Banco BPI

Consolidated results
January to September 2017

19 October 2017

Note on captions' reclassification

- Certain captions of income and costs were reclassified in this results' presentation, and repositioned in the Profit an Loss account in accordance with the format used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted.
- The presentation of the loans and resources' portfolios was also modified, with the same objective of approaching the formats used by CaixaBank; however, the segmentation criteria have not been changed.
- All the cases of the above mentioned nature are highlighted throughout the presentation and, where appropriate, an annexe is included with information that allows to reconcile the information currently presented with the one previously presented.

Acronyms and designations adopted

ytd	*Year-to-date*
yoy	*Year-on-year*
qoq	quarter-on-quarter
RCL	Reclassified
ECB	European Central Bank
BoP	Bank of Portugal
CMVM	*Comissão do Mercado de Valores Mobiliários* (Securities Market Commission)
APM	Alternative Performance Measures
IMM	Interbank Money Market
T1	Tier 1
CET1	Common Equity Tier 1
RWA	Risk weighted assets
TLTRO	Targeted longer-term refinancing operations
LCR	Liquidity coverage ratio

Units, conventional signs and abbreviations

€, Euros, EUR	euros
M.€, M. euros	million euros
th.€, th. euros	thousand euros
Δ	change
n.a.	not available
0, –	null or irrelevant
vs.	versus
b.p.	basis points
p.p.	percentage point
E	Estimate
F	Forecast

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Results in the nine months ending 30 September 2017

Consolidated net income of 312 M.€ (excluding non recurring items)

Net income increases in Portugal and in the consolidated	▪ **Consolidated Net Income reaches 312 M.€** in the 9 months ending September 2017 (up 71% yoy excluding non-recurring results) ▪ **Net income in activity in Portugal increases to 152 M.€** (increase of 96 M.€, yoy, excluding non-recurring results) Consolidated profit "as reported" of 23 M.€ from Jan. to Sep. 2017, penalised by non recurring negative impacts of 290 M.€ (after taxes): 212 M.€ with the sale and deconsolidation of BFA and 77 M.€ with the voluntary terminations and early retirements programme.
Customer resources and Loans increase	▪ **Total Customer Resources increased by € 1.8 billion** (+ 5.5% ytd) ▪ **BPI Loan Portfolio to companies in Portugal increases 320 M.€** (+5% ytd)
Core revenues rise and recurrent costs fall	▪ **Financial margin up 2.2%** (qoq) ▪ **Commissions increase 8.8%** (yoy) ▪ **Reduction of overhead costs by 7.6**% (yoy, excluding non-recurring[1])
Low cost of credit risk	▪ **Impairment for loans and guarantees of 21 M.€** in Sep. 2017 (0.12% of the loan portfolio[2]) ▪ **Recoveries[3)] amounted to 26 M.€** (vs. 11 M. € in Sep.16)
Strong capitalisation	▪ **Credit at risk ratio of 3.3%** and 151% coverage by impairments and collaterals ▪ **NPE ratio[4)] of 5.5%** and 114% coverage by impairments and collaterals ▪ **Fully loaded capital ratios: CET1 of 11.5% and total of 13.3%** (+0.4 and 2.1 p.p., respectively, ytd)

Note: yoy changes calculated in relation to September 2016 proforma.
1) Costs from voluntary terminations and early retirements.
2) In annualised terms.
3) Recoveries from loans previously written off
4) According to EBA (European Banking Authority) criteria; considering the prudential supervision perimeter.

Results in the nine months ending 30 September 2017

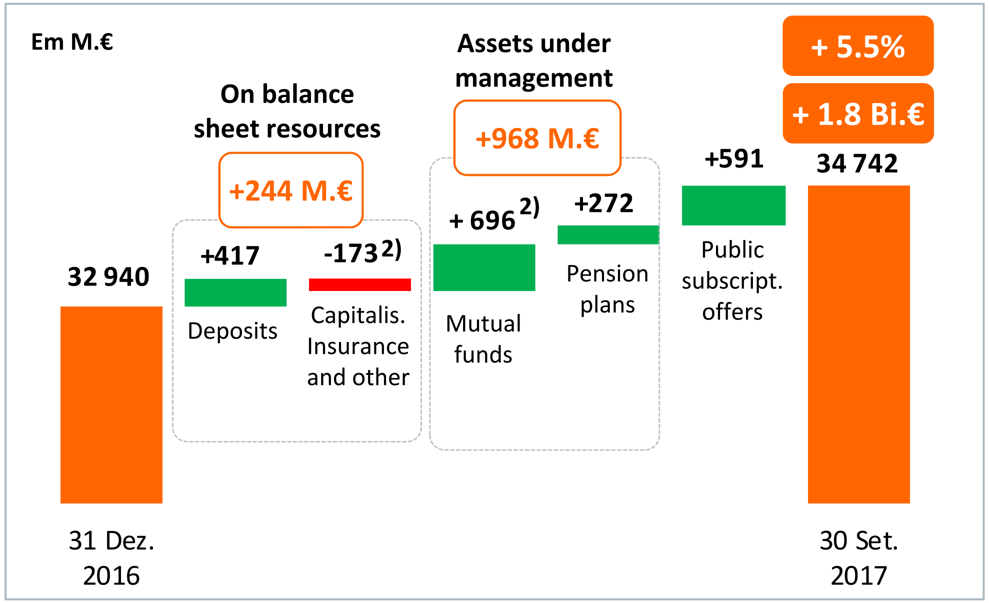
Total Customer resources increase 1 800 M.€ ytd

Customer resources

In M.€	set-17	dez-16	YtD	qoq
I. On-balance sheet resources	**24 217**	**23 973**	**1.0%**	**0.5%**
Deposits[1]	20 141	19 724	2.1%	0.5%
Capitalisation insurance and other[2]	4 076	4 250	-4.1%	0.6%
II. Assets under management	**8 630**	**7 662**	**12.6%**	**-3.1%**
Mutual funds[2]	5 939	5 244	13.3%	-5.5%
Pension plans[3]	2 690	2 418	11.3%	2.7%
III. Public offerings	**1 896**	**1 304**	**45.3%**	**26.9%**
Total	**34 742**	**32 940**	**5.5%**	**0.7%**

1) Includes bonds placed with customers of 94 M.€ in Dec.16 and 51 M.€ in Sep.17.
2) BPI Alternative Fund ceased to be consolidated from March 2017 onwards and started being consolidated off balance sheet. In Dec. 16 the caption "capitalisation insurance and others" included 250 M.€ relative to that fund. Adjusted by the deconsolidation of the fund, the caption "capitalisation insurance and others" increased by 1.9% ytd and "Mutual Funds" increase by 8.1% ytd.
3) Includes BPI Group employee pension funds of 1 397 in Dec.16 and 1 574 in Sep.17.

Growth drivers



Market shares	30 Jul. 17
Total deposits[4]	9.6%
Mutual funds[5]	21.5%
PPR's[6]	12.4%
Capitalisation insurance[7]	14.2%
Pension plans[8]	13.8%

4) Does not include the effect of the securitisation operations (BPI calculation).
5) Excludes PPR's in the form of mutual funds. Including PPR's in the form of mutual funds, BPI Gestão de Activos market share in mutual funds is 28.7%.
6) PPR's in the form of mutual funds and capitalisation insurance.
7) Excludes PPR in the form of capitalisation insurance.
8) In 30 June 2017

Sources: Banco BPI, Bank of Portugal, APS – Ass. Portuguesa de Seguradores (Portuguese Association of Insurers), APFIPP – Ass. Portuguesa de Fundos de Investimento, Pensões e Patrimónios (Portuguese Association of Mutual Funds, Pensions and Assets), IGCP (Portuguese Treasury and Debt Management Agency), ASF - Autoridade de Supervisão de Seguros e Fundos de Pensões (Supervision Authority of Insurance and Pension Funds).

Total Customer Resources increased by 1.8 Bi.€ ytd:

- Deposits grew 417 M.€ (+2.1%)
- Strong growth in mutual funds +696 M.€, +13.3% (+8.1% adjusted by the deconsolidation of BPI Alternative Fund) and pension funds increased 272 M.€ ,+11.3%
- Public offerings placed with Customers increased 591 M.€ (almost entirely OTRV). In the 3rd quarter, BPI placed with Customers 436 M.€ of OTRV (Floating Rate Treasury Bonds).

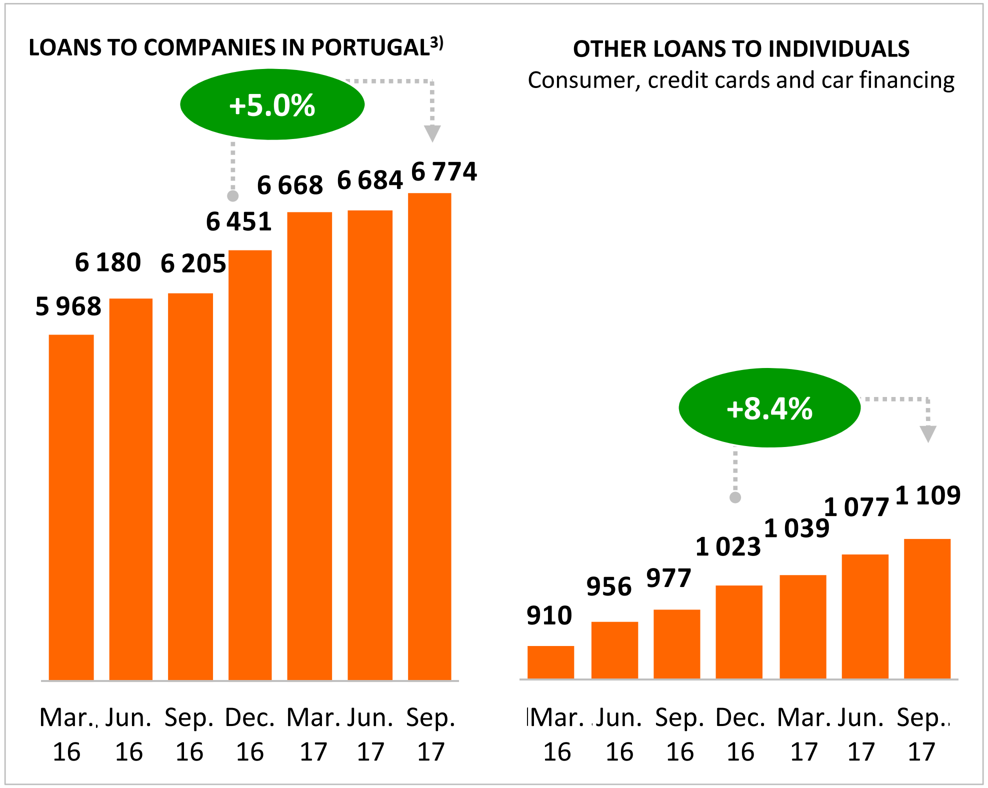
Note: the format used for presenting customer resources after the 2nd quarter results and so also in the current document is different from the one used in previous quarters. A reconciliation between the two formats is included in the annex.

BPI financing to companies in Portugal increases 5% (ytd)

Loans to customers by segments

Gross portfolio, in M.€	Sep.17	Dec.16	YtD	qoq
I. Loans to individuals	**12 186**	**12 107**	**0.7%**	**0.3%**
Mortgage loans	11 077	11 084	(0.1%)	0.1%
Other loans to individuals	1 109	1 023	8.4%	2.9%
II. Loans to Companies	**8 388**	**8 232**	**1.9%**	**0.7%**
Large and medium sized corporates	4 754	4 535	4.8%	1.1%
Small businesses	2 020	1 916	5.4%	1.9%
Total Companies in Portugal	6 774	6 451	5.0%	1.3%
Project finance and Madrid Branch	1 614	1 780	(9.3%)	(2.1%)
III. BPI Vida e Pensões portfolio[1]	**1 029**	**1 303**	**(21.0%)**	**(17.5%)**
IV. Public sector	**1 403**	**1 417**	**(1.0%)**	**(2.5%)**
V. Other	**332**	**372**	**(10.9%)**	**1.6%**
Total	**23 338**	**23 431**	**(0.4%)**	**(0.7%)**
Note:				
Net loan portfolio	22 708	22 736	(0.1%)	(0.5%)

1) Debt securities portfolio, mainly from large companies.



2) Large and medium-sized companies and small business in Portugal. Excludes project finance and Madrid branch loan portfolio.

Growth trends are maintained in the 3rd quarter

- Growth in the segments of corporates and small business.
- Stabilisation of the mortgage loan portfolio and growth in consumer loans.
- After deleveraging 6 Bi.€ between 2010 and 2015, total loan portfolio stabilised and shows signs of selective growth in 2017.

