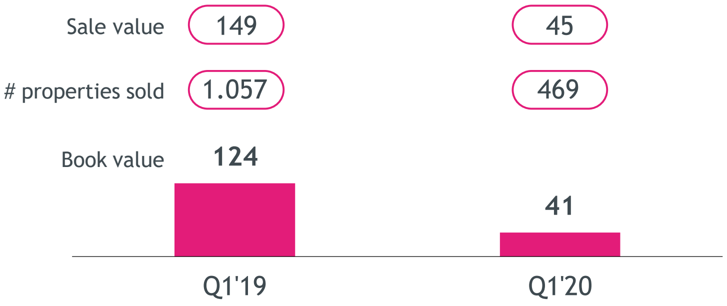
Corporate restructuring funds

(Million euros)



Sales of foreclosed assets

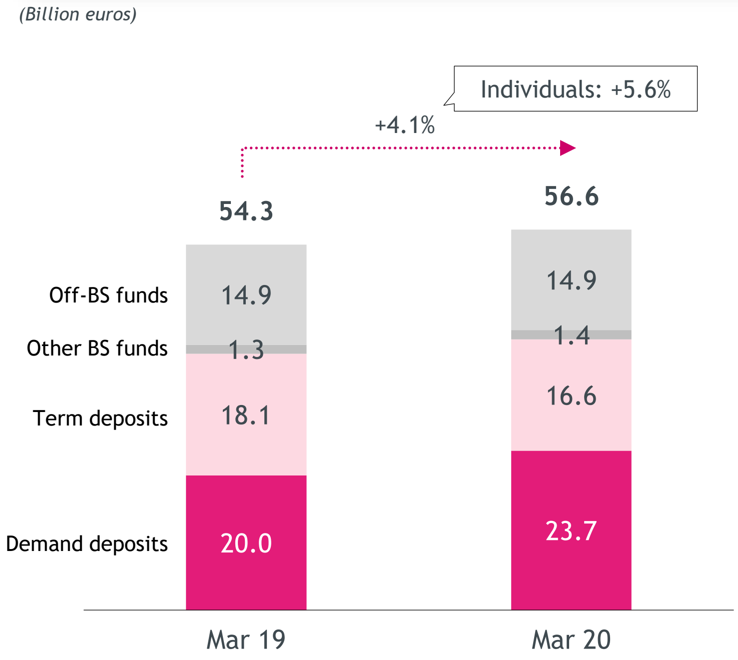
(Million euros)



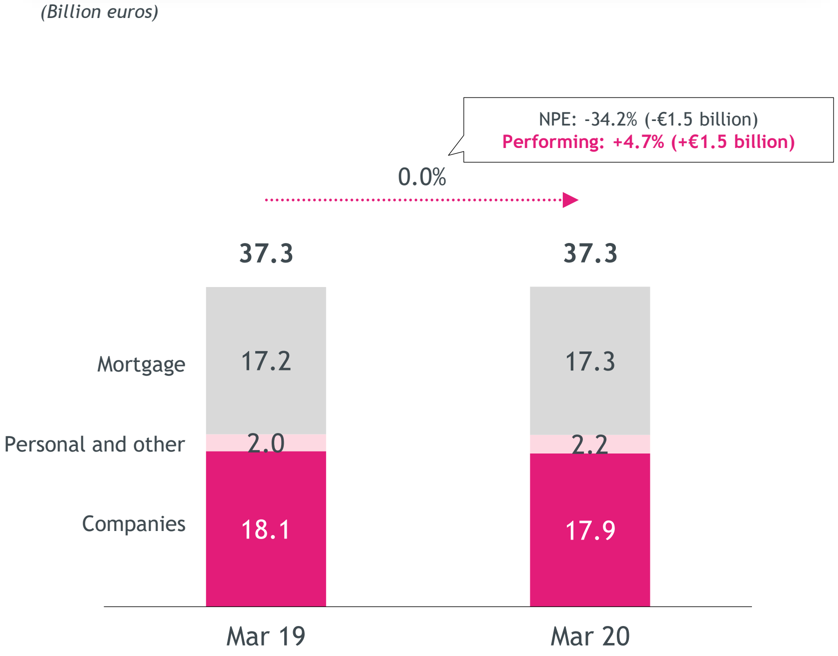
- Net foreclosed assets were down by 33.1% between March 31, 2019 and March 31, 2020. Valuation of foreclosed assets by independent providers exceeded book value by 28%
- 469 properties were sold during the 1st quarter of 2020 (1,057 properties in the same period of 2019), with sale values exceeding book values by €4 million
- Corporate restructuring funds decreased 8.1% to €914 million at March 31, 2020. The original credit exposure on these funds totals €2.006 million, with total reserves (original credit, plus restructuring funds) corresponding to a 54% coverage

Growing customer funds and performing loans to customers

Total Customers Funds*



Loans to Customers (gross)

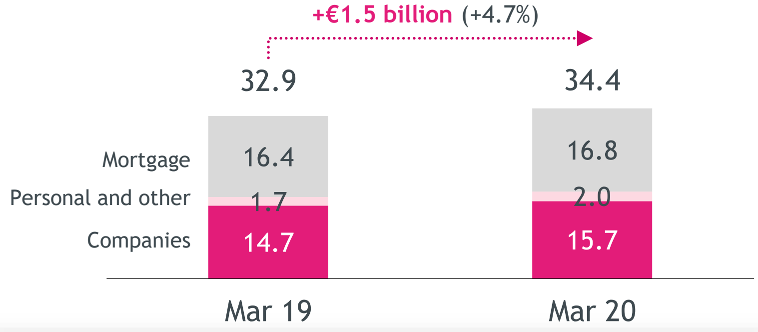


*Deposits, debt securities, assets under management, assets placed with Customers and insurance products (savings and investments).

Prudent and balanced growth of credit in Portugal

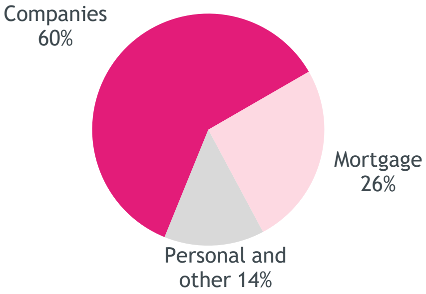
Performing credit portfolio

(Billion euros)



Breakdown of performing credit growth

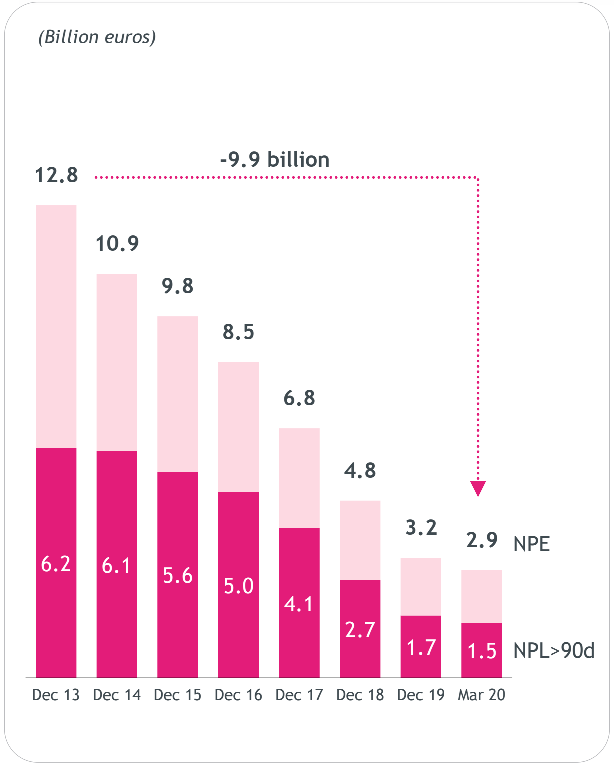
(Million euros)



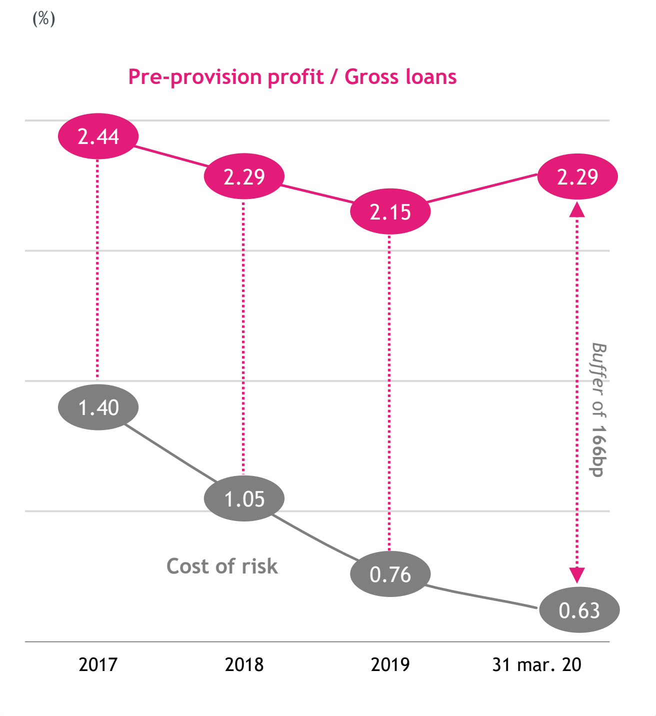
- **Performing credit portfolio in Portugal up by €1.5 billion (+4.7%)** from March 31, 2019 and by €946 million in the 1st quarter 2020
- **Strong performance of loans to companies**, which accounted for 60% of the total performing loan growth from March 31, 2019
- **Leading bank in specialized credit, with factoring invoicing up by 5% and new leasing business of €132 million** in the 1st quarter of 2020

