

26 July 2016

## Banco Comercial Português informs about Bank Millennium (Poland) results in 1H2016

Banco Comercial Português, S.A. hereby informs that Bank Millennium in Poland, in which it has a 50.1% holding and whose accounts are fully consolidated in BCP group level, released today its results for the first half of 2016, whose highlights are as follows:

**Consolidated net profit at PLN 431 million (€98.4 million) in 1H2016, a 31.5% increase versus 1H2015. The high results of 2Q2016, of PLN 294 million (€67.1 million) were inflated by VISA Europe transaction. Core income grew by 2.6% yearly driven by an improvement in interest income by 8.1% y/y. In the 1H2016 ROE reached 13% despite record level of equity (PLN 6 723 million (€1,535.4 million), 12% growth yearly).**

### Main financial and business highlights of 1H2015 results:

#### **Strong profit due to VISA transaction**

- 1H net profit of PLN 431 million (€98.4 million)
- 2Q net profit of PLN 294 million (€67.1 million) supported by extraordinary VISA gain
- ROE at 13.1%

#### **Core income growth driven by net interest income**

- Core income grew by 6.4% quarterly and 2.6% yearly, driven by improvement in net interest income (+7.3% q/q and 8.1% y/y)
- Net Commission income grew 4% quarterly but still lower by 10% vs 1H 2015

#### **Solid asset quality and low cost of risk**

- Impaired loans ratio at low 4.6%; impaired mortgage at 2.2% (of which past-due over 90 days at 1%)
- Cost of risk YTD at 45 bps

**ANNOUNCEMENT**

Reuters&gt;bcp.ls Exchange&gt;MCP Bloomberg&gt;bcp pl ISIN PTBCP0AM00007

**Capital ratio compliant with regulatory high limits**

- Group TCR at 17.2%, CET1 at 16.9% and Bank TCR at 17.1%, CET1 at 16.8%
- Strong liquidity, with Loans-to-deposits ratio at low 87%

**Deposits/accounts/customers**

- 500,000 new 360 current accounts sold during two years from launching
- +27,000 net growth in active customers during 2Q, +45,000 year-to-date
- Fast growth of retail deposits: +18.1% y/y +3.6% q/q

**Loans**

- High cash loans sale kept: PLN 647 million (€147.7 million) in 2Q'16; portfolio 13% up y/y
- Mortgage loans sales keeps growing: +47% y/y (ytd) and 10% q/q
- Strong growth of leasing and factoring portfolios: +16% and +9% y/y

**Innovation leadership**

- New, modern format of branch with new functionality, oriented on customers' relations
- New on-line and mobile solutions for retail and companies

**End of announcement****Banco Comercial Português, S.A.**