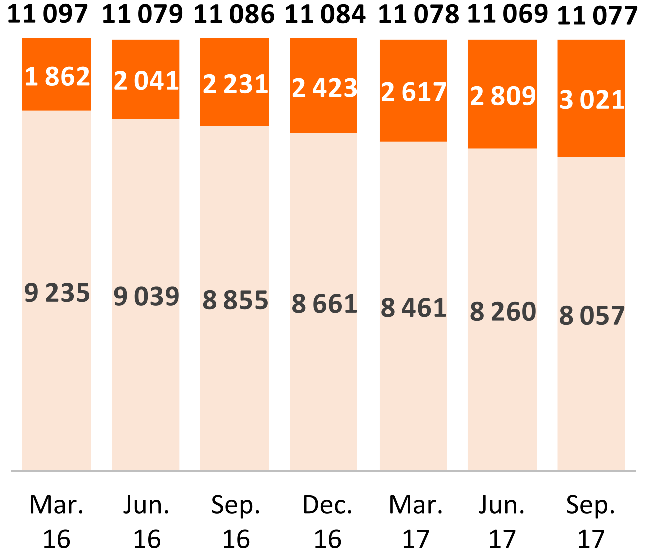
Note: the format used for presenting loans to customers after the 2nd quarter results and so also in the current document is different from the one used in previous quarters. A reconciliation between the two formats is included in the annex.

Mortgage loan origination increases by 19% yoy

Mortgage loans

MORTGAGE LOAN PORTFOLIO

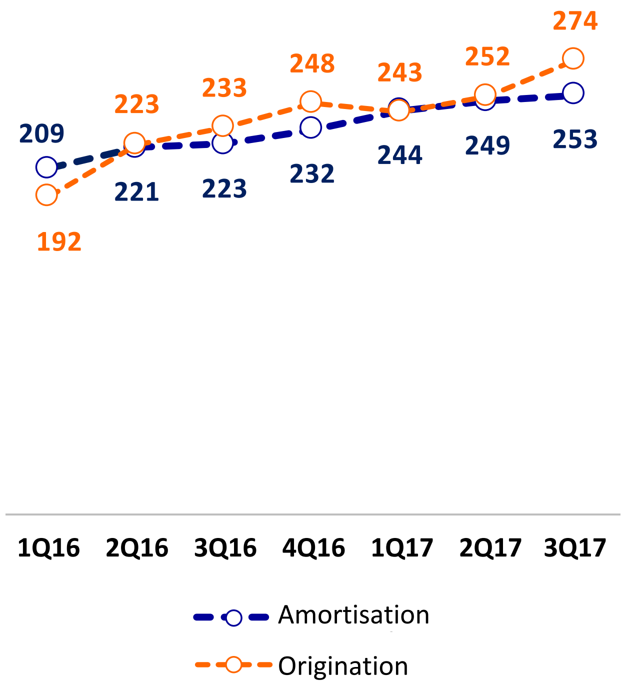
M.€



In Sep.17	% of total1)	Average spread (p.p.)
Loans advanced after Dec. 10	29%	2.35
Loans advanced before Dec. 10	71%	0.78

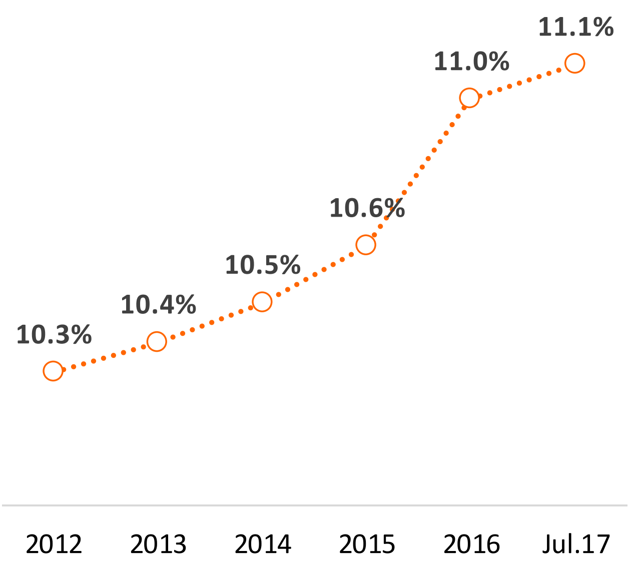
MORTGAGE LOAN ORIGINATION AND AMORTISATION

M.€



MORTGAGE PORTFOLIO MARKET SHARE

%

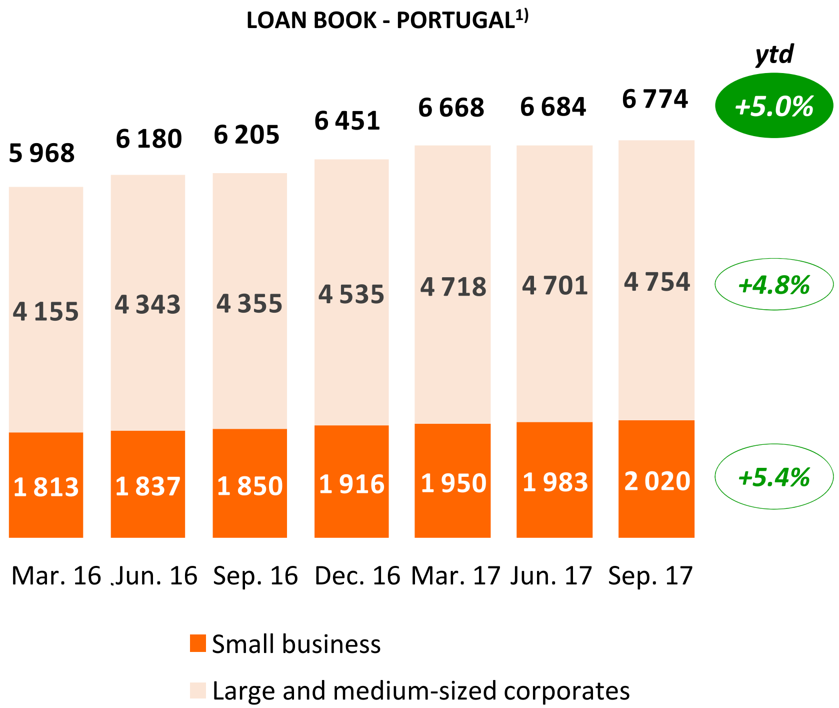


- Origination of mortgage loans increases by 19% yoy to 769 M.€ (accumulated in Sep.17).
- Origination exceeds amortisations in the 3rd quarter and signals the inversion of the portfolio's downward trend (mortgage loan portfolio grows 0.1% qoq).
- Consistent increase in the loan portfolio market share (11.1% as of July 2017) in a market segment that is still shrinking.

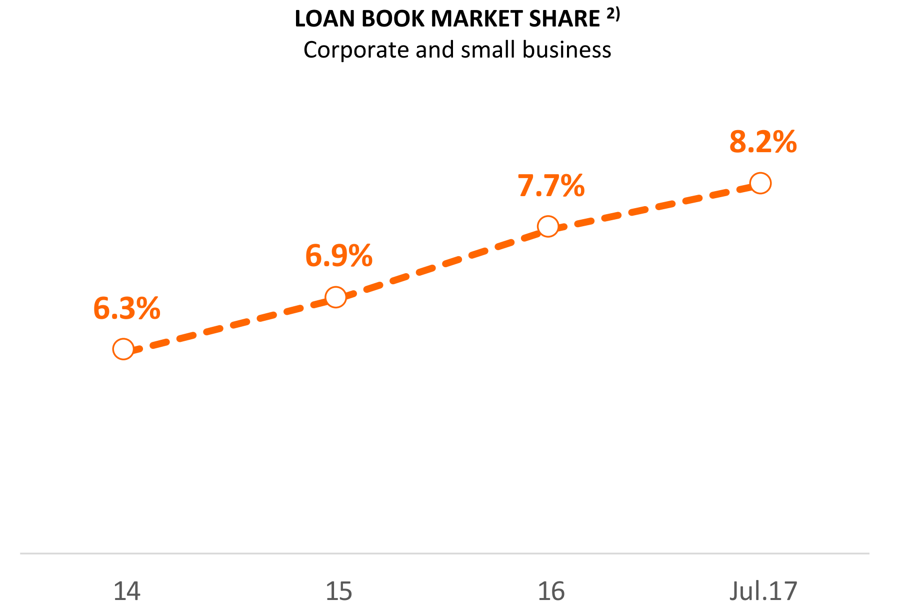
1) As percentage of the performing loan portfolio.

Corporate and small business loans in Portugal increase by 320 M€. Increase in BPI market share

Corporate and small business loans



1) Does not include project finance nor Madrid branch loan portfolio.



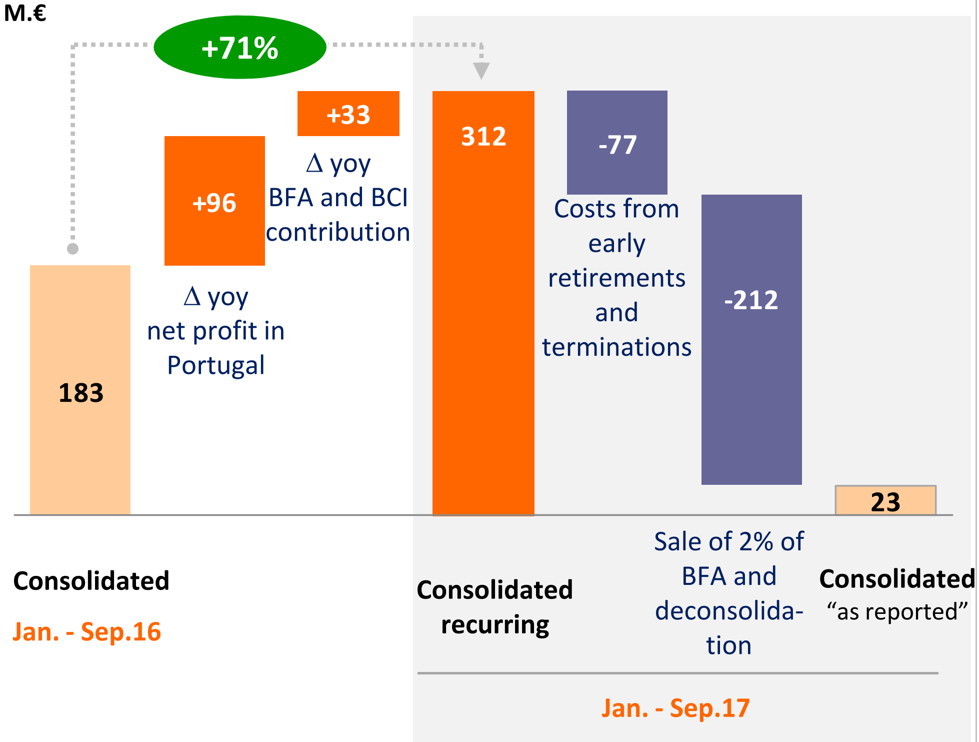
Source: BPI and BoP.
2) Loans to non financial domestic companies

- Growth of 4.8% (ytd) in loans to Large and Medium-sized companies in Portugal (excludes project finance and Madrid branch loan portfolio).
- Growth of 5.4% (ytd) in loans to small business.
- Gradual increase in market share (8.2% in July 2017).

Results in the nine months ending 30 September 2017

Recurring net income of 312 M.€ of which 152 M.€ in Portugal (Jan.-Sep. 2017).

RECURRING NET INCOME VS. REPORTED



- Recurring consolidated net income increases to 312 M.€.
- Net income in Portugal increases 96 M.€ and contribution from BFA and BCI increases 33 M.€
- Consolidated net income "as reported" of 23 M.€ is penalised by the impact of BFA deconsolidation (-212 M.€[1)]) and costs from early retirements and voluntary terminations (-77 M.€[1)]).