The path of the last few years provides greater capacity to face the effects of the pandemic

NPEs



Solid pre-provision profit



- **Continued reduction of NPEs** in Portugal, at a pace of €1.6 billion per year (€9.9 billion from the end of 2013 until March 31, 2020)
- **Cost of risk in the total portfolio** converging to steady state (<50bps): 63bps in the 1st quarter of 2020, with impairment coverage of 55% and total coverage* of NPEs of112%
- The **cost of risk** on the **performing portfolio** is already at normalized levels: 51bp in the 1st quarter of 2020
- Strong and growing capacity to generate **profit before impairment and provisions** allows more scope to accommodate the economic shock caused by the pandemic

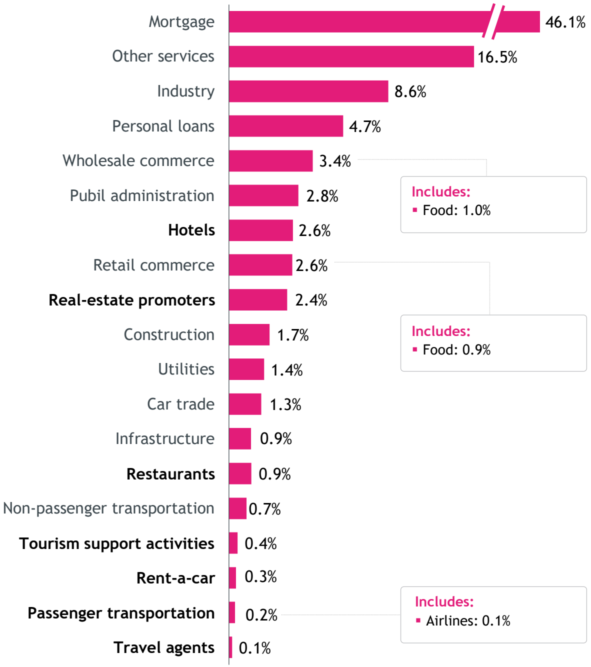
NPE include loans to Customers only.

*By loan-loss reserves, expected loss gap and collaterals.

Diversified loan portfolio, with reduced exposure to the most vulnerable sectors

Carteira de crédito diversificada

(EAD as a % of performing credit portfolio)



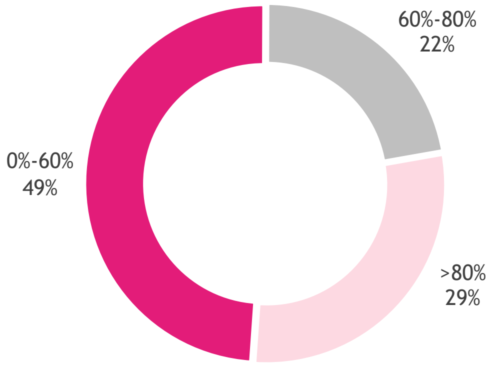
Sectors more sensitive to Covid-19

(EAD, million euros)

Exposures to sectors more sensitive to the pandemic

Sector	Exposure
Hotels	903
Real-estate promoters	820
Restaurant	313
Tourism support activities	122
Rent-a-car	99
Passenger transportation	83
Travel agents	42
Total	**2.381**
% of Total	**6.9%**

Loan-to-value real-estate promoters

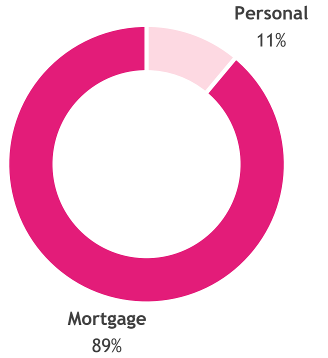


Diversified portfolio, especially when compared to the previous crisis. The most vulnerable sectors represent **6.9%** of the portfolio; approximately half of the portfolio of real-estate development loans with LTV below **60%**

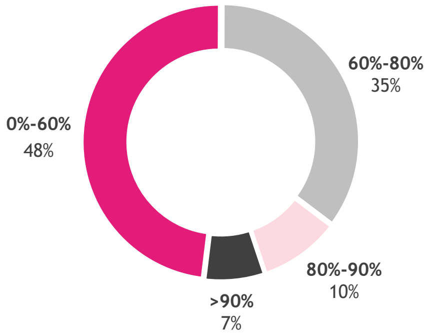
Mortgage loan portfolio with low LTVs and controlled cost of risk, even in adverse contexts

Mortgage loan portfolio

Weight of mortgages in the portfolio of loans to individuals



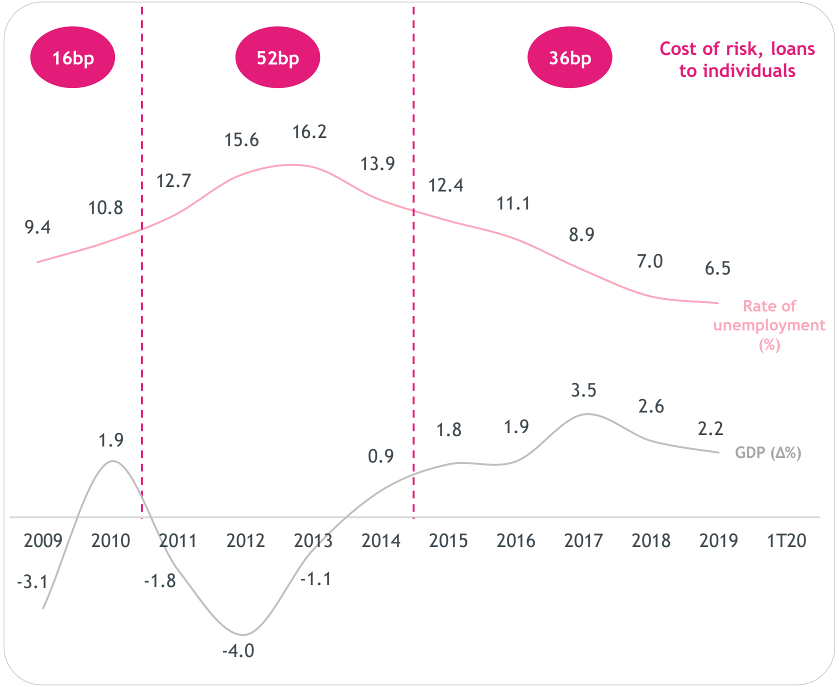
LTV of the mortgage portfolio



- **Half of the mortgage portfolio has LTVs <60% and 93% with LTVs <90%.** Even in adverse contexts, the cost of private risk remained low.
- The cost of risk of the individual loans portfolio is **very resilient to the deterioration of the macroeconomic environment.**

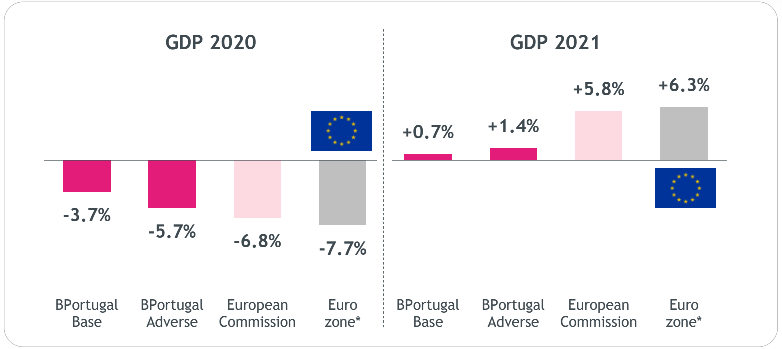
Cost of risk of loans to individuals

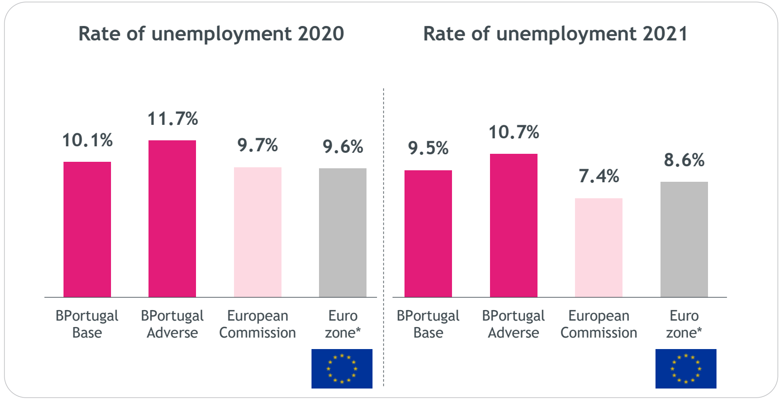
(Annual average cost of risk - loans to individuals)



Sensitivity to the adverse context

Prospects for the Portuguese economy and for the Eurozone





- Prospects for the cost of risk stemming from the economic shock mitigated by macroeconomic projections that are less severe than the eurozone average and by a more favorable starting point than in the previous crisis
- **Cost of risk between 90bp and 120bp projected for the two year period of 2020-2021, due to the expected effects of the economic crisis**
- **Cost of risk between an additional 4bp and 8bp for each -100bp of GDP change and for each 100bp of worsening of the unemployment rate**
- GDP data for the 1st quarter of 2020: year-on-year decreases of 2.4% and of 3.9% compared to the end of 2019, in real terms

*Source: European Commission.

