

BANCO BPI, S.A.

Registered office: Rua Tenente Valadim, 284, Porto

Registered at Commercial Registry of Porto under

Unique taxpayer reference number 501 214 534

Share capital: € 1 293 063 324.98

ANNOUNCEMENT

Banco BPI informs that it has been notified of the European Central Bank's (ECB) decision regarding minimum prudential requirements to be fulfilled from the 1st of January 2019 onwards, a decision based on the results of the Supervisory Review and Evaluation Process (SREP). In addition, Bank of Portugal announced, in a statement, the capital buffer required to Banco BPI as "Other Systemically Important Institution" (O-SII).

Regarding the minimum own funds requirements to be observed from the referred date, the SREP's decision determines the following minimum ratios, calculated relative to the total risk weighted assets (RWA):

	Capital ratios at 31.12.2018	Minimum capital ratios requirements ⁽²⁾							
Banco BPI consolidated	Fully loaded ⁽¹⁾	Phase-in	Of which:			Fully loaded	Of which:		
			Pillar 1	Pillar 2	Buffers ⁽³⁾		Pillar 1	Pillar 2	Buffers ⁽³⁾
CET1	13.2%	9.25%	4.5%	2.0%	2.75%	9.5%	4.5%	2.0%	3.0%
T1	13.2%	10.75%	6.0%	2.0%	2.75%	11.0%	6.0%	2.0%	3.0%
Total ratio	14.9%	12.75%	8.0%	2.0%	2.75%	13.0%	8.0%	2.0%	3.0%

(1) As from the 1st January 2018, Banco BPI calculates the capital ratios as fully loaded only.

(2) The SREP Decision for 2019 only applies to Banco BPI's ratios on a consolidated basis. Thus, from the 1st January 2019, the CET1 requirement on an individual basis is 7.25%, less restrictive than the consolidated one. At 31 December 2018, CET1 fully loaded on an individual basis was 12.8%.

(3) The capital conservation buffer for 2019 is 2.5%, reaching the maximum foreseen for this buffer. The counter-cyclical buffer is kept at 0% for Portugal. The O-SII buffer increases linearly over 4 years starting in 2018 to reach 0.5% by 2021, standing at 0.25% in 2019.

According to the ECB's decision under the SREP, the Pillar 2 requirement for Banco BPI in 2019 is 2%, which corresponds to a 0.25 p.p. decrease relative to 2018.

Taking into account the ratios calculated as of 31 December 2018, Banco BPI complies with the new minimum capital requirements for CET1 (Common Equity Tier 1), Tier 1 and total ratios.

Porto, 20 February 2019