RETURN ON TANGIBLE EQUITY (ROTE) (last 12 months)

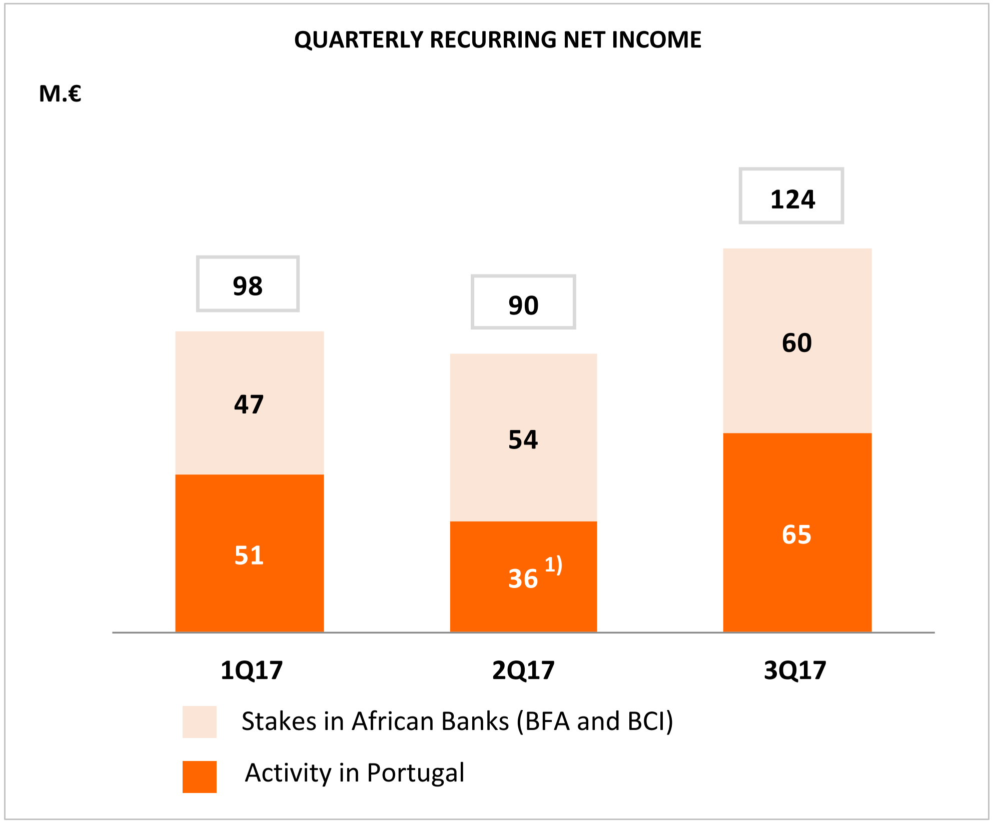
	Sep.17 excl. non recurring	Sep. 17 as reported	Sep.16 as reported
ROTE			
Adjusted allocated capital (M.€)[2)]	2 461	2 461	2 294
ROTE	**18.2%**	**6.2%**	**11.7%**
ROTE, excluding contribution from stakes in African banks			
Adjusted allocated capital (M.€)[2)]	1 967	1 967	1 856
ROTE, excluding contribution from stakes in African banks	**12.7%**	**8.4%**	**6.0%**

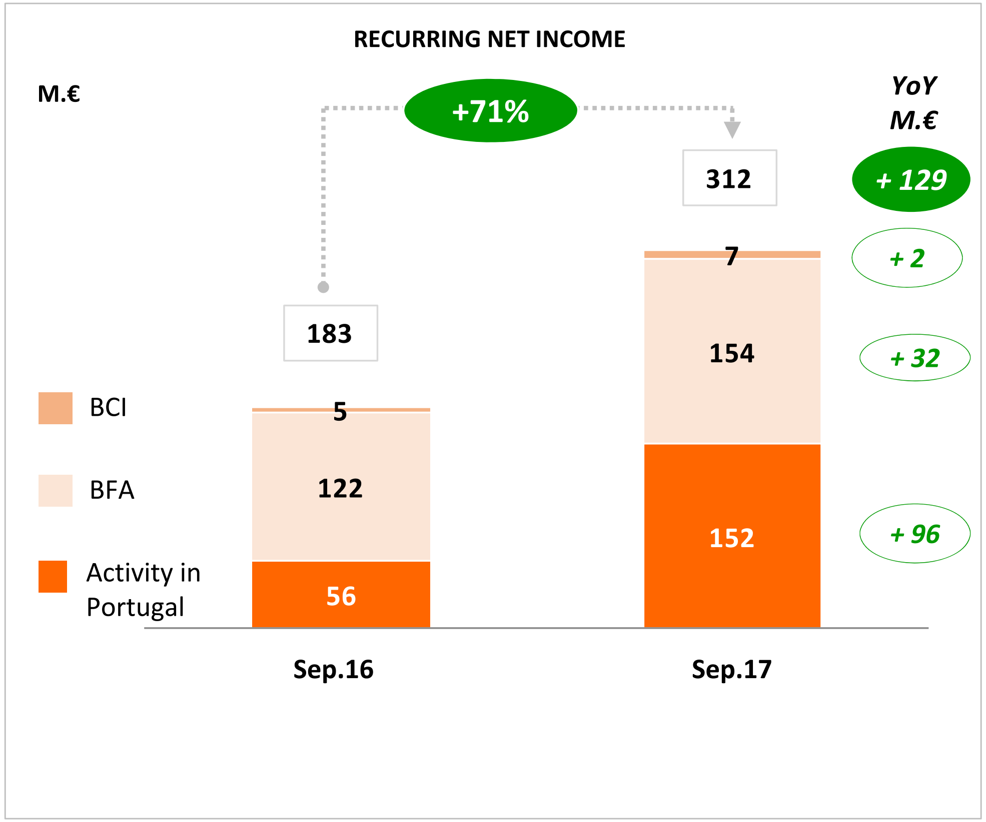
2) The average capital considered in the calculation of ROTE excludes the average balance of intangible assets (average balance of last 12 months until Sep.17: 26 M.€.) and the fair value reserve (after deferred taxes) related to the financial assets available for sale portfolio (average balance of last 12 months until Sep.17: 19 M.€.)

- ROTE, excluding contribution from stakes in African banks:
  - As reported of 8.4% at Sep.17
  - Recurring of 12.7% at Sep.17.

1) After taxes.

Net income of 65 M.€ in Portugal in the 3rd quarter





1) In the 2nd quarter, the net income from the activity in Portugal was affected by the accounting of the annual contributions to the national and the European resolution funds (-15.2 M. €).

- Recurring net income of 312 M.€ from Jan. to Sep.17, of which 152 M.€ from the activity in Portugal
- Consolidated net income of 124 M.€ in the third quarter of 2017, of which 65 M.€ in Portugal
- Increase of 129 M.€ in consolidated net income is mainly explained by the improvement in net income from the activity in Portugal, which increased by 96 M.€ yoy.

Increase of 71% of recurring consolidated net income to 312 M.€

Consolidated Income Statement

PRESENTATION REORGANISED ACCORDING TO THE FORMAT USED BY CAIXABANK

Captions reclassified (RCL) according to the format used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted. The annex presents a reconciliation of this income statement with the one presented in previous earnings presentation.

In M.€	Sep. 2017 As reported	Sep. 2017 Non recurr.[1)]	Sep. 2017 Excluding non recurring[1)]	Sep. 2016 Proforma[2)]
Financial margin - RCL	**301**		**301**	**305**
Income from equity instruments - RCL	6		6	4
Net commission income - RCL	216		216	198
Equity accounted results - RCL	193		193	25
Net income on financial operations	23		23	31
Net operating income	(192)	(176)	(17)	(21)
Operating income from banking activity - RCL	**546**	**(176)**	**722**	**543**
Overhead costs	**(453)**	**(106)**	**(347)**	**(383)**
Operating profit before impairments and provisions	**93**	**(282)**	**375**	**160**
Recovery of loans, interest and expenses	26		26	11
Impairment losses and provisions for loans and guarantees	(21)		(21)	(37)
Impairment losses and other provisions	2		2	(39)
Net income before income tax	**101**	**(282)**	**383**	**95**
Income tax	(78)	(8)	(71)	(38)
Net income from continuing operations	**23**	**(289)**	**312**	**57**
Net income from discontinued operations				253
Income attributable to non-controlling interests	(0)		(0)	(127)
Net income	**23**	**(289)**	**312**	**183**

Increase of recurring net income by +129 M.€

Activity in Portugal

- Recurring costs decrease 7.6% yoy (-29 M.€);
- Total impairments decrease from 76 M.€ in Sep.16 to 18 M.€ in Sep.17;
- Recoveries from loans previously written off increased from 11 M.€ in Sep.16 to 26 M.€ in Sep.17 (+16 M.€)
- Commissions increase 8.8% yoy (+17 M.€)

Stakes in African banks (+33 M.€ yoy)

- Increase in BFA contribution to consolidated results from 122 M.€ to 154 M.€ (after taxes).

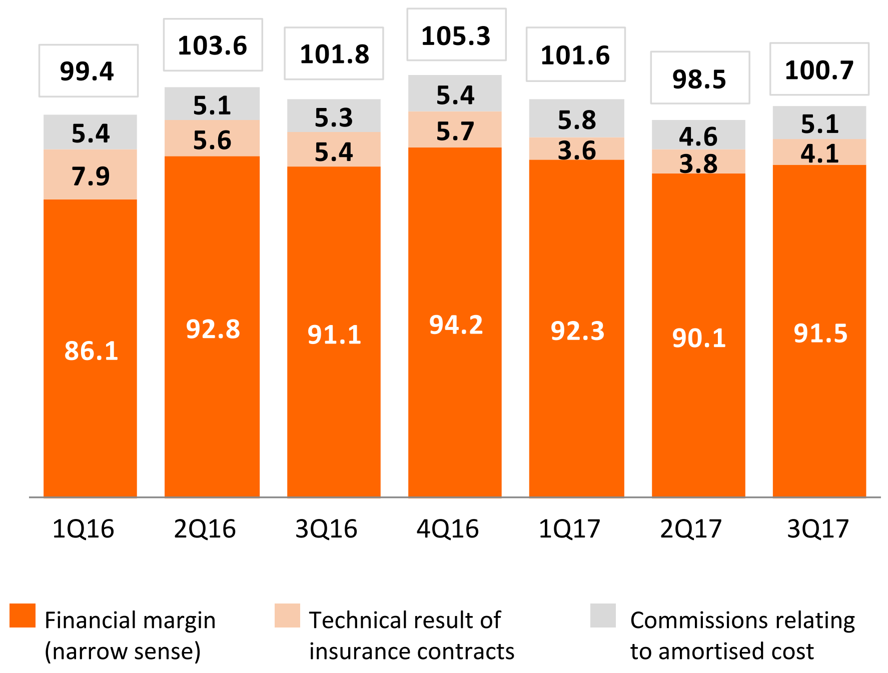
1) Includes:
- Impact of the sale of 2% of BFA capital and deconsolidation negative by 212 M.€ (176 M.€ recorded in Net Operating Income and 36 M.€ in taxes).
- Costs from terminations and voluntary early retirements of 106 M.€ before taxes and 77 M.€ after taxes.

2) The designation "proforma" reflects the restatement of the contribution of BFA to consolidated results according to IFRS 5 standards, that is recorded in net income from discontinued operations.

Financial margin increases 2.2% qoq

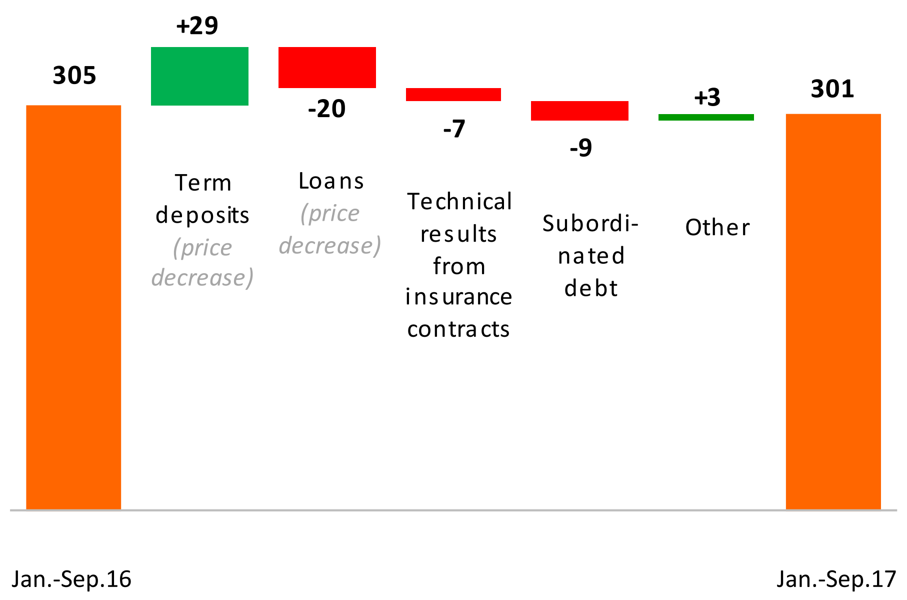
- Financial margin (narrow sense) at Sep.17 (accumulated) increases 1.4% (yoy)

FINANCIAL MARGIN, IN M.€



- Decrease in accumulated financial margin by 5 M.€ reflects the cost of 9 M.€ from the subordinated debt issued in Mar. 2017

FACTORS EXPLAINING THE FINANCIAL MARGIN EVOLUTION, IN M.€ yoy



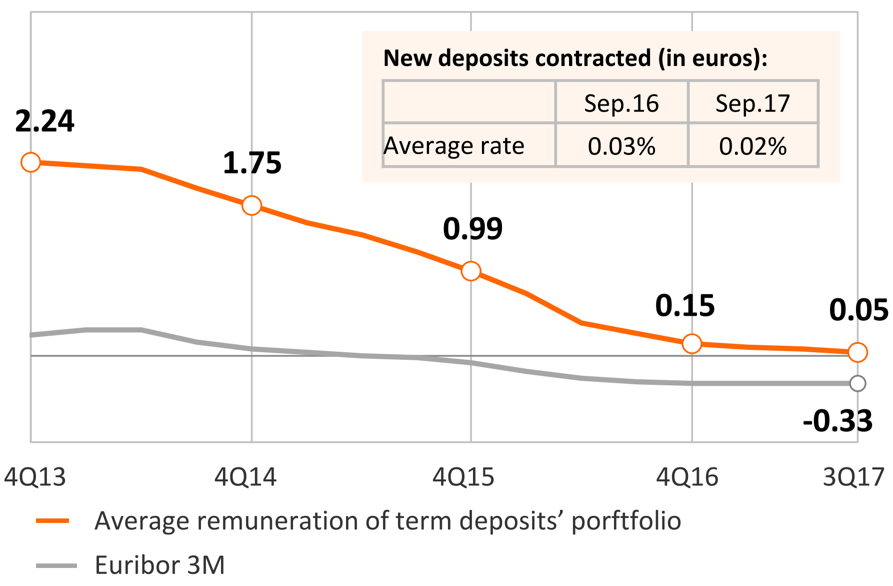
Trends in margin evolution:

