

EARNINGS PRESENTATION

3M 2019



AGILE



MODERN



PERSONAL



SIMPLE



SUSTAINABLE

Disclaimer

- The information in this presentation has been prepared under the scope of the International Financial Reporting Standards ('IFRS') of BCP Group for the purposes of the preparation of the consolidated financial statements under Regulation (CE) 1606/2002, as amended.
- The figures presented do not constitute any form of commitment by BCP in regard to future earnings.
- Figures for the first three months of 2019 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

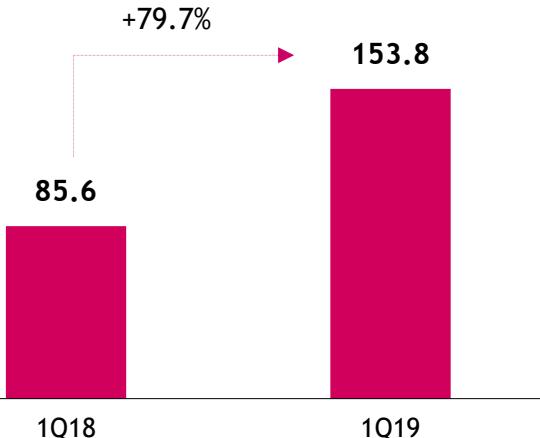
- Highlights
- Group
 - Profitability
 - Business activity
 - Capital
- Portugal
- International operations
- Key figures

Highlights

- ① Improved profitability, with net earnings of €153.8 million in the 1st quarter of 2019
- ② Contribution of activity in Portugal of €94.3 million, more than doubling the contribution of the first 3 months of 2018

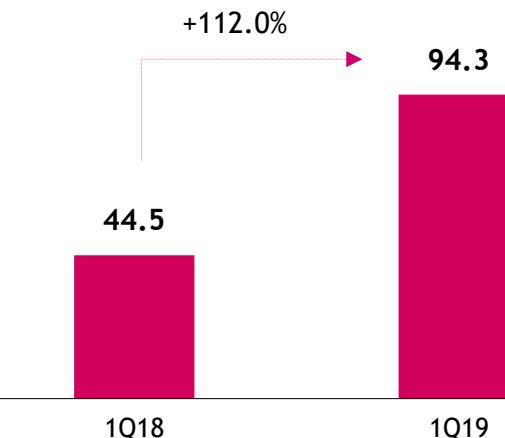
① Improved profitability

(Consolidated net earnings, million euros)



② Net earnings in Portugal more than double

(Net earnings in Portugal, million euros)

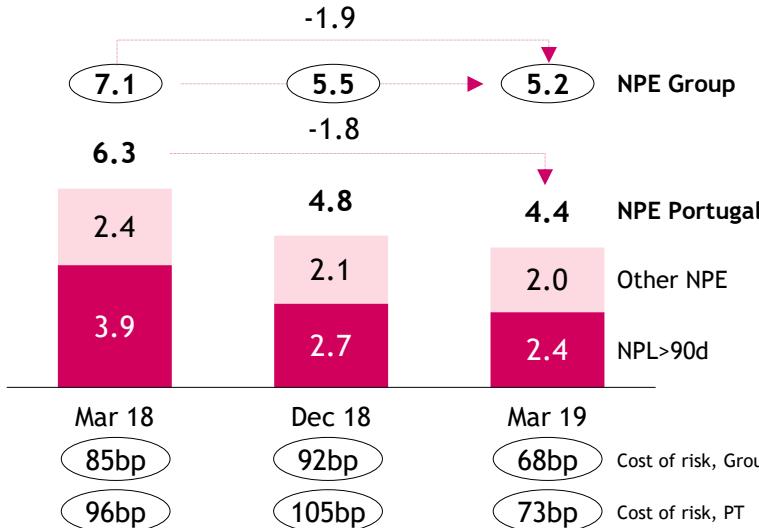


Highlights

- ③ Improved credit quality, with decreasing NPEs (-€1.9 billion from March 31, 2018) and cost of risk (68bp in the 1st quarter of 2019)
- ④ NPE coverage by loan-loss reserves increases to 55%, total* coverage rises to 110%

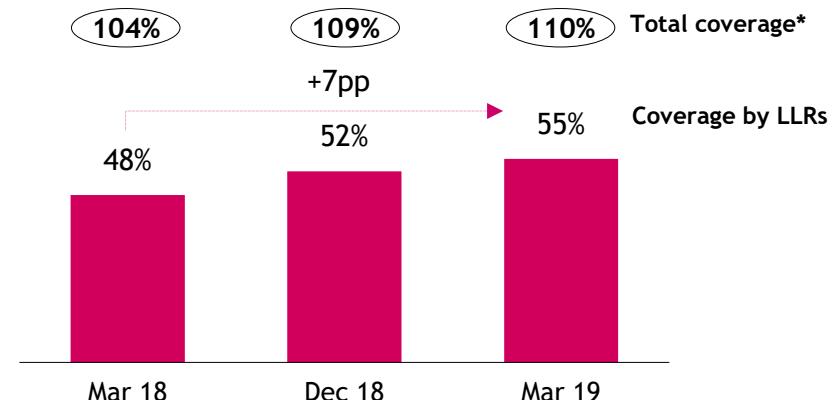
③ Improved asset quality

(Non-performing exposures, billion euros)



④ Increased NPE coverage

(As a % of non-performing exposures)



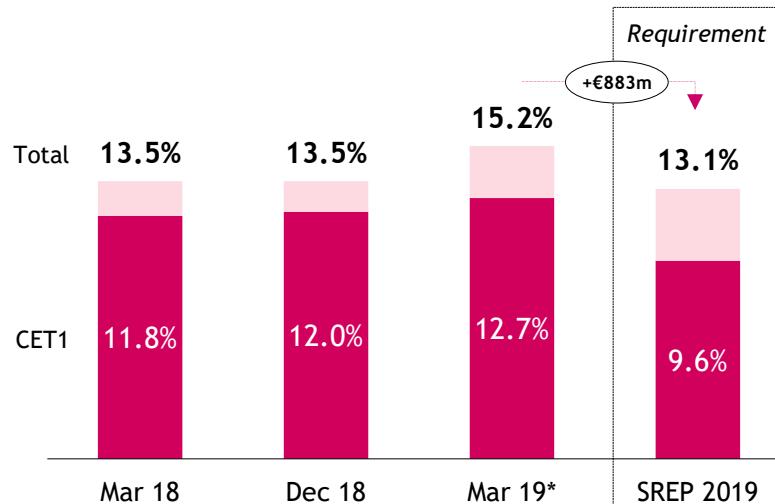
*By loan-loss reserves, expected loss gap and collaterals.

Highlights

- 5 Capital ratio raised to 15.2%*, boosted by earnings in the last 12 months and by AT1 issue in January 2019, and comfortably above SREP requirements
- 6 Increasing business volumes, with performing loans up by €2.4 billion and total Customers funds up €3.7 billion from March 31, 2018