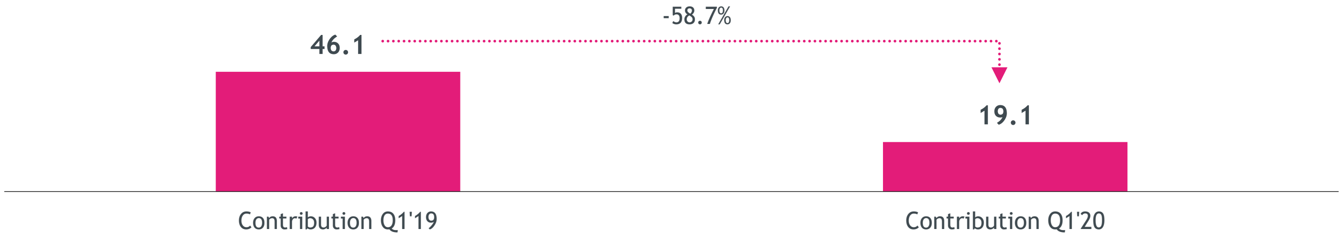
04

International operations

Contribution from international operations to consolidated net income

(Million euros)

	Q1'19	Q1'20	Δ % local currency	Δ % euros
Poland	36.8	4.2	-88.7%	-88.8%
*Poland, comparable**	*44.0*	*43.7*	*-0.8%*	*-2.4%*
Mozambique	27.2	19.4	-28.6%	-29.0%
Contribution of the Angolan operation				
Before IAS 29 impact	3.2	0.3		
IAS 29 impact**	0.4	1.1		
Total Angola including IAS 29 impact	3.6	1.4		
Other	3.7	2.6		
Net income	**71.3**	**27.6**		
Non-controlling interests (Poland and Mozambique)	-27.4	-8.5		
Exchange rate effect	2.2	--		
Contribution from international operations	**46.1**	**19.1**		**-58.7%**

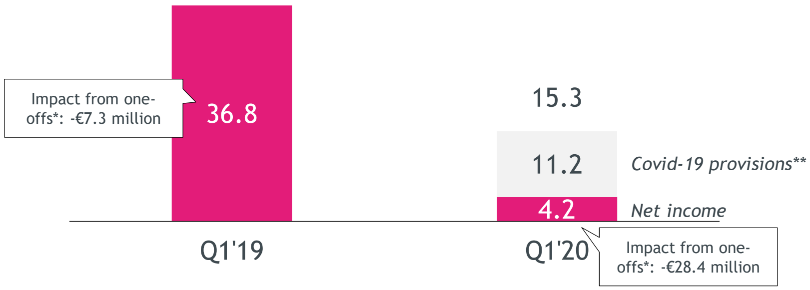


*One-offs excluded: Euro Bank integration costs, provisions for FX mortgage legal risk, Covid-19 provisions and linear distribution of BFG resolution fund fee in Q1'20; Euro Bank integration costs, release of tax asset provision and linear distribution of BFG resolution fund fee in Q1'19. | **Goodwill impairment (-€1.4 million) and contribution revaluation (+€1.9 million) in Q1'19; amortisation of the effect of the IAS 29 application calculated for March 31, 2019 (+€1.1 million) in Q1'20. Subsidiaries' net income presented for 2019 at the same exchange rate as of 2020 for comparison purposes.

Net income affected by Covid-19 provisions, Euro Bank's acquisition and FX provisions

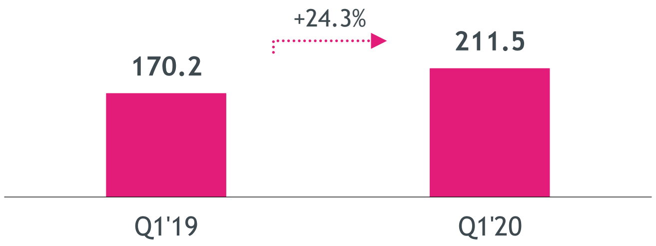
Net income

(Million euros)



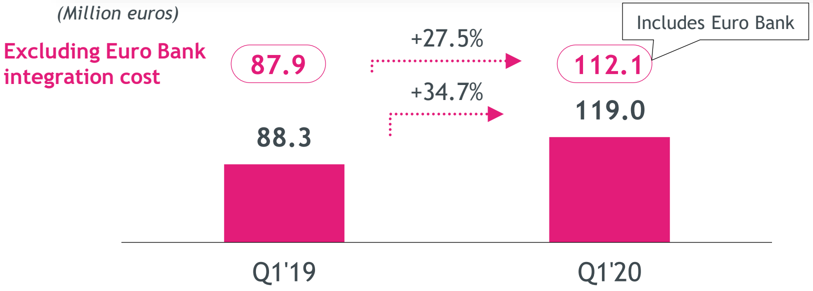
Net operating revenue

(Million euros)



Operating costs

(Million euros)



- Net income of €4.2 million, affected by €13.8 million Covid-19 provisions, by €12.7 million provisions for FX mortgage legal risk and by Euro Bank integration costs €6.9 million
- Business volumes impacted by Euro Bank's acquisition: Customer funds up by 20.2%; loans to Customers increased by 40.8% excluding FX-denominated mortgage loans
- CET1 ratio of 16.5% as of March 31, 2020, with total capital of 19.5%; ROE of 2.7% (8.4% excluding one-offs*)
- Exposure to sectors most sensitive to the impact of the economic shock caused by the Covid-19 pandemic represents 6.6% of the loan portfolio
- **Bank Millennium was distinguished in 5 categories of the 2020 ranking "Institution of the year", which recognizes financial institutions for the quality of Customer service**

FX effect excluded. €/Zloty constant at March 2020 levels: Income Statement 4.35; Balance Sheet 4.56. | * One-offs: Euro Bank integration costs, provisions for FX mortgage legal risk, Covid-19 provisions and linear distribution of BFG resolution fund fee in Q1'20; Euro Bank integration costs, release of tax asset provision and linear distribution of BFG resolution fund fee in Q1'19. | **Covid-19 provisions: €13.8 million before taxes, €11.2 million after taxes.

Integration of Euro Bank

Impact of the integration of Euro Bank

(Million euros)	Q1'19	Q2'19	Q3'19	Q4'19	Total 2019	Q1'20
Euro Bank integration costs	-0.5	-4.1	-10.2	-12.0	**-26.7**	-6.9
Additional impairment Euro Bank	0.0	-18.5	-1.8	0.0	**-20.4**	0.0
Pre-tax costs	**-0.5**	**-22.6**	**-12.0**	**-12.0**	**-47.1**	**-6.9**
Pre-tax synergies	**0.0**	**0.0**	**0.0**	**+5.4**	**+5.4**	**+5.4**
Total impact, net of taxes	**-0.4**	**-18.3**	**-9.7**	**-5.4**	**-33.8**	**-1.2**

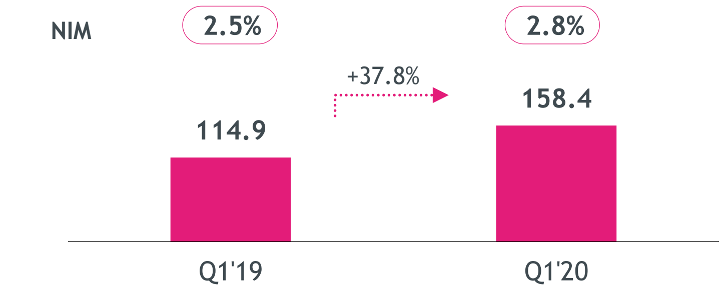
- Integration costs and capex incurred up to March 31, 2020 account for **73% of the overall plan**
- Integration costs of €6.9 million in the 1st quarter of 2020, €5.5 million of which related to staff
- **Synergies totaled €5.4 million** in the 1st quarter of 2020, **and are expected to total €29.0 million for 2020 as a whole**

FX effect excluded. €/Zloty constant at March 2020 levels: Income Statement 4.35; Balance Sheet 4.56.