- Reduction in the average cost of term deposits to 0.05% in 3Q17
- Loan portfolio in Portugal shows signs of growth trend to resume
- Reduction in the spreads of corporate loans
- Minimal contribution from the securities portfolio
- Cost of 9 M.€ until Sep.17 from the subordinated Tier II debt issued on 24 Mar.17 (remuneration Euribor 6M + 5.74%)

Intermediation margin grows slightly to 175 basis points

- New time deposits with an average remuneration of 2 bp in September 2017
- Slight decrease in the loan spread offset by a slight decrease in the cost of funding in the 3rd quarter

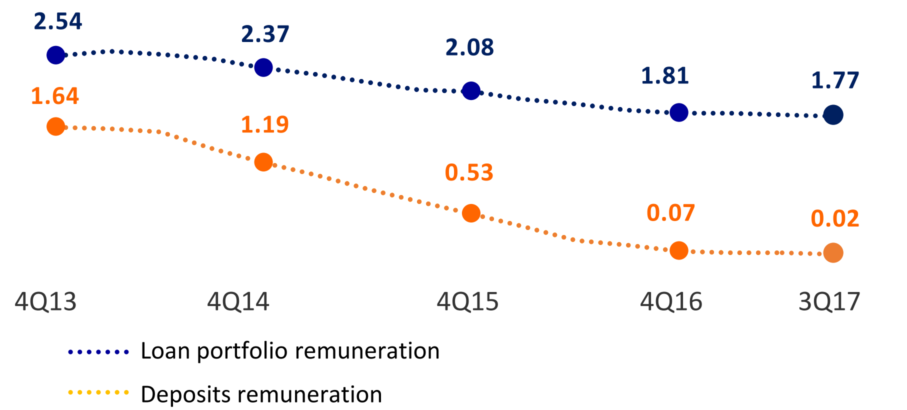
TERM DEPOSITS' REMUNERATION VS. EURIBOR 3M, QUARTERLY AVERAGE (b.p.)



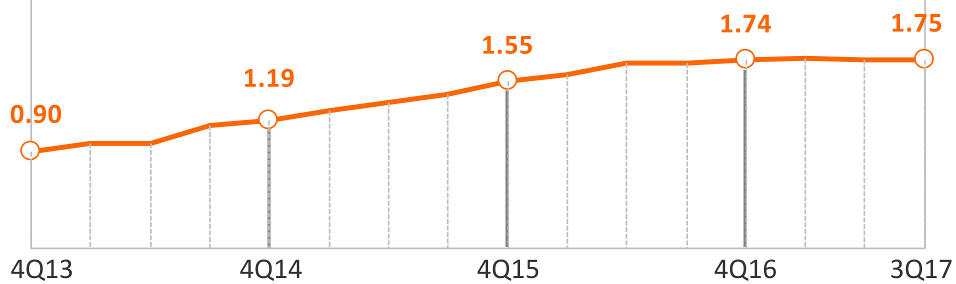
New deposits contracted (in euros):

	Sep.16	Sep.17
Average rate	0.03%	0.02%

CUSTOMER LOANS AND DEPOSITS' PORTFOLIO REMUNERATION



QUARTERLY INTERMEDIATION MARGIN[1] (b.p.)



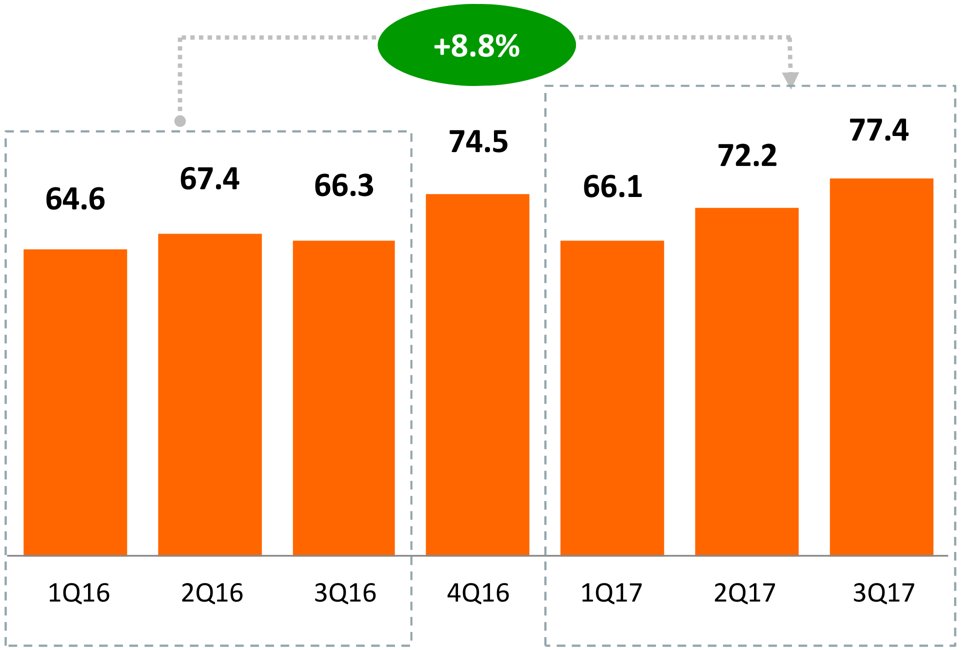
1) Intermediation margin = loan portfolio average interest rate – deposits average interest rate.

- Adjustment of the cost of time deposits has been the main factor for the improvement of the intermediation margin, more than compensating the spreads narrowing on the loan side.
- Average remuneration of time-deposits is close to zero.
- Average remuneration of the loan portfolio decreases slightly.

Commissions increased by 8.8% yoy

Commissions

NET COMMISSIONS, M.€



Of which, securities-related services, consulting and evaluation (M.€):

1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
5.1	8.8	7.3	10.4	4.2	7.0	9.1

Commissions by business area

NET COMMISSIONS, M,€

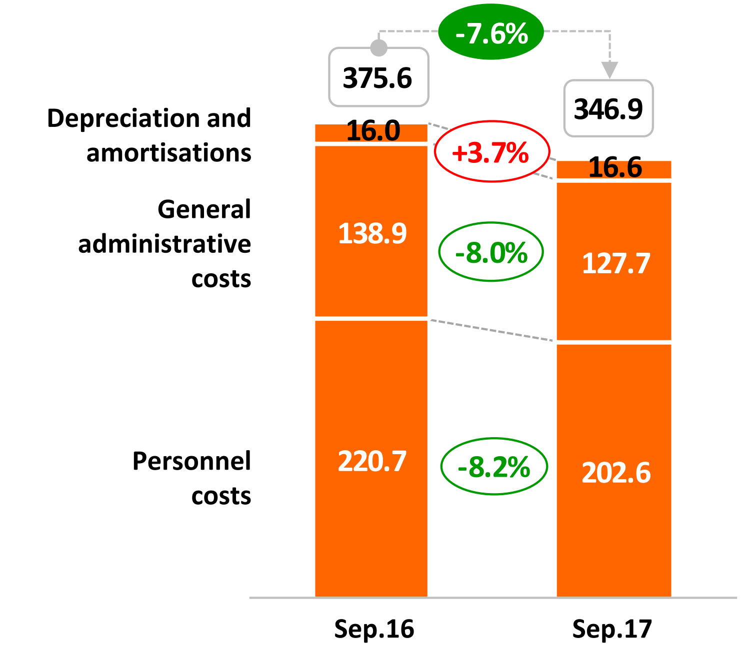
In M.€	Sep 17	Sep 16	YoY	3Q 17	qoq
Banking commissions	133	125	6.4%	47	7.9%
Insurance intermediation [1)]	43	44	-0.7%	15	0.7%
Asset management [2)]	39	30	32.9%	15	12.1%
Total	**216**	**198**	**8.8%**	**77**	**7.2%**
Note:					
Unit links gross margin	10	10	-3.1%	4	7.2%

1) Includes unit links gross margin.
2) BPI Alternative Fund ceased to be consolidated from March 2017 onwards. In the consolidation of that fund, net commissions paid by the BPI Alternative Fund of 5.4 M.€ from Jan. to Sep.16 and 2.2 M.€ in the first quarter 17 were recorded. Taking into account the deconsolidation, the year-on-year change (yoy) in asset management commissions, on a comparable basis, was 18.7%.

- Net commissions increased 8.8% in Sep.17 (vs. Sep.16) and 7.2% in the 3rd quarter (qoq).
- Banking commissions increased 6.4% yoy and 7.9% in the 3rd quarter (qoq).
- Asset management commissions show strong growth: + 18.7% yoy (adjusted by the deconsolidation of BPI Alternative Fund) and 12.1 % qoq.

Overhead costs decreased 7.6% (yoy, excluding non-recurring items)

OVERHEAD COSTS (EXCLUDING NON-RECURRING), IN M.€



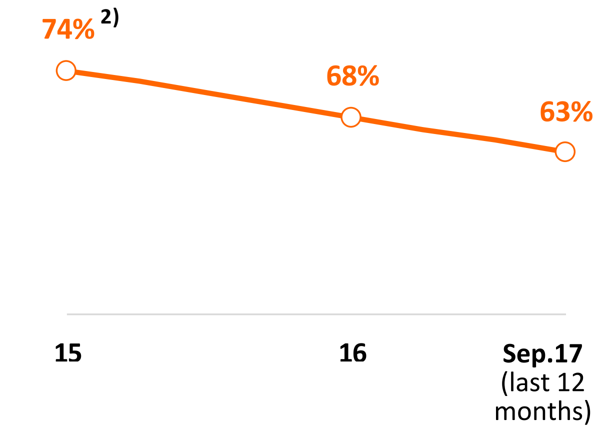
Non-recurring impacts

	Sep.16	Sep.17
Early retirements and terminations	50.5	106.3
Gains with ACT revision	-43.0	-
Costs "as reported"	**383.1**	**453.2**

STAFF AND DISTRIBUTION NETWORK

Nº	Dec.16		Sep.17
Staff	5 525	-347	5 178
Branch network¹	445	-11	434

COST TO INCOME



Adjusted overhead costs as % of commercial banking income

Overhead costs adjusted in % of commercial banking income = (Overhead costs – Costs from early retirements and voluntary terminations - gains with ACT revision) / (Financial margin + commissions (includes unit links gross margin) + Equity accounted income (excluding that coming from African banks) + Dividends)

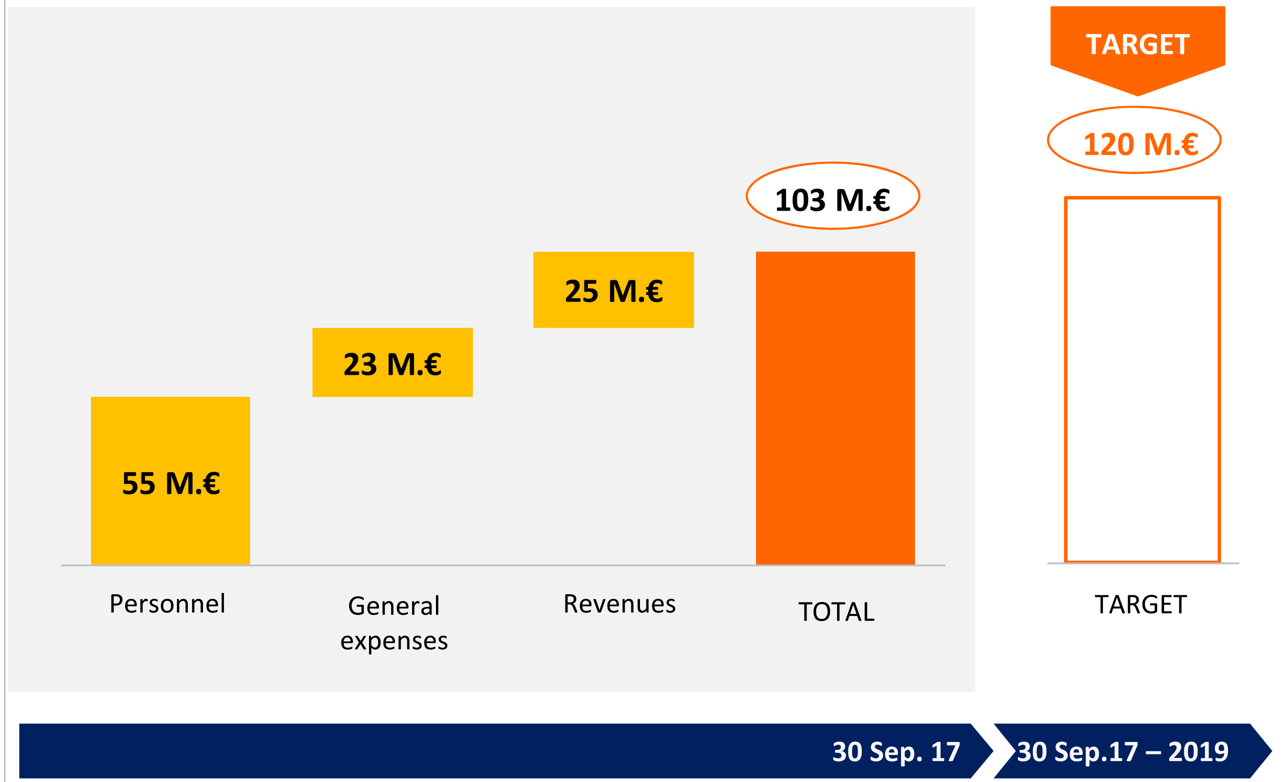
- Overhead costs excluding costs from voluntary terminations and early retirements decreased by 29 M.€ (-7.6%) yoy.
- Personnel costs (excluding non-recurring items) decreased by 18 M.€ (-8.2%) yoy.

