

Banco BPI, S.A.

Publicly held company

Head Office: Rua Tenente Valadim, no. 284, Porto, Portugal

Share capital: € 1 293 063 324.98

Registered in Oporto C.R.C. and corporate body no. 501 214 534

INFORMATION**Translation of a Statement Released by Banco BPI on 19 April**

“At the request of the CMVM and in order to clarify a number of aspects that have been the subject of news and comments in the media, Banco BPI hereby discloses the following information:

1. Banco BPI is not, at the moment, subject to any periodic penalty payment from the ECB.
2. As a result of the breach of the large exposures limit arising from the participation of Banco BPI in BFA, announced by Banco BPI to the market on 16 December 2014, the European Central Bank took a decision, communicated to Banco BPI on 3 August 2015 (hereinafter ECB Decision), pursuant to which:
 - 2.1 With respect to the breach of the large exposures limit related to the exposures to the Republic of Angola and to BNA that before 1 January 2015 were not weighted at 0% and therefore were not exempt from the large exposures limit, the situation should be corrected "without undue delay".
 - 2.2 With respect the breach of the large exposures limit related to the exposures to the Republic of Angola and to BNA denominated in kwanzas that before 1 January 2015 were weighted at 0%, the situation should be corrected until the 10 April 2016.
3. With respect to the situation identified in 2.1. and in order to compel Banco BPI to comply with part of the ECB Decision referred in that point, on 1 March 2016, the ECB informed Banco BPI about a draft decision to impose a periodic penalty payment. According to the applicable rules, the maximum daily amount of the periodic penalty payment is 5% of the average daily business turnover. Taking into account that the daily business turnover of Banco BPI in 2015 was € 3.2m, the maximum daily amount of the periodic penalty payment in question is € 162m. According to the same regulation, periodic penalty payments may be applied for a maximum period of six months from the date defined in the decision that applies them.

On 22 March 2016, Banco BPI sent to ECB its position on the above mentioned draft decision, having sustained that the conditions set out in the applicable regulations for the application of a periodic penalty payment were not met and that, even though this was not the understanding, such a periodic penalty payment, in the case it would be applied, should be in an amount significantly lower than the maximum foreseen in the applicable regulation.

Banco BPI is now awaiting for the final decision of the ECB on the matter referred to in this paragraph 3. If the said decision imposes a periodic penalty payment, it may be subject to a request for review by the ECB Administrative Board of Review and to appeal to the Court of Justice of the European Union.

4. On 17 April 2016, Banco BPI informed the market that, given the impossibility of completion of the announced agreement between Santoro and CaixaBank, the Bank is in contact with the European Central Bank in order to find an alternative solution to the breach of the large exposures limit. That alternative should allow to solve simultaneously the two situations referred to in paragraphs 2.1 and 2.2 of the current announcement.
5. On 18 April 2016, it was published by CaixaBank the preliminary announcement of a Takeover Bid for the shares of BPI. In that announcement and in the statement disclosed, CaixaBank gives notice that "*Prior to this preliminary announcement, CaixaBank has held conversations with the ECB to keep it informed of the foregoing and has requested a suspension of any administrative proceedings against Banco BPI related to its large exposures limit situation with the purpose of allowing CaixaBank to find a solution for said situation should CaixaBank eventually take control of Banco BPI.*".

Lisbon, 19 April 2016

Banco BPI, S.A."

Lisbon, 21 April 2016

Banco BPI, S.A.