Increased net interest income

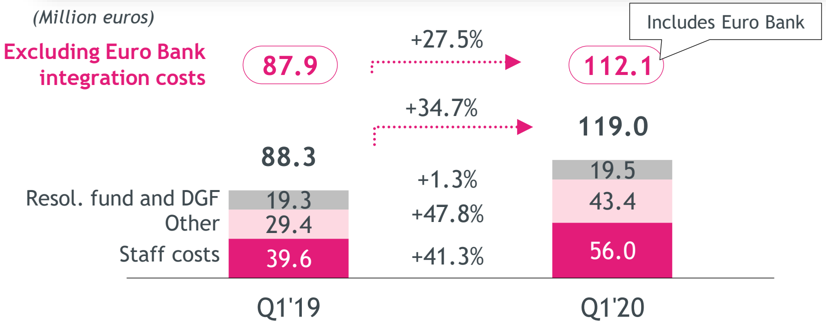
Net interest income*

(Million euros)



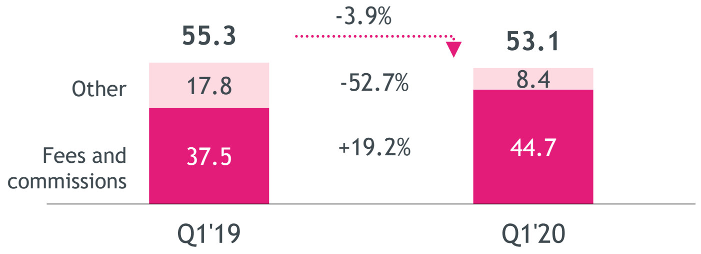
Operating costs

(Million euros)



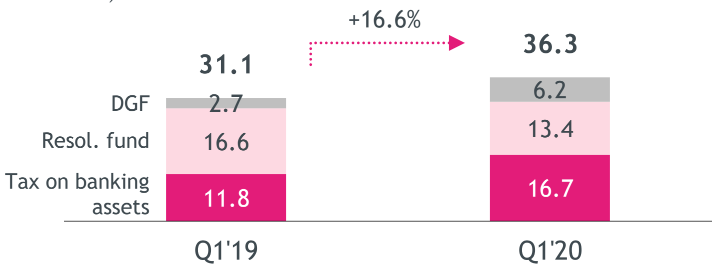
Commissions and other income

(Million euros; does not include tax on assets and contribution to the resol. fund and to the DGF)



Mandatory contributions

(Million euros)

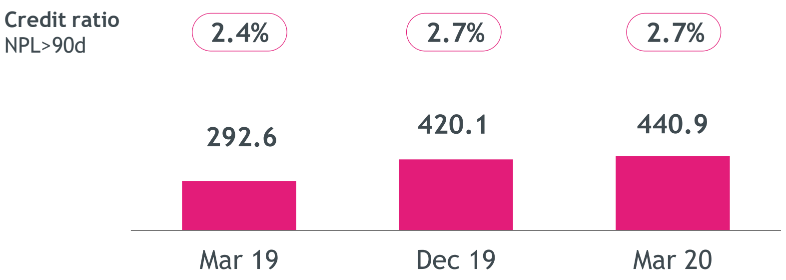


*Pro forma data. Margin from derivative products, including those from hedging FX denominated loan portfolio, is included in net interest income, whereas in accounting terms, part of this margin (€3.2 million in the 1st quarter of 2020 and €3.8 million in the 1st quarter of 2019) is presented in net trading income. FX effect excluded. €/Zloty constant at March 2020 levels: Income Statement 4.35; Balance Sheet 4.56.

Credit quality

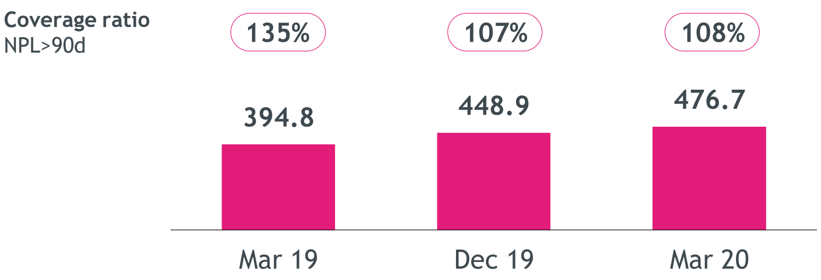
NPL>90d

(Million euros)



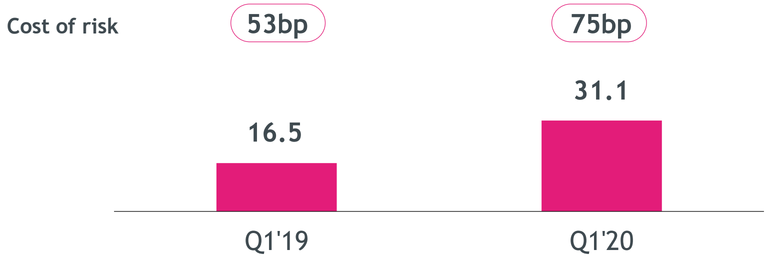
Loan-loss reserves

(Million euros)



Loan impairment (net of recoveries)

(Million euros)



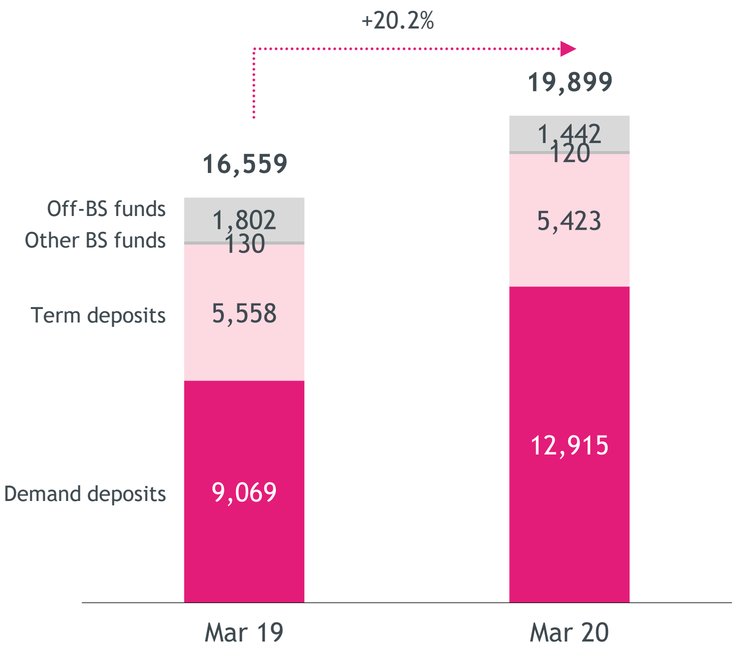
- NPL>90d accounted for 2.7% of total credit as of March 31, 2020 (2.4% as of March 31, 2019)
- Coverage of NPL>90d by loan-loss reserves at 108% (135% as of March 31, 2019)
- Cost of risk of 75bp, compared to 53bp in the 1st quarter of 2019

FX effect excluded. €/Zloty constant at March 2020 levels: Income Statement 4.35; Balance Sheet 4.56.

Growing volumes

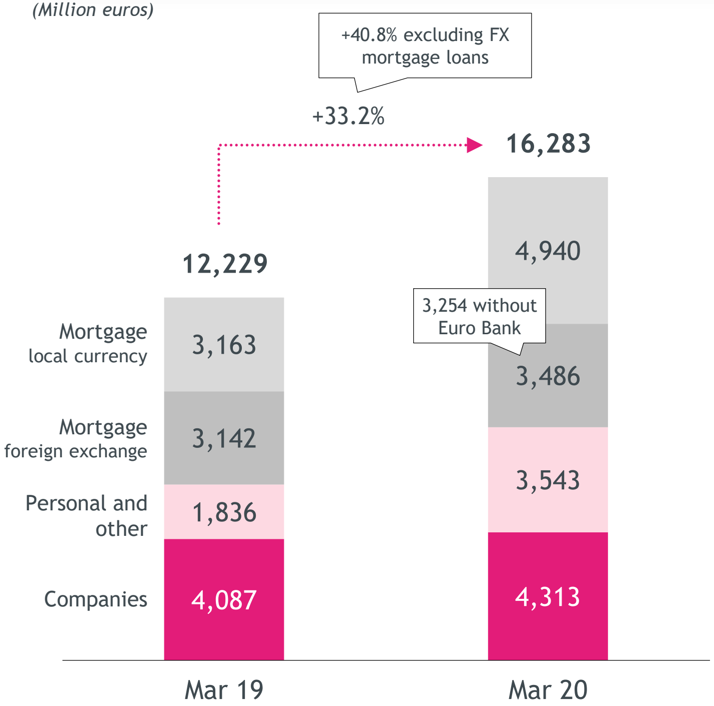
Customers funds

(Million euros)



Loans to Customers (gross)

(Million euros)

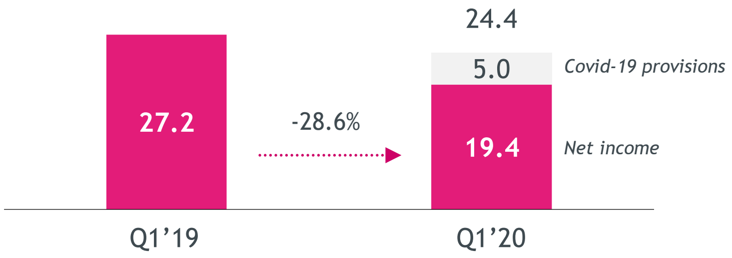


FX effect excluded. €/Zloty constant at March 2020 levels: Income Statement 4.35; Balance Sheet 4.56.