1) Additionally, at Sep.17, BPI had 39 investment centers and 35 corporate centers in Portugal, thus totalling 508 business units.
2) Calculated using 2015 costs and revenue proforma for the restatement of BFA's contribution to the consolidated result in accordance with IFRS 5.

Synergies target of 120 M.€ per year from 2019 onwards

- **c.103 M.€ of synergies** of costs and revenues from initiatives **completed or under way**.
- **Target of 120 M.€ of synergies** reiterated.
- **Restructuring costs** should be **significantly lower than the 250 M.€** initially announced.

Synergies 2017-2019



- The bulk of the staff restructuring has been met with the reduction of c. 900 people coming from the departures occurred at 2016 year-end and as a result of the voluntary terminations and early retirements programme launched in 2017.
- Initiatives under way to generate c. 23 M.€ of cost synergies.
- Identified synergies of revenues of c. 25 M.€.

Programme of voluntary terminations and early retirements

2017 | 2019

Programme of voluntary terminations and early retirements

April 27	May 15	July 20
Announcement	Start	End of sign up period

	Employee departures (#)		Cost (M.€)	Cost reduction
Departures under the Programme	Voluntary early retirements	292		
	Voluntary terminations	227		
	Total from Programme	**519**	91 M.€	
Other departures	**Additional departures***	**98**	15 M.€	
Total headcount		**617** (2017 and 2018)	106 M.€	(36 M.€)

* Employees that had previously reached an agreement and to whom the same terms of the Programme were applied

Cost reduction: **2019** (1st year of full impact)

- Agreement for the departure of **617** employees representing **11%** of total staff
- **316** people left the bank until 30 September; expected departure of 228 until end of 2017 and 73 in 2018.
- Cost of **106 M.€** fully recognised in the 1st half 2017
- Estimated annual savings of **36 M.€** from 2019 onwards

Employee pension liabilities covered at 101%

Pension fund return (2017, ytd) **8.8%**

EMPLOYEE PENSION LIABILITIES, M.€

M.€	31 Dec. 16	30 Sep. 17
Total past service liability	1 463	1 515
Net assets of the pension funds [1)]	1 431	1 522
Degree of coverage of pension liabilities	97.8%	100.5%
Discount rate	2.00%	2.16%
Salary growth rate	1.00%	1.00%
Pensions growth rate	0.50%	0.50%
Mortality table: Men	TV 73/77 – 2 years [2)]	TV 88/ 90
Mortality table: Women	TV 88/ 90 – 3 years [2)]	TV 88/ 90 – 3 years [2)]

1) In Dec. 16 includes 75.5 M.€ of contributions transferred to the pension funds in the beginning of 2017.
2) For the target population, the age below the actual age of beneficiaries is two years for men and three years for women respectively, which is equivalent to considering a higher life expectancy.

ACTUARIAL DEVIATIONS IN THE PERIOD[3)], M.€

	M.€
Total actuarial deviations at 31 Dec.16	**(244.1)**
Change of assumptions [4)]	(17.4)
Pension funds income deviation	98.2
Other	(3.3)
Total actuarial deviations at 30 Sep.17	**(166.6)**

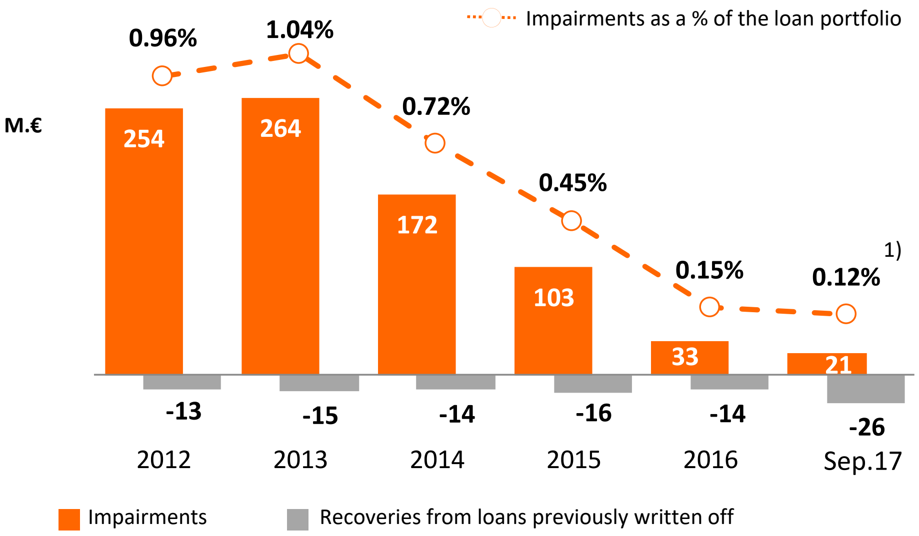
3) Recognised directly in shareholders, in accordance with IAS19.
4) Includes the change in mortality tables and discount rate.

- Pension fund return of 8.8% ytd with a positive impact of 98 M.€ in actuarial deviations.
- BPI adopted in June 2017 a more conservative mortality table for men (TV 88/90).
- Amount of liabilities already includes the increase from the programme of early retirements and voluntary terminations of 2017.

Loan impairments of 21 M.€ and recoveries of 26 M.€ (Jan.-Sep. 2017)

Cost of credit risk[1)]

YOY EVOLUTION OF COST OF CREDIT RISK

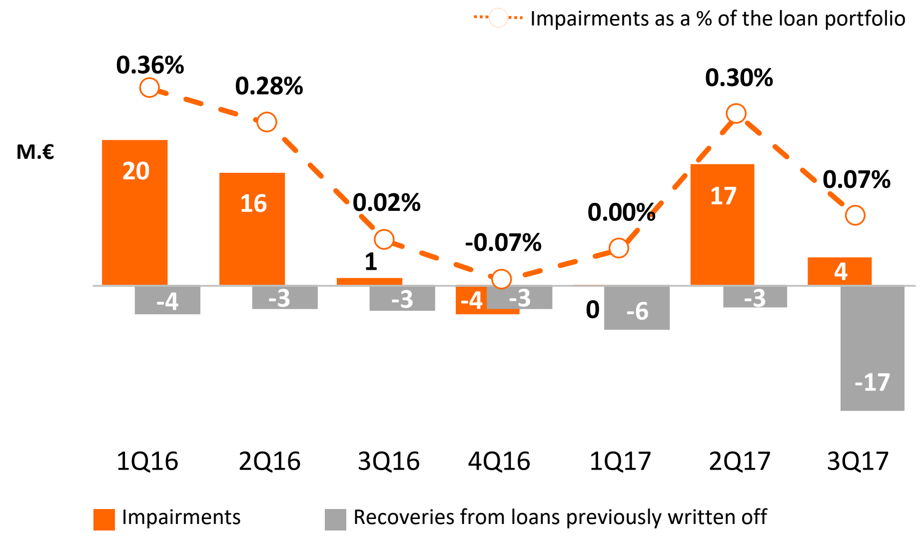


COST OF CREDIT RISK
(Impairments after deducting recoveries from loans previously written off)

	2012	2013	2014	2015	2016	Sep.17
M.€	242	249	158	87	19	-5.7
% loan porfolio	0.91%	0.98%	0.66%	0.38%	0.09%	-0.01%[1]

Note: amounts from Dec.12 to Dec.15 relate to the domestic activity.

QOQ EVOLUTION OF COST OF CREDIT RISK



COST OF CREDIT RISK
(Impairments after deducting recoveries from loans previously written off)

	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
M.€	16	12	-2	-7	-6	14	-13
% loan portfolio[1]	0.29%	0.22%	-0.04%	-0.12%	-0.11%	0.24%	-0.04%
% loan portfolio (last 12 months)	0.32%	0.24%	0.16%	0.09%	-0.01%	-0.01%	-0.06%

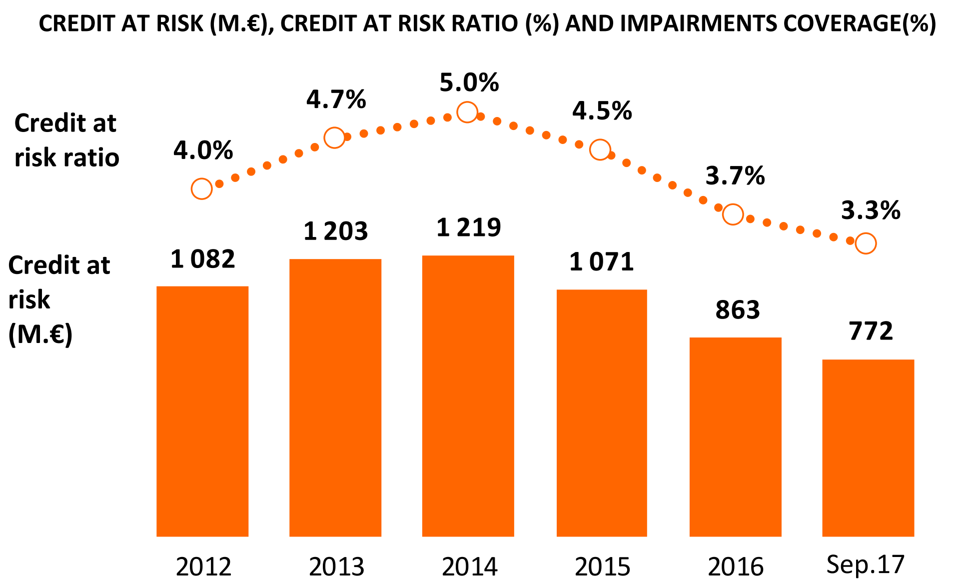
- Impairments from Jan.-Sep.17 amounted to 21 M.€, which corresponds to 0.12% of the loan portfolio in annualised terms.
- Loan recoveries previously written off amounted to 26 M.€ in the same period, of which 14.2 M.€ (recorded in the third quarter) relate to a single recovery situation.

1) In annualised terms. In the annualisation of the indicator, a recovery of 14.2 M.€ in the third quarter related to a single situation was not annualised.

Results in the nine months ending 30 September 2017

Credit at risk at low levels and high impairments coverage

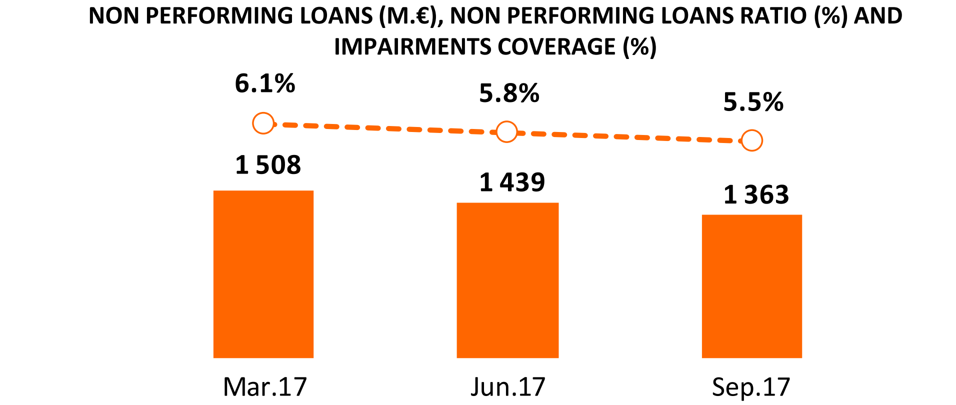
Credit at risk (Bank of Portugal rules)



	2012	2013	2014	2015	2016	Sep.17
Coverage ratio[1)]	69%	75%	81%	85%	83%	84%

Note: amounts from Dec.12 to Dec.15 relate to the domestic activity.

Non performing loans (CaixaBank definition)



	Mar.17	Jun.17	Sep.17
Coverage ratio[1)]	47%	48%	48%

Non-performing exposures - NPE (EBA criteria[2)])

	30 Sep.17
"Non-performing exposures" (NPE)	1 524 M.€
NPE ratio	5.5%
Coverage ratio[1)]	42%

Credit at risk (Bank of Portugal rules)

- Credit at risk ratio continues to decline, standing at 3.3% in Sep.17. This ratio improved significantly vis-à-vis the maximum recorded at the end of 2014 (5.0%).
- Impairments coverage of credit at risk of 84%[1)].
- Impairments coverage of credit at risk of 151%, including collateral.

Non performing loans ratio (CaixaBank definition)

- Non performing loans ratio of 5.5%; impairments coverage of 48%[1)] and of 114% by impairments including collateral

NPE ratio (EBA criteria)

- NPE ratio of 5.5%; impairments coverage of 42%[1)] and of 114% by impairments including collateral

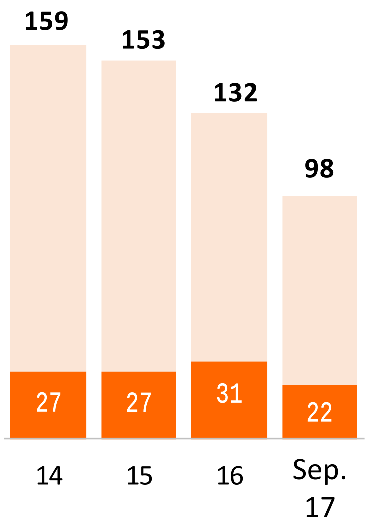
1) Cover by impairments accumulated in the balance sheet for loans and guarantees; does not consider collaterals.
2) NPE ratio considering the prudential supervision perimeter.

Foreclosed properties at very low levels in BPI

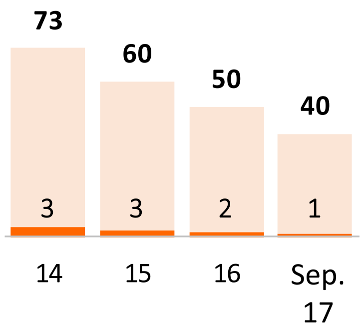
Foreclosed properties of 76 M.€ (net of impairments)

Gross book value
Net book value
Impairments

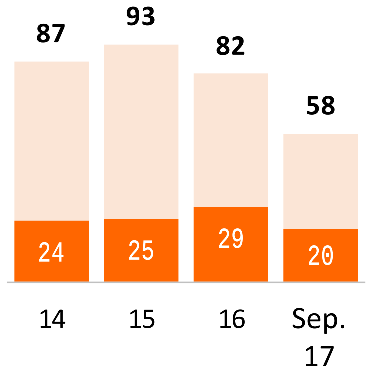
TOTAL (M.€)



MORTGAGE (M.€)



OTHER (M.€)



	TOTAL	MORTGAGE	OTHER
Impairment coverage (% gross value)	22%	3%	35%
Valuation (% net book value)	125%	128%	123%
Average age of the portfolio (years)	4.5	2.5	5.9
Stock of properties	971	608	363
- properties inflows (ytd)	194	177	17
- properties outflows (ytd)	389	319	70

MAIN RECOVERY FUNDS

	Capital subscribed
Market	**4.7 Bi.€**
By BPI	**102.5 M.€**
% BPI	**2 %**

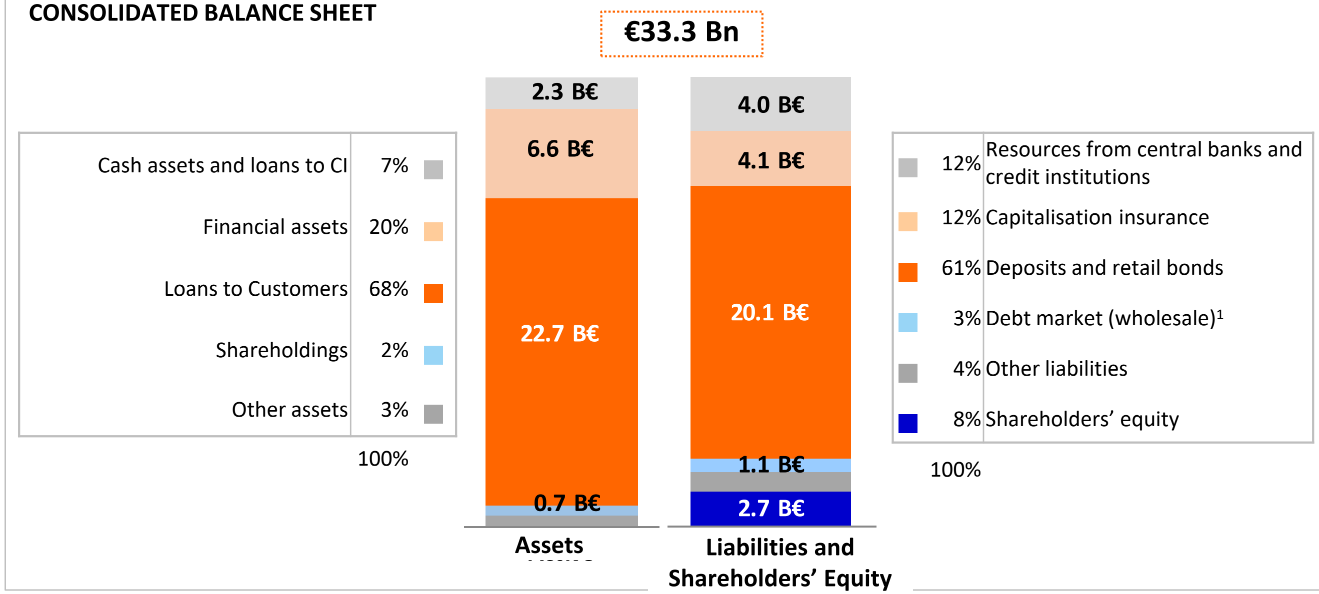
M.€	**Subs-cribed**	**Reali-sed**
FR	97.9	88.6
FRE	4.5	3.8
Total	**102.5**	**92.5**
Impairments		(33.7)
Potential capital gains / (losses)		(0.3)
Net exposure		**58.5**

RF – Recovery Fund, FCR
CRF – Corporate Restructuring Fund, FCR

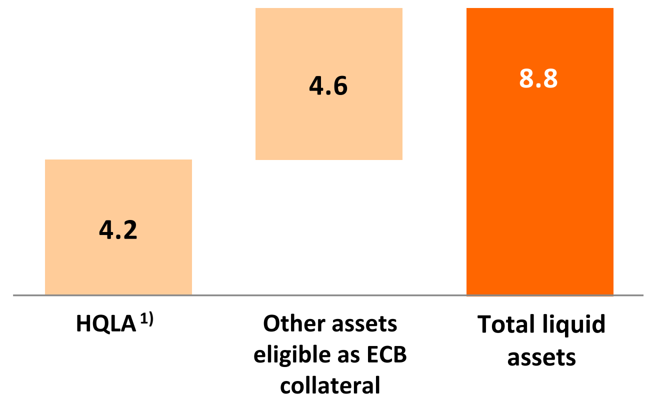
- Sale of 389 properties in the first nine months of 2017 for 48.9 M.€. Positive impact in profits before taxes of 9.3 M.€.

Balanced funding structure and comfortable liquidity position

CONSOLIDATED BALANCE SHEET



TOTAL LIQUID ASSETS
(In Bi.€, 30 Sep. 2017)



Financing with the ECB **2.0 Bi.€**

1) High Quality Liquid Asset.

COMFORTABLE LIQUIDITY METRICS

Loans/deposits (BoP supervision perimeter) **105%**

Liquidity coverage ratio **168%**

- Client Resources are the main source of funding of the Balance sheet (73% of assets).
- Loan to Deposit ratio of 105%.
- 2.0 Bi.€ of funds obtained with the ECB (TLTRO). BPI still has € 8.8 billion of high quality liquid assets and assets eligible as collateral for additional funding from the ECB.
- Portfolio of financial assets available for sale of 3.7 Bi.€, of which 2.9 Bi.€ of short term public debt and 0.5 Bi.€ of medium and long term public debt with a residual maturity of 1.6 years.
- Recourse to wholesale debt market is small (3% of assets).

M.€	Book value (M.€)	Gains/ (losses)	Residual maturity, years
Short-term public debt 3)	2 864	1	0.5
MLT public debt 4)	517	1	1.6
Equity, corporate bonds and other	352	25	
Total	**3 732**	**27**	

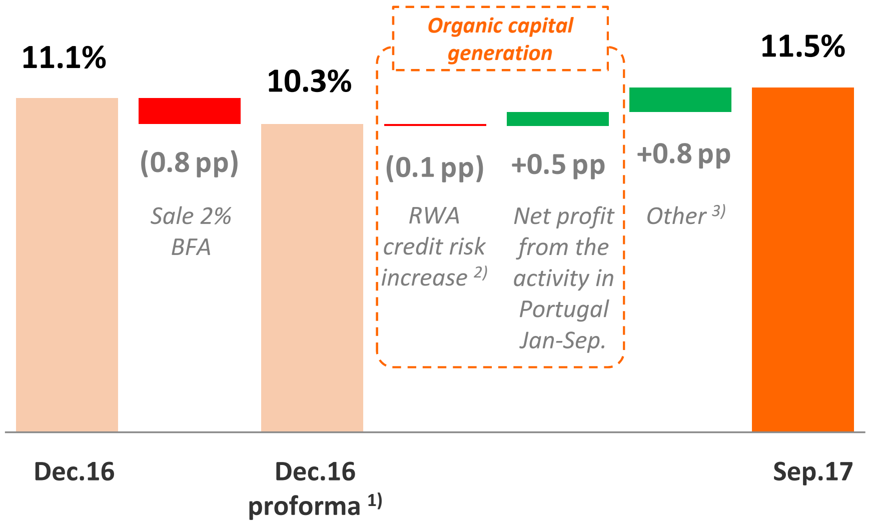
3) Portugal (92%), Italy (4.5%) and Spain (3.9%).
4) Portugal (64%), Italy (36%).

1) Includes 300 M.€ of subordinated debt issued in the 1Q17.

Common Equity Tier 1 ratio (fully loaded)

Evolution of CET1 fully loaded ratio

CONSOLIDATED CET1 RATIO (FULLY LOADED)



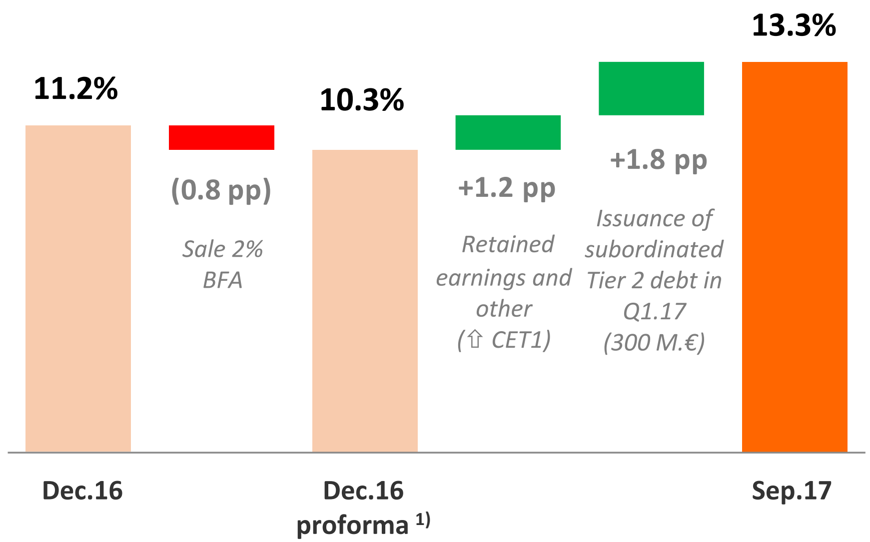
In M.€

	Dec.16	Dec.16 proforma [1]	Sep.17
CET1	2 679	1 665	1 899
RWAs	24 076	16 144	16 505

- Phasing in capital ratios: CET1 of 12.5% and total capital of 13.9%.
- BPI complies with minimum SREP requirements of CET1, T1 and total ratio.
- Fully loaded capital ratios: CET1 of 11.5% and total capital of 13.3%.
- Leverage ratio of 7.0% phase-in and 6.3% fully loaded.