Net income impacted by Covid-19 provisions and the normalization of the interest rate environment

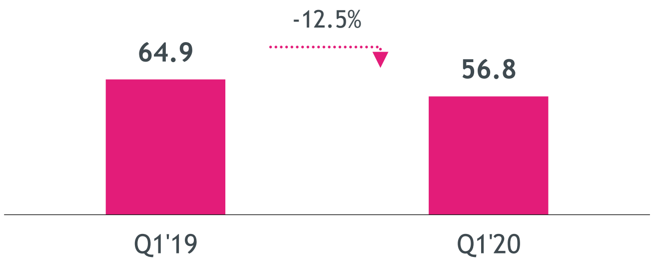
Net income*

(Million euros)



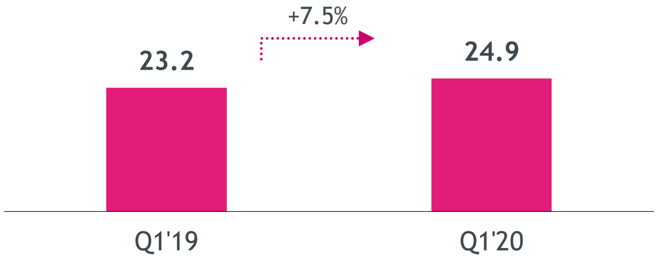
Net operating revenue

(Million euros)



Operating costs

(Million euros)



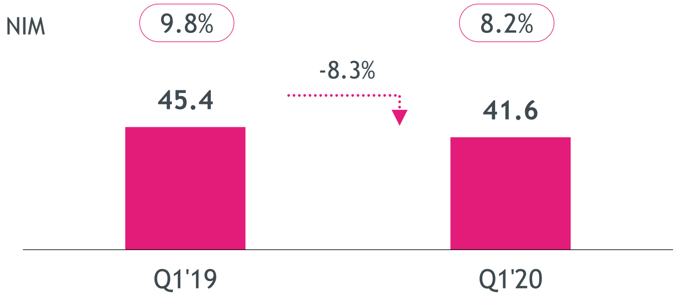
- Net income of €19.4 million (Covid-19 provisions of €5.0 million)
- Customer funds grew 7.0%, with a similar reduction of the loan portfolio, reflecting a conservative approach under a challenging environment
- Capital ratio of 43.4%, with ROE of 15.1%
- **Millennium bim was distinguished as the best Bank in Mozambique by Global Finance (11th year in a row); its banking services were considered the most innovative in Mozambique by Capital Finance International**

FX effect excluded. €/Metical constant at March 2020 levels: Income Statement 71.60; Balance Sheet 74.17.
*Recognized on consolidated net income.

Net interest income impacted by the normalization of the interest rate environment

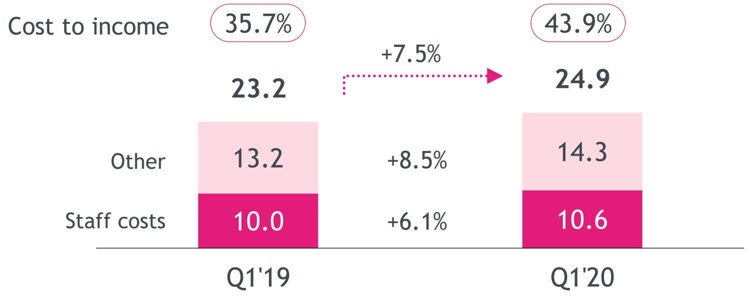
Net interest income

(Million euros)



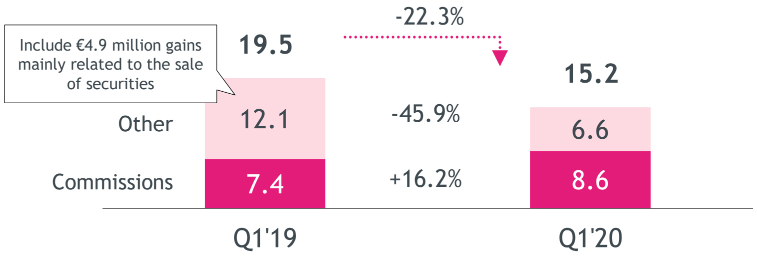
Operating costs

(Million euros)

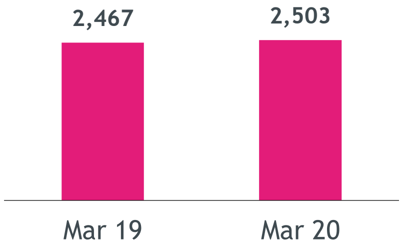


Commissions and other income

(Million euros)

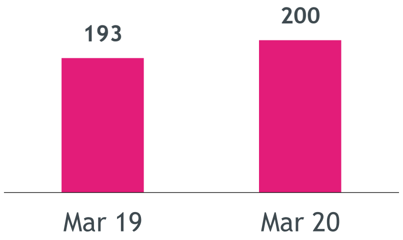


Employees*



*Excludes employees from SIM (insurance company)

Branches

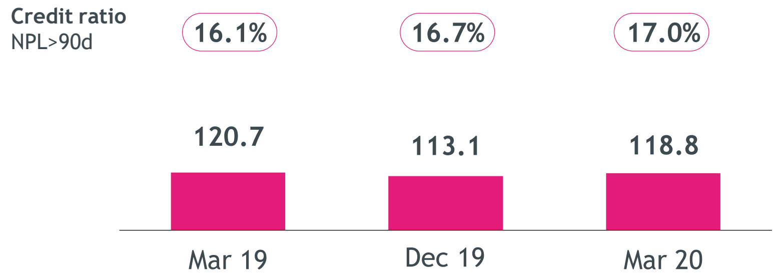


FX effect excluded. €/Metical constant at March 2020 levels: Income Statement 71.60; Balance Sheet 74.17.

Credit quality performance influenced by challenging environment

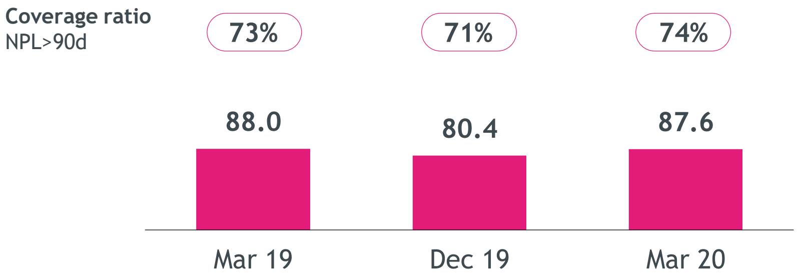
NPL>90d

(Million euros)



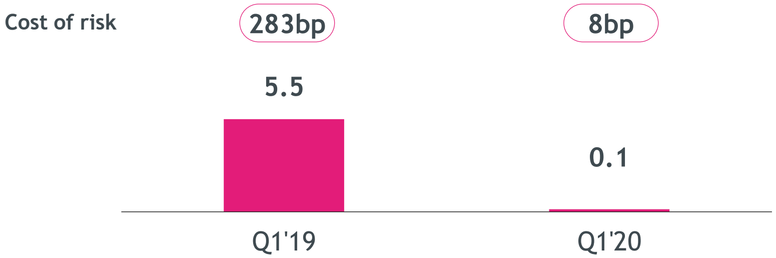
Loan-loss reserves

(Million euros)



Loan impairment (net of recoveries)

(Million euros)



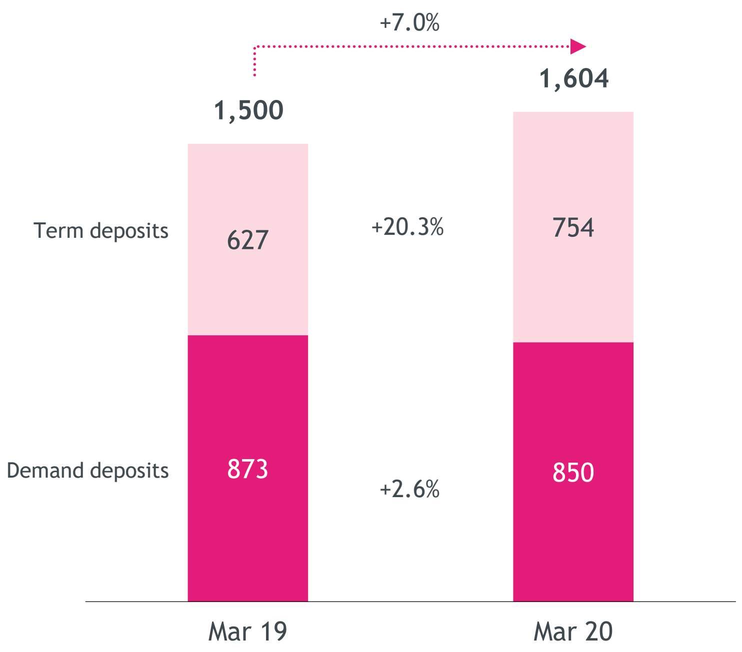
- NPL>90d ratio of 17.0% as of March 31, 2020, with coverage by loan-loss reserves of 74% on the same date
- Lower provisioning effort, reflected in a cost of risk of 8bp (238bp in the 1st quarter of 2019)

FX effect excluded. €/Metical constant at March 2020 levels: Income Statement 71.60; Balance Sheet 74.17.

Business volumes reflect a conservative approach under a challenging environment

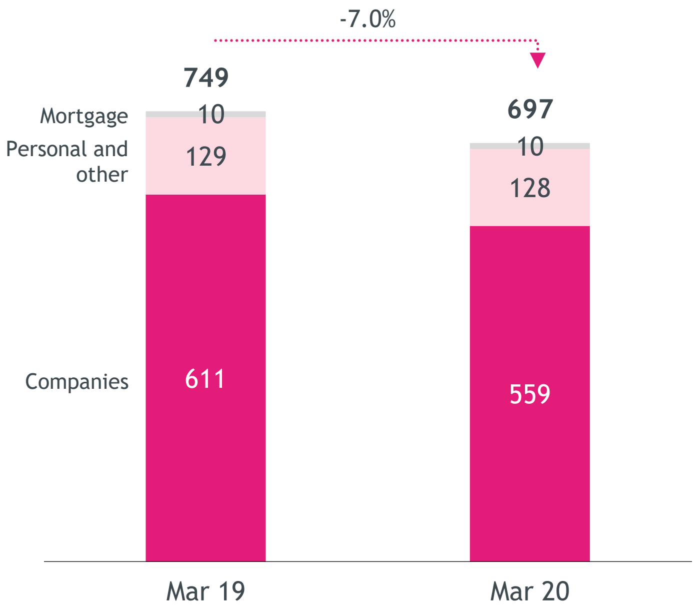
Customers funds

(Million euros)



Loans to Customers (gross)

(Million euros)



FX effect excluded. €/Metical constant at March 2020 levels: Income Statement 71.60; Balance Sheet 74.17.

05

Key figures

Strategic Plan

		1T19	1T20		Steady state* (original plan)
Franchise growth	Active Customers	4.9 million	5.6 million	. . .	>6 million
	Digital Customers	56%	59%	. . .	>60%
	Mobile Customers	35%	42%	. . .	>45%
Value creation	Cost to income	43% (42% excluding non-usual costs)	48% (46% excluding non-usual costs)	. . .	≈40%
	RoE	10.6%	2.4%	. . .	≈10%
	CET1	12.7%	12.0%	. . .	≈12%
	Loans-to-deposits	87%	86%	. . .	<100%
	Dividend payout	10%		. . .	≈40%
Asset quality	NPE stock	€5.2 billion	€3.9 billion	. . .	≈€3 billion Down ≈60% from 2017
	Cost of risk	68bp	63bp	. . .	<50bp

NPE include loans to Customers only.

*To be achieved after the economic impact of the current pandemic.

COMMITMENT TO PEOPLE AND SOCIETY

Millennium bcp Foundation

Support to the **emergency network of the Food Bank against Hunger**, with the Moillennium bcp reinforcing its annual contribution as a response to the pandemic


Support to the conservation and restoration of the **Throne Room of the Ajuda National Palace** and of the **Santa Clara Church**, in Oporto (protocol with Direção Regional de Cultura Norte)

Scholarship Program for students from Portuguese Speaking Countries, in partnership with Instituto Camões

Support to the "55+" network, aimed at preventing loneliness and inactivity for all those who are over 55

Response to Covid-19

Millennium bcp participated in the donors conference and was part of the Portuguese contribution to the **EU's effort to find a vaccine for Covid-19**

Contribution, through the Portuguese Banking Association, for the **donation of 100 ventilators to Portugal's National Health Service**

Millennium bim cancelled the celebration of its 25th birthday and **donated the respective amount to the Central Hospital of Maputo**

Support to Portugal's NHS through initiatives such as the construction of the Contingency Structure of Lisbon Hospital, the "Unidos pela Sobrevivência" campaign and the conversion of Curry Cabral Hospital

Participation in the **Portugal #EntraEmCena** movement, which brings together artists and public and private companies to support Culture

Sustainability

New management model for Sustainability, reinforcing the presence of ESG themes

Sustainability Guiding Principles for Suppliers implemented in the management of the supply chain and anticipation of the payment to suppliers period from 30 days to 1 week

In 2019, **60% of the electricity consumed by BCP in Portugal was from renewable sources**, including energy produced by the Bank's photovoltaic plant at Taguspark

Inclusion in the 2020 edition of the **Bloomberg Gender-Equality Index**, within the scope of gender equality policies, and maintenance in the "**Ethibel Sustainability Index (ESI) Excellence Europe**", within the framework of sustainability practices

Appendix

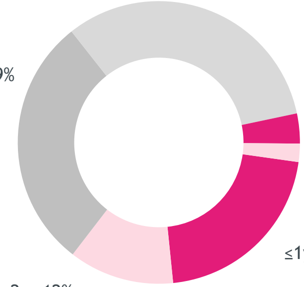
Sovereign debt portfolio

Sovereign debt portfolio

(Consolidated, million euros)

	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	YoY
Portugal	7,375	7,229	7,413	6,520	6,802	-8%
T-bills and other	1,932	1,665	1,536	1,923	1,872	-3%
Bonds	5,443	5,564	5,876	4,597	4,930	-9%
Poland	5,385	4,328	4,645	5,077	4,820	-11%
Mozambique	263	290	320	257	269	+2%
Other	1,091	1,010	940	571	1,527	+40%
Total	**14,115**	**12,857**	**13,317**	**12,426**	**13,417**	**-5%**

Sovereign debt maturity



- ✓ The sovereign debt portfolio totaled €13.4 billion, €8.3 billion of which maturing until 5 years
- ✓ The Portuguese sovereign debt portfolio totaled €6.8 billion, whereas the Polish and Mozambican portfolios amounted to €4.8 billion and to €0.3 billion, respectively; “other” includes Italian and Spanish sovereign debt (€0.5 billion and €1.0 billion, respectively)

Sovereign debt portfolio

	Portugal	Poland	Mozambique	Other	Total
Trading book*	**1,506**	**133**	**0**	**51**	**1,689**
≤ 1 year	1,506	19		50	1,575
> 1 year and ≤ 2 years		49			49
> 2 years and ≤ 5 years		44			44
> 5 years and ≤ 8 years		19			19
> 8 years and ≤ 10 years		2			2
> 10 years				0	0
Banking book**	**5,296**	**4,687**	**269**	**1,477**	**11,728**
≤ 1 year	447	780	23	14	1,264
> 1 year and ≤ 2 years	19	1,474	78	1	1,572
> 2 years and ≤ 5 years	1,342	2,018	65	411	3,836
> 5 years and ≤ 8 years	2,903	329	36	1,050	4,318
> 8 years and ≤ 10 years	373	84			458
> 10 years	210	2	68		280
Total	**6,802**	**4,820**	**269**	**1,527**	**13,417**
≤ 1 year	1,953	799	23	65	2,839
> 1 year and ≤ 2 years	19	1,522	78	1	1,620
> 2 years and ≤ 5 years	1,342	2,062	65	411	3,880
> 5 years and ≤ 8 years	2,903	347	36	1,050	4,337
> 8 years and ≤ 10 years	373	87			460
> 10 years	210	2	68	0	281

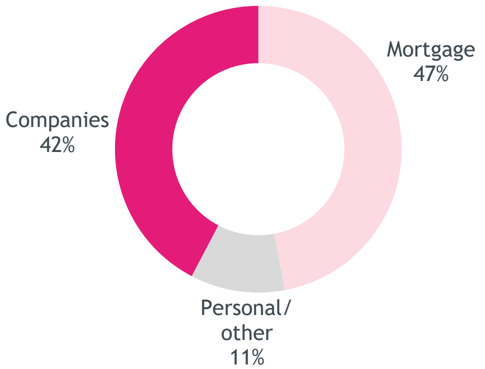
*Includes financial assets held for trading at fair value through net income (€31 million).
**Includes financial assets at fair value through other comprehensive income (€8.869 million) and financial assets at amortized cost (€2.860 million).

Diversified and collateralized portfolio

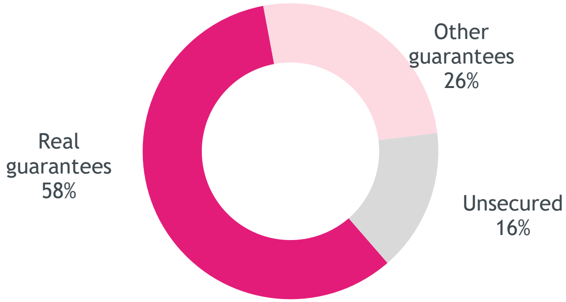
Loan portfolio

(Consolidated)

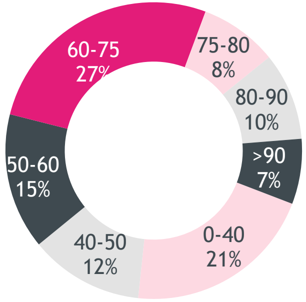
Breakdown



Loans per collateral



LTV of the mortgage portfolio in Portugal



Loans

- Loans to companies accounted for 42% of the loan portfolio as at March 31, 2020, including 6% to construction and real-estate sectors
- Mortgage accounted for 47% of the loan portfolio, with low delinquency levels and an average LTV of 60%
- 84% of the loan portfolio is collateralized

Collaterals

- Real estate accounts for 93% of total collateral value
- 80% of the real estate collateral is residential

Consolidated net income

(Million euros)	Q1'19	Q1'20	YoY	Impact on earnings
Net interest income	362.7	385.5	+6.3%	+22.8
Net fees and commissions	166.6	179.8	+7.9%	+13.2
Other income*	68.3	32.5	-52.4%	-35.8
Net operating revenue	**597.7**	**597.8**	**+0.0%**	**+0.1**
Staff costs	-152.2	-164.7	+8.2%	-12.4
Other administrative costs and depreciation	-107.3	-121.7	+13.4%	-14.4
Operating costs	**-259.5**	**-286.4**	**+10.3%**	**-26.8**
Profit before impairment and provisions	**338.1**	**311.4**	**-7.9%**	**-26.7**
Loans impairment (net of recoveries)	-86.5	-86.1	-0.4%	+0.4
Other impairment and provisions	-17.4	-115.7	+564.5%	-98.3
Impairment and provisions	**-103.9**	**-201.8**	**+94.2%**	**-97.9**
Net income before income tax	**234.2**	**109.6**	**-53.2%**	**-124.6**
Income taxes	-65.4	-65.6	+0.3%	-0.2
Non-controlling interests	-28.4	-8.7	-69.4%	+19.7
Net income from discontinued or to be discontinued operations	13.5	0.0		-13.5
Net income	**153.8**	**35.3**	**-77.1%**	**-118.5**

*Includes dividends from equity instruments, other net operating income, net trading income and equity accounted earnings.

Consolidated balance sheet

(Million euros)

	31 March 2020	31 March 2019
ASSETS		
Cash and deposits at Central Banks	3,334.8	2,292.1
Loans and advances to credit institutions repayable on demand	263.0	288.2
Financial assets at amortised cost		
Loans and advances to credit institutions	1,437.6	1,021.6
Loans and advances to customers	49,624.1	45,971.8
Debt instruments	6,064.9	3,465.3
Financial assets at fair value through profit or loss		
Financial assets held for trading	2,393.5	907.4
Financial assets not held for trading mandatorily at fair value through profit or loss	1,361.5	1,393.2
Financial assets designated at fair value through profit or loss	31.5	33.0
Financial assets at fair value through other comprehensive income	10,381.5	14,663.6
Assets with repurchase agreement	-	185.2
Hedging derivatives	100.3	162.1
Investments in associated companies	406.0	444.4
Non-current assets held for sale	1,248.1	1,674.8
Investment property	13.3	63.8
Other tangible assets	694.8	621.9
Goodwill and intangible assets	224.4	170.9
Current tax assets	29.8	39.2
Deferred tax assets	2,682.5	2,844.6
Other assets	1,207.6	875.4
TOTAL ASSETS	81,499.1	77,118.3

	31 March 2020	31 March 2019
LIABILITIES		
Financial liabilities at amortised cost		
Resources from credit institutions	6,718.8	7,397.5
Resources from customers	59,397.8	53,321.6
Non subordinated debt securities issued	1,554.2	1,639.8
Subordinated debt	1,516.9	1,270.4
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	340.5	331.6
Financial liabilities at fair value through profit or loss	2,659.1	3,636.3
Hedging derivatives	366.2	272.8
Provisions	389.2	360.1
Current tax liabilities	9.5	14.7
Deferred tax liabilities	9.5	6.7
Other liabilities	1,287.9	1,278.2
TOTAL LIABILITIES	74,249.8	69,529.6
EQUITY		
Share capital	4,725.0	4,725.0
Share premium	16.5	16.5
Other equity instruments	400.0	402.9
Legal and statutory reserves	240.5	264.6
Treasury shares	(0.1)	(0.1)
Reserves and retained earnings	638.2	852.5
Net income for the period attributable to Bank's Shareholders	35.3	153.8
TOTAL EQUITY ATTRIBUTABLE TO BANK'S SHAREHOLDERS	6,055.4	6,415.2
Non-controlling interests	1,193.9	1,173.5
TOTAL EQUITY	7,249.3	7,588.7
TOTAL LIABILITIES AND EQUITY	81,499.1	77,118.3

Consolidated income statement per quarter

(Million euros)

	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	Δ % 1Q 20 / 1Q 19	Δ % 1Q 20 / 4Q 19
Net interest income	**362.7**	**377.4**	**412.9**	**395.6**	**385.5**	**6.3%**	**-2.6%**
Dividends from equity instruments	0.0	0.6	0.1	0.1	0.1	20.6%	-12.8%
Net fees and commission income	166.6	175.6	176.9	184.4	179.8	7.9%	-2.5%
Other operating income	-10.6	-64.8	-12.5	-12.8	-39.7	<-100%	<-100%
Net trading income	60.3	35.2	23.6	24.2	61.4	1.8%	>100%
Equity accounted earnings	18.6	2.6	17.8	4.0	10.8	-42.1%	>100%
Banking income	**597.7**	**526.6**	**618.8**	**595.4**	**597.8**	**0.0%**	**0.4%**
Staff costs	152.2	172.0	163.8	180.2	164.7	8.2%	-8.6%
Other administrative costs	80.5	86.5	102.5	107.0	86.9	8.0%	-18.8%
Depreciation	26.8	30.1	32.9	35.0	34.8	29.7%	-0.5%
Operating costs	**259.5**	**288.6**	**299.1**	**322.2**	**286.4**	**10.3%**	**-11.1%**
Profit bef. impairment and provisions	**338.1**	**237.9**	**319.6**	**273.2**	**311.4**	**-7.9%**	**14.0%**
Loans impairment (net of recoveries)	86.5	113.8	98.7	91.2	86.1	-0.4%	-5.5%
Other impairm. and provisions	17.4	25.4	35.2	73.4	115.7	>100%	57.7%
Net income before income tax	**234.2**	**98.7**	**185.7**	**108.7**	**109.6**	**-53.2%**	**0.9%**
Income tax	65.4	55.6	52.9	65.2	65.6	0.3%	0.6%
Non-controlling interests	28.4	27.1	32.2	11.8	8.7	-69.4%	-26.2%
Net income (before disc. oper.)	**140.4**	**16.0**	**100.5**	**31.7**	**35.3**	**-74.9%**	**11.4%**
Net income arising from discont. operations	13.5	0.0	0.0	0.0	0.0	-100.0%	--
Net income	**153.8**	**15.9**	**100.5**	**31.7**	**35.3**	**-77.1%**	**11.4%**

Income statement

(Million euros)

For the 3-month periods ended March 31st, 2019 and 2020

	Group			Portugal			International operations											
							Total			Bank Millennium (Poland)			Millennium bim (Moz.)			Other int. operations		
	Mar 19	Mar 20	Δ %	Mar 19	Mar 20	Δ %	Mar 19	Mar 20	Δ %	Mar 19	Mar 20	Δ %	Mar 19	Mar 20	Δ %	Mar 19	Mar 20	Δ %
Interest income	472	500	6.0%	244	226	-7.4%	228	274	20.4%	162	213	31.4%	63	59	-6.5%	3	2	-13.5%
Interest expense	109	115	5.2%	43	40	-7.0%	67	75	13.0%	49	58	17.7%	17	17	-0.3%	0	0	-25.7%
Net interest income	**363**	**385**	**6.3%**	**201**	**186**	**-7.5%**	**161**	**199**	**23.5%**	**113**	**155**	**37.4%**	**46**	**42**	**-8.8%**	**3**	**2**	**-13.3%**
Dividends from equity instruments	0	0	20.6%	0	0	--	0	0	20.6%	0	0	20.6%	0	0	--	0	0	--
Intermediation margin	**363**	**386**	**6.3%**	**201**	**186**	**-7.5%**	**161**	**199**	**23.5%**	**113**	**155**	**37.4%**	**46**	**42**	**-8.8%**	**3**	**2**	**-13.3%**
Net fees and commission income	167	180	7.9%	115	119	3.8%	52	61	17.0%	38	45	17.3%	7	9	15.6%	6	7	17.0%
Other operating income	-11	-40	<-100%	16	-3	<-100%	-26	-37	-41.4%	-34	-40	-17.2%	8	3	-60.8%	0	0	-21.8%
Basic income	**519**	**526**	**1.3%**	**332**	**303**	**-8.7%**	**187**	**223**	**19.2%**	**117**	**160**	**36.8%**	**61**	**53**	**-12.8%**	**9**	**9**	**7.9%**
Net trading income	60	61	1.8%	40	45	13.4%	20	16	-21.0%	15	12	-23.0%	4	3	-16.8%	1	1	-9.1%
Equity accounted earnings	19	11	-42.1%	11	9	-13.6%	8	1	-81.5%	0	0	--	0	0	--	8	1	-81.5%
Banking income	**598**	**598**	**0.0%**	**383**	**358**	**-6.5%**	**215**	**240**	**11.7%**	**132**	**172**	**29.9%**	**65**	**57**	**-13.0%**	**17**	**12**	**-33.1%**
Staff costs	152	165	8.2%	97	93	-4.4%	55	72	30.4%	40	56	39.0%	10	11	5.5%	5	5	10.3%
Other administrative costs	80	87	8.0%	46	44	-5.6%	34	43	26.4%	22	30	41.4%	11	11	0.3%	2	2	4.4%
Depreciation	27	35	29.7%	17	19	15.0%	10	16	53.3%	8	12	57.1%	2	3	46.8%	0	0	3.9%
Operating costs	260	286	10.3%	160	156	-2.8%	100	131	31.4%	70	99	41.8%	23	25	6.8%	7	7	8.6%
Profit bef. impairment and provisions	**338**	**311**	**-7.9%**	**223**	**202**	**-9.3%**	**115**	**109**	**-5.2%**	**63**	**73**	**16.6%**	**42**	**32**	**-24.0%**	**11**	**5**	**-58.4%**
Loans impairment (net of recoveries)	87	86	-0.4%	68	58	-14.1%	19	28	49.6%	15	27	77.5%	6	0	-97.4%	-2	0	>100%
Other impairm. and provisions	17	116	>100%	21	82	>100%	-4	33	>100%	-7	28	>100%	1	1	-14.8%	2	5	>100%
Net income before income tax	**234**	**110**	**-53.2%**	**133**	**62**	**-53.9%**	**101**	**48**	**-52.3%**	**54**	**18**	**-67.1%**	**35**	**31**	**-12.9%**	**11**	**-1**	**<-100%**
Income tax	65	66	0.3%	39	45	15.6%	26	20	-22.6%	17	14	-19.2%	8	6	-20.6%	1	0	-76.1%
Non-controlling interests	28	9	-69.4%	0	0	59.1%	29	9	-69.3%	0	0	--	0	0	-9.1%	28	9	-69.8%
Net income (before disc. oper.)	**140**	**35**	**-74.9%**	**94**	**16**	**-82.8%**	**46**	**19**	**-58.7%**	**37**	**4**	**-88.8%**	**27**	**24**	**-10.7%**	**-19**	**-10**	**48.8%**
Net income arising from discont. operations	13	0	-100.0%															
Net income	**154**	**35**	**-77.1%**															

Glossary (1/2)

Assets placed with customers – amounts held by customers in the context of the placement of third-party products that contribute to the recognition of commissions.
Balance sheet customer funds – deposits and other resources from customers and debt securities placed with customers.
Business Volumes - corresponds to the sum of total customer funds and loans to customers (gross).
Commercial gap – loans to customers (gross) minus on-balance sheet customer funds.
Core income - net interest income plus net fees and commissions income.
Core net income - net interest income plus net fees and commissions income deducted from operating costs.
Cost of risk, net (expressed in basis points) - ratio of loans impairment (P&L) accounted in the period to loans to customers at amortized cost and debt instruments at amortized cost related to credit operations before impairment at the end of the period.
Cost to core income - operating costs divided by core income.
Cost to income – operating costs divided by net operating revenues.
Coverage of non-performing exposures by impairments – loans impairments (balance sheet) divided by the stock of NPE.
Coverage of non-performing loans by impairments – loans impairments (balance sheet) divided by the stock of NPL.
Coverage of overdue loans by impairments - loans impairments (balance sheet) divided by overdue loans.
Coverage of overdue loans by more than 90 days by impairments - loans impairments (balance sheet) divided by overdue loans by more than 90 days.
Debt instruments – non-subordinated debt instruments at amortized cost and financial liabilities measured at fair value through profit or loss (debt securities and certificates).
Debt securities placed with customers - debt securities issued by the Bank and placed with customers.
Deposits and other resources from customers – resources from customers at amortized cost and customer deposits at fair value through profit or loss.
Dividends from equity instruments - dividends received from investments classified as financial assets at fair value through other comprehensive income and from financial assets held for trading.
Equity accounted earnings - results appropriated by the Group related to the consolidation of entities where, despite having some influence, the Group does not control the financial and operational policies.
Insurance products – includes unit linked saving products and retirement saving plans (“PPR”, “PPE” and “PPR/E”).
Loans impairment (balance sheet) – balance sheet impairment related to loans to customers at amortized cost, balance sheet impairment associated with debt instruments at amortized cost related to credit operations and fair value adjustments related to loans to customers at fair value through profit or loss.
Loans impairment (P&L) – impairment (net of reversals and net of recoveries - principal and accrual) of financial assets at amortized cost for loans to customers and for debt instruments related to credit operations.
Loans to customers (gross) – loans to customers at amortized cost before impairment, debt instruments at amortized cost associated to credit operations before impairment and loans to customers at fair value through profit or loss before fair value adjustments.
Loans to customers (net) - loans to customers at amortized cost net of impairment, debt instruments at amortized cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss.
Loan to Deposits ratio (LTD) – loans to customers (net) divided by deposits and other resources from customers.
Loan to value ratio (LTV) – mortgage amount divided by the appraised value of property.
Net commissions - net fees and commissions income.
Net interest margin (NIM) - net interest income for the period as a percentage of average interest earning assets.
Net operating revenues - net interest income, dividends from equity instruments, net commissions, net trading income, other net operating income and equity accounted earnings.

Glossary (2/2)

Net trading income – results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial liabilities measured at amortized cost and results from derecognition of financial assets measured at fair value through other comprehensive income.

Non-performing exposures (NPE) – non-performing loans and advances to customers (loans to customers at amortized cost and loans to customers at fair value through profit or loss) more than 90 days past-due or unlikely to be paid without collateral realization, if they recognized as defaulted or impaired.

Non-performing loans (NPL) – overdue loans (loans to customers at amortized cost and loans to customers at fair value through profit or loss) more than 90 days past due including the non-overdue remaining principal of loans, i.e. portion in arrears, plus non-overdue remaining principal.

Off-balance sheet customer funds – assets under management, assets placed with customers and insurance products (savings and investment) subscribed by customers.

Operating costs - staff costs, other administrative costs and depreciation.

Other impairment and provisions – impairment (net of reversals) for loans and advances of credit institutions classified at amortized cost, impairment for financial assets (classified at fair value through other comprehensive income and at amortized cost not associated with credit operations), impairment for other assets, namely assets received as payment in kind, investments in associated companies and goodwill of subsidiaries and other provisions.

Other net income – dividends from equity instruments, net commissions, net trading income, other net operating income and equity accounted earnings.

Other net operating income - net gains from insurance activity, other operating income/(loss) and gains/(losses) arising from sales of subsidiaries and other assets.

Overdue loans – total outstanding amount of past due loans to customers (loans to customers at amortized cost, debt instruments at amortized cost associated to credit operations and loans to customers at fair value through profit or loss), including principal and interests.

Overdue loans by more than 90 days – total outstanding amount of past due loans to customers by more than 90 days (loans to customers at amortized cost, debt instruments at amortized cost associated to credit operations and loans to customers at fair value through profit or loss), including principal and interests.

Resources from credit institutions – resources and other financing from Central Banks and resources from other credit institutions.

Return on average assets (Instruction from the Bank of Portugal no. 16/2004) – net income (before tax) divided by the average total assets (weighted average of the average of monthly net assets in the period).

Return on average assets (ROA) – net income (before minority interests) divided by the average total assets (weighted average of the average of monthly net assets in the period).

Return on equity (Instruction from the Bank of Portugal no. 16/2004) – net income (before tax) divided by the average attributable equity + non-controlling interests (weighted average of the average of monthly equity in the period).

Return on equity (ROE) – net income (after minority interests) divided by the average attributable equity, deducted from preference shares and other capital instruments (weighted average of the average of monthly equity in the period).

Securities portfolio - debt instruments at amortized cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to customers and trading derivatives), financial assets at fair value through other comprehensive income and assets with repurchase agreement.

Spread - increase (in percentage points) to the index used by the Bank in loans granting or fund raising.

Total customer funds - balance sheet customer funds and off-balance sheet customer fund.

Total customer funds - balance sheet customer funds and off-balance sheet customer funds.

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