Evolution of the total capital fully loaded ratio

CONSOLIDATED TOTAL CAPITAL RATIO (FULLY LOADED)



Capital ratios

CONSOLIDATED, IN 30 SEPTEMBER 2017

	Phase-in	Fully loaded
CET1	12.5%	11.5%
T1	12.5%	11.5%
Total capital	13.9%	13.3%
Leverage ratio	7.0%	6.3%

1) Excluding impact from the sale of 2% of BFA capital and deconsolidation.
2) Excluding DTA and equity risk class.
3) Includes BFA contribution (equity accounted) to consolidated net profit and other.

BPI with *investment grade* long-term ratings from two agencies

	S&P Global	Moody's	Fitch Ratings	DBRS
	... AA-, AA, AA+ and AAA	... Aa3, Aa2, Aa1 and Aaa	... AA-, AA, AA+ and AAA	... AAA, AA (high), AA, AA (low)
Investment Grade	A+	A1	A+	A (high) — BPI Mortgage Bonds
	A	A2 — BPI Mortgage Bonds	A	A
	A-	A3	A-	A (low)
	BBB+	Baa1	BBB+	BBB (high) — Bank 1
	BBB	Baa2	BBB — Bank 1	BBB
	BBB- — Portugal, BPI, Bank 1	Baa3	BBB- — BPI	BBB (low) — Portugal, Bank 2
Non-Investment grade	BB+	Ba1 — Portugal, Bank 1	BB+ — Portugal	BB (high) — Bank 3
	BB	Ba2	BB	BB — Bank 4
	BB- — Bank 3	Ba3 — BPI	BB- — Bank 2, Bank 3	BB (low)
	B+	B1 — Bank 2, Bank 3	B+	B (high)
	B	B2	B — Bank 4	B
	B-	B3 — Bank 4	B-	B (low)
	CCC+	Caa1	CCC+	CCC (high) — Bank 5
		Caa2 — Bank 5		
	... CCC, CCC-, CC, C and D	... Caa3, Ca and C	... CCC, CCC-, CC, C and D	... CCC, CCC (low), CC (high), CC, CC (low), C (high), C, C (low), D
	Investment grade BBB -		**Investment grade** BBB -	

- BPI has "investment grade" ratings from Standard & Poor's and Fitch Ratings
- BPI is one of two banks in Portugal to have investment grade ratings of 2 or more rating agencies, condition necessary to be able to grant international guarantees.

Results in the nine months ending 30 September 2017

Results in the nine months ending 30 September 2017 - Highlights

Good results from commercial activity in Portugal	Loans to companies + 320 M.€ Jan.-Set. 17	Customer resources + 1 800 M.€ Jan.-Set. 17	Financial margin + 2% 3.º trim. 2017	Commissions + 8.8% Jan.-Set. 17
Improved efficiency, risk and capitalisation	Costs - 7.6% Jan.-Set. 17	Cost-to-income 63%	Credit at risk 3.3%	CET1 FL 11.5% Total FL 13.3%
Profit increases in Portugal and in consolidated	Net profit in Portugal 152 M.€ Jan.-Set. 17	Consolidated net profit 312 M.€ Jan.-Set. 17	Ratings Investment grade	S&P BBB- Fitch BBB-

Results in the nine months ending 30 September 2017

Annexes

- Profitability, efficiency, credit quality and solvency,
  as in the Bank of Portugal's Instruction no. 23/2011
- Quarterly Income Statements, Profitability and Balance sheets
- Tables of historical reconciliation of information
- Alternative Performance Measures

Profitability, efficiency, credit quality and solvency

According to Bank of Portugal's Instruction no. 23/2011

	30 Sep. 16 as reported	30 Sep. 16 proforma	**30 Sep. 17 as reported**	**30 Sep. 17 excl. the impact of the sale of 2% BFA and deconsolidation**
Operating income from banking activity and results of equity accounted subsidiaries / ATA	3.2%	1.8%	**2.2%**	**2.9%**
Profit before taxation and income attributable to non-controlling interests / ATA	1.2%	1.2%	**0.4%**	**1.1%**
Profit before taxation and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	16.9%	16.9%	**5.2%**	**14.4%**
Personnel costs / Operating income from banking activity and results of equity accounted subsidiaries [1]	30.5%	40.6%	**37.1%**	**28.1%**
Overhead costs / Operating income from banking activity and results of equity accounted subsidiaries [1]	53.4%	69.2%	**63.5%**	**48.1%**
Loans in arrears for more than 90 days + doubtful loans / loan portfolio (gross)	4.0%		**2.8%**	
Loans in arrears for more than 90 days + doubtful loans, net of accumulated loan impairments / loan portfolio (net)	0.1%		**0.1%**	
Credit at risk as % of total loans (gross) [2]	4.8%		**3.5%**	
Credit at risk[2], net of accumulated loan impairments as % of total loans (net)	0.9%		**0.7%**	
Restructured loans as % of total loans (gross) [3]	6.5%		**6.0%**	
Restructured loans not included in credit at risk as % of total loans (gross) [3]	4.5%		**4.5%**	
Total capital ratio	11.4% [4)]		**13.9%** [5)]	
Tier I ratio	11.4% [4)]		**12.5%** [5)]	
Core Tier I ratio	11.4% [4)]		**12.5%** [5)]	
Loans (net) to deposits ratio	86%		**105%**	

1) Excluding early-retirement costs and changes to the plan (personnel costs).

2) The credit at risk is the sum of: (1) the total amount outstanding on a loan in respect of which there are instalments of principal or interest in arrears for 90 days or more; (2) the total amount outstanding on loans which have been restructured, after having been in arrears for a period of 90 days or more, without adequate reinforcement of guarantees (these should be sufficient to cover the full amount of the outstanding principal and interest) or full payment of interest and other charges in arrears; (3) the total value of loans with instalments of principal and accrued interest in arrears for less than 90 days but in respect of which there is evidence to justify their classification as credit-at-risk, namely the debtor's bankruptcy or winding up.

3) According to Bank of Portugal Instruction 32/2013.

4) According to CRD IV/CRR phasing in rules for 2016.

5) According to CRD IV/CRR phasing in rules for 2017.

Consolidated Income Statement

Captions reclassified according to the format used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted.

	Sep. 2017	3Q17	2Q17	1Q17	2016	4Q16	Sep.16 proforma [1)]	3Q16 proforma [1)]	2Q16 proforma [1)]	1Q16 proforma [1)]
Financial margin narrow sense	273.9	91.5	90.1	92.3	364.2	94.2	270.1	91.1	92.8	86.1
Technical result of insurance contracts	11.5	4.1	3.8	3.6	24.6	5.7	18.9	5.4	5.6	7.9
Net commisions relating to amortised cost	15.4	5.1	4.6	5.8	21.2	5.4	15.8	5.3	5.1	5.4
Financial margin - RCL	**300.8**	**100.7**	**98.5**	**101.6**	**410.0**	**105.3**	**304.7**	**101.8**	**103.6**	**99.4**
Income from equity instruments - RCL	6.5	0.1	6.3	0.1	8.5	4.6	3.9	0.0	3.9	0.0
Net commission income - RCL	215.7	77.4	72.2	66.1	272.8	74.5	198.3	66.3	67.4	64.6
Equity accounted results (earnings associated companies) - RCL	192.8	72.1	64.6	56.1	26.2	0.8	25.4	4.0	15.8	5.6
Net income on financial operations	22.7	7.9	7.1	7.7	48.9	17.7	31.2	6.1	28.7	(3.6)
Net operating income	(192.3)	(1.2)	(15.0)	(176.0)	(23.8)	(3.2)	(20.5)	(1.0)	(18.3)	(1.2)
Operating income from banking activity - RCL	**546.2**	**256.9**	**233.6**	**55.6**	**742.7**	**199.6**	**543.1**	**177.3**	**201.1**	**164.8**
Personnel costs	(308.9)	(67.0)	(164.1)	(77.9)	(308.0)	(79.8)	(228.2)	(76.0)	(78.3)	(74.0)
Of which: Non-recurring personnal costs[2)]	(106.3)	0.0	(95.6)	(10.7)	(16.8)	(9.3)	(7.5)	(4.7)	(2.3)	(0.6)
General administrative costs	(127.7)	(42.0)	(44.3)	(41.4)	(168.6)	(29.7)	(138.9)	(45.2)	(48.9)	(44.8)
Depreciation and amortisation	(16.6)	(5.6)	(5.5)	(5.5)	(21.4)	(5.4)	(16.0)	(5.2)	(5.3)	(5.5)
Overhead costs	**(453.2)**	**(114.5)**	**(213.9)**	**(124.7)**	**(497.9)**	**(114.8)**	**(383.1)**	**(126.3)**	**(132.5)**	**(124.2)**
Operating profit before impairments and provisions	**93.0**	**142.4**	**19.7**	**(69.1)**	**244.8**	**84.8**	**160.0**	**50.9**	**68.6**	**40.5**
Recovery of loans, interest and expenses	26.3	17.2	2.9	6.2	13.7	3.1	10.6	3.4	3.3	3.9
Impairment losses and provisions for loans and guarantees, net	(20.6)	(4.0)	(16.7)	0.1	(33.0)	3.9	(36.9)	(1.1)	(15.6)	(20.1)
Impairment losses and other provisions, net	2.2	(0.8)	(0.6)	3.5	(36.5)	2.5	(38.9)	(5.1)	(30.6)	(3.3)
Net income before income tax	**100.9**	**154.8**	**5.3**	**(59.3)**	**189.0**	**94.3**	**94.8**	**48.2**	**25.6**	**21.0**
Income tax	(78.3)	(30.5)	15.3	(63.1)	(44.7)	(6.5)	(38.2)	(15.8)	(9.0)	(13.4)
Net income from continuing operations	**22.6**	**124.3**	**20.6**	**(122.3)**	**144.4**	**87.8**	**56.5**	**32.4**	**16.6**	**7.6**
Net income from discontinued operations					337.7	84.8	252.9	89.0	87.2	76.6
Income attributable to non-controlling interests from continuing operations	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income attributable to non-controlling interests from discontinued operations					(168.8)	(42.3)	(126.5)	(44.4)	(43.6)	(38.4)
Net income	**22.6**	**124.3**	**20.6**	**(122.3)**	**313.2**	**130.3**	**182.9**	**77.0**	**60.2**	**45.8**

1) The designation "proforma" reflects the restatement of BFA's contribution to consolidated net income in conformity with IFRS 5 rules, that is recorded in the net income from discontinued operations.
2) Costs from voluntary terminations and early retirements and (only in 2016) gains with the revision of the Collective Labour Agreement (Acordo Colectivo de Trabalho - ACT).

Consolidated Balance sheet (as reported)

In M.€	30 Sep. 17	30 Jun. 17	31 Mar. 17	31 Dec. 16
Assets				
Cash and deposits at central banks	1 209.0	983.4	1 300.2	876.6
Deposits at other credit institutions	252.9	300.0	272.1	300.2
Loans and advances to credit institutions	820.8	744.6	781.8	637.6
Loans and advances to Customers	22 708.0	22 819.8	22 718.4	22 735.8
Financial assets held for trading and at fair value through profit or loss	2 858.1	2 409.7	2 421.4	2 197.9
Financial assets available for sale	3 732.1	3 779.3	3 816.9	3 876.4
Held to maturity investments	14.4	14.4	16.3	16.3
Hedging derivatives	15.2	20.4	21.1	25.8
Investments in associated companies and jointly controlled entities	749.3	675.0	681.6	175.7
Investment properties	0.0	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	0.0	0.0	0.0	6 295.9
Other tangible assets	41.7	43.7	48.0	51.0
Intangible assets	24.3	24.7	24.6	25.6
Tax assets	442.7	472.8	447.5	471.8
Other assets	410.5	463.5	426.8	598.0
Total assets	**33 279.0**	**32 751.4**	**32 976.7**	**38 284.7**
Liabilities and shareholders' equity				
Resources of central banks	2 144.2	2 145.4	1 999.5	2 000.0
Financial liabilities held for trading	179.0	185.8	208.7	212.7
Resources of other credit institutions	1 816.0	1 624.1	1 834.9	1 096.4
Resources of Customers and other debts	22 440.1	22 335.5	22 413.5	21 967.7
Debts securities	264.1	268.9	288.6	506.8
Technical provisions	1 868.3	1 923.6	1 985.2	2 048.8
Financial liabilities relating to transferred assets	492.0	511.4	525.6	555.4
Hedging derivatives	71.9	78.0	93.0	97.8
Non-current liabilities held for sale and discontinued operations	0.0	0.0	0.0	5 951.4
Provisions	66.5	68.8	69.3	70.2
Tax liabilities	71.2	67.1	66.5	22.0
Other subordinated debt and participating bonds	369.6	373.8	369.9	69.5
Other liabilities	775.3	606.7	587.3	777.4
Shareholders' equity attributable to the shareholders of BPI	2 720.9	2 560.6	2 533.0	2 440.5
Non-controlling interests	0.0	1.8	1.8	468.0
Shareholders' equity	**2 720.9**	**2 562.3**	**2 534.7**	**2 908.5**
Total liabilities and shareholders' equity	**33 279.0**	**32 751.4**	**32 976.7**	**38 284.7**

Consolidated Income Statement – Reconciliation with the structure previously used

Captions restated (RST) according to the format used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted

Income Statement – structure previously used (until 1st quarter 2017 earnings release)

Financial margin (narrow sense)
Gross margin on unit links
Income from equity instruments
Net commissions relating to amortised cost
Financial margin
Technical result of insurance contracts
Net commission income
Net income on financial operations
Net operating income
Operating income from banking activity
Personnel costs
Of which: non-recurring personnel costs [1)]
General administrative costs
Depreciation and amortisation
Overhead costs
Operating profit before impairments and provisions
Recovery of loans, interest and expenses
Impairment losses and provisions for loans and guarantees, net
Impairment losses and other provisions, net
Net income before income tax
Income tax
Earnings of associated companies (equity method)
Net income from continuing operations
Net income from discontinued operations
Income attribut. to non-controlling interests from continuing operations
Income attribut. to non-controlling interests from discontinued operations
Net Income

Income Statement – structure adopted in 1st half 2017 (according to the format used by CaixaBank, BPI's consolidating entity)

Financial margin (narrow sense)
Technical result of insurance contracts
Net commissions relating to amortised cost
Financial margin - RCL
Income from equity instruments - **RCL**
Net commission income - **RCL**
Equity accounted results - **RCL**
Net income on financial operations
Net operating income
Operating income from banking activity - RCL
Personnel costs
Of which: non-recurring personnel costs [1)]
General administrative costs
Depreciation and amortisation
Overhead costs
Operating profit before impairments and provisions
Recovery of loans, interest and expenses
Impairment losses and provisions for loans and guarantees, net
Impairment losses and other provisions, net
Net income before income tax
Income tax
Net income from continuing operations
Net income from discontinued operations
Income attribut. to non-controlling interests from continuing operations
Income attribut. to non-controlling interests from discontinued operations
Net Income

1) Costs from voluntary terminations and early retirements.

Customer resources - reconciliation with the structure previously used

Similar structure to the one used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted.

Customer Resources – structure previously used
(until 1st quarter 2017 earnings release)

Customer resources (not corrected by duplications nor deducted of placements of pension fund under mgt. in balance sheet resources)
On-balance sheet resources
Customers' deposits
Bonds placed with Customers and other
Deposits and Bonds
Insurance capitalisation and other
Unit links insurance capitalisation
"Aforro" insurance capitalis. products and other
Participating units in consolidated trust funds
On-balance sheet resources
Off-balance sheet resources
Unit trust funds, PPR and PPA
BPI Suisse
Off-balance sheet resources
TOTAL CUSTOMER RESOURCES
Other customer resources
Public offerings
Third-party funds placed with customers
Other customer securities 2)
OTHER CUSTOMER RESOURCES
Total
Pension Funds
BPI Group
Other

Other resources

Customer Resources – structure adopted in 1st half 2017
(close to the format used by CaixaBank, BPI's consolidating entity)

Customer resources (not corrected by duplications nor deducted of placements of pension fund under mgt. in balance sheet resources)
I. On balance sheet resources
Deposits
Sight and term-deposits
Retail bonds
Interests from deposits
Capitalisation insurance and other
II. Assets under management
Mutual funds
Pension plans
III. Public offerings
Total

1) Placements of investment funds managed by BPI Group in on-balance sheet resources.
2) Excludes BPI securities.

Loan portfolio - Reconciliation with the structure previously used

Similar structure to the one used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted.

Gross loan portfolio – structure previously used
(until 1st quarter 2017 earnings release)

Gross loan portfolio – structure adopted in the 1st half 2017
(close to the format used by CaixaBank, BPI's consolidating entity)

Gross loan portfolio
Corporate banking
Large companies
Medium-sized companies
Project Finance - Portugal
Madrid branch
Project Finance
Corporates
Public Sector
Central Administration
Regional and local administrations
State Corporate Sector - in the budget perimeter
State Corporate Sector - outside the budget perimeter
Other Institutional
Individuals and Small Businesses Banking
Mortgage loans to individuals
Consumer credit / other purposes
Credit Cards
Car financing
Small businesses
BPI Vida e Pensões
Other
Other loans
Interests and other
Total

Gross loan portfolio
I. Loans to individuals
Mortgage loans
Other loans to individuals
II. Loans to Companies
Large and medium sized corporates
Small businesses
Total Companies in Portugal
Project finance and Madrid Branch
III. BPI Vida e Pensões portfolio
IV. Public sector
V. Other
Total

ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information prepared in accordance with the International Financial Reporting Standards (IFRS), BPI uses a number of indicators in the analysis of the performance and financial position which are classified as Alternative Performance Indicators (APM) in accordance with the guidelines set by the European Securities and Markets Authority or ESMA about the disclosure of Alternative Performance Measures by entities published on 5 October 2015 (ESMA / 2015/ 1415). These indicators, which were not audited, are considered additional disclosures and in no case replace the financial information prepared in accordance with the IFRS. In addition, the way Banco BPI defined and calculated these indicators may differ from the way similar indicators are computed by other companies and may therefore not be comparable. The following is a list of alternative performance indicators used by BPI, together with a reconciliation between certain management indicators and the consolidated financial statements and their notes prepared in accordance with IFRS.

EARNINGS, EFFICIENCY AND PROFITABILITY INDICATORS

Financial margin (RCL) = Financial margin (narrow sense) + Technical result of insurance contracts + Commissions relating to amortised cost

Net commissions (RCL) = Net commissions + Gross margin on unit links

Operating income from banking activity (RCL) = Financial margin (RCL) + Income from equity instruments (RCL) + Net commissions income (RCL) + Equity accounted results (RCL) + Net income on financial operations + Net operating income

Commercial banking income = Financial margin (RCL) + Income from equity instruments (RCL) + Net commissions income (RCL) + Equity accounted results (RCL) excluding the contribution of stakes in African banks

Overhead costs = Personnel costs + General administrative expenses + Depreciation and amortisation

Adjusted overhead costs = Personnel costs excluding cost with early retirements and voluntary terminations and (only in 2016) gains with the revision of the Collective Labour Agreement (ACT) + General administrative expenses + Depreciation and amortisation

Operating profit before impairments and provisions (RCL) = Operating income from banking activity (RCL) - Overhead costs

Net income before income tax (RCL) = Operating profit (RCL) + Recovery of loans, interest and expenses - Impairment losses and provisions for loans and guarantees, net - Impairment losses and other provisions, net

Cost-to-income ratio (efficiency ratio) [1)] = Overhead costs / Operating income from banking activity (RCL)

Adjusted overhead costs-to-commercial banking income [1)] = Overhead costs, excluding costs with early-retirements and voluntary terminations and (only in 2016) gains with the revision of the Collective Labour Agreement (ACT) / Commercial banking income

Return on Equity (ROE) [1)] **=** Net income for the period / Average value in the period of shareholders' equity attributable to BPI shareholders after deduction of the fair value reserve (net of deferred taxes) related to available-for-sale financial assets

Return on Tangible Equity (ROTE) [1)] **=** Net income for the period / Average value in the period of shareholders' equity attributable to BPI shareholders after deduction of intangible net assets and the fair value reserve (after deferred taxes) related to the financial assets available for sale portfolio.

Return on Assets (ROA) [1)] **=** (Net income attributable to BPI shareholders + Income attributable to non-controlling interests - preference shares dividends paid / Average value in the period of net total assets

Intermediation margin = Loan portfolio average interest rate - Deposits average interest rate

Note:
The term **"RCL"** or **"Reclassified captions"** identifies income and costs captions that have been reclassified in this earnings release, and repositioned in the structure of the income statement according to the format used by CaixaBank (BPI's consolidating entity). The underlying accounting criteria were not affected by the change in the format adopted.

1) Ratio referring to the last 12 months, except when indicated otherwise.
The ratio can be computed for the cumulative period since the beginning of the year, in annualised terms, the cases in which it will be clearly marked.

ALTERNATIVE PERFORMANCE MEASURES

BALANCE SHEET AND FUNDING INDICATORS

On-balance sheet Customer resources = Deposits + Capitalisation insurance and others

Note: The amount of on-balance sheet Customer resources is not deducted from the applications of off-balance sheets products (mutual funds and pension plans) in on-balance sheet products.

Being:

- Deposits = Sight deposits and other + Time and savings deposits + Accrued interest + Bonds placed with customers (Fixed / variable rate bonds and structured products placed with Customers + Deposits certificates + Subordinated bonds placed with Customers)

- Capitalisation insurance and others = Unit links insurance capitalisation + "Aforro" capitalisation insurance and others (Technical provisions + Guaranteed rate and guaranteed retirement insurance capitalisation) + Participating units in consolidated mutual funds

Assets under management = Mutual funds + Pension plans

Note: Amounts deducted from participating units in the Group banks' portfolios and from off-balance sheet products investments (mutual funds and pension plans) in other off-balance sheet products.

- Mutual funds = Unit trust funds + Real estate investment funds + Retirement-savings and equity-savings plans (PPR and PPA) + Hedge funds + Funds assets under BPI Suisse management + Third-party unit trust funds placed with Customers

- Pension plans = pension plans under BPI management (includes pension plans of BPI Group)

Subscriptions in public offerings = Customers subscriptions in third parties' public offerings

Total Customer Resources = On-balance sheet Customer Resources + Assets under management + Subscriptions in public offerings

Loan-to-deposit ratio = Net loans to Customers / Customer deposits

ASSET QUALITY INDICATORS

Impairments for loans and guarantees as % of the loan portfolio [1)]= Impairment losses and provisions for loans and guarantees, net / Average value in the period of the performing loan portfolio

Cost of credit risk as % of the loan portfolio [1)]= (Impairments and provisions for loans and guarantees, net - Recovery of loans, interest and expenses) / Average value in the period of the performing loan portfolio

Performing Loans portfolio = Gross customer loans - (Overdue loans and interest + Receivable interests and other)

Credit at risk ratio (consolidation perimeter IAS / IFRS) = Credit at risk / Gross loan portfolio

Note: the consolidated financial information prepared in accordance with IAS / IFRS rules is used in the calculation of the indicator.
For the disclosure of the indicators defined in Bank of Portugal Instruction 16/2004, the Bank of Portugal's supervision perimeter is considered in their calculation, which, in the case of BPI, implies that BPI Vida e Pensões be recognised through the equity method (whereas under IAS / IFRS accounting rules that company is fully consolidated).

Coverage of credit at risk by impairments = (Loan impairments + Impairments and provisions for guarantees and commitments) / Credit at risk

Coverage of credit at risk by impairments and associated collateral = (Loan impairments + Impairments and provisions for guarantees and commitments + Collateral associated to credit) / Credit at risk

Non performing loans ratio = Non performing loans (CaixaBank criteria) / (Gross customer loans + guarantees)

Non performing loans coverage ratio = (Loans impairments + Impairments and provisions for guarantees and commitments) / Non performing loans (CaixaBank criteria)

Coverage of non performing loans by impairments and associated collateral = (Loans impairments + Impairments and provisions for guarantees and commitments + Collateral associated to credit) / Non performing loans (CaixaBank criteria)

Impairments cover of foreclosed properties = Impairments for foreclosed properties / Gross value of foreclosed properties

1) Ratio referring to the last 12 months, except when indicated otherwise.
2) The ratio can be computed for the cumulative period since the beginning of the year or for the quarter, both in annualised terms, the cases in which it will be clearly marked.

ALTERNATIVE PERFORMANCE MEASURES

MARKET INDICATORS

Earnings per share (EPS) = Net income / Weighted average no. of shares in the period (basic or diluted)

The earnings per shares (basic or diluted) is calculated in accordance with IAS 33 - Earnings per share.

Cash-flow after taxes (CF per share or CFPS) = Cash-flow after taxes / Weighted average no. of shares in the period.
Note: the denominator corresponds to the weighted average no. of shares used in the calculation of earnings per share (basic or diluted).

Book value per share (BV per share or BVPS) = Shareholders' equity attributable to BPI shareholders / No. of shares at the end of the period
Note: the denominator corresponds to the outstanding number of shares after deducting the treasury stocks portfolio and is adjusted for capital increases, whether by incorporation of reserves (bonus issue) or subscription reserved for shareholders (rights issue), amongst other events, in a similar way to the calculation of earnings per share.

Price to earnings ratio (PER) = Stock market share price / Earnings per share (EPS)

Price to cash flow (PCH) = Stock market share price / Cash-flow after taxes (CFPS)

Price to book value (PBV) = Stock market share price / Book value per share (BVPS)

Earnings yield = Earnings per share (EPS) in the year / Stock market share price (at beginning or end of the year)

Dividend yield = Dividend per share relating to the year / Stock market share price (at beginning or end of the year)

Investor Relations

Tel. +351 226 073 337

E-mail: investor.relations@bancobpi.pt

Website: www.ir.bpi.pt

Ricardo Araújo (IR Officer)

Tel: +351 226 073 119

E-mail: luis.ricardo.araujo@bancobpi.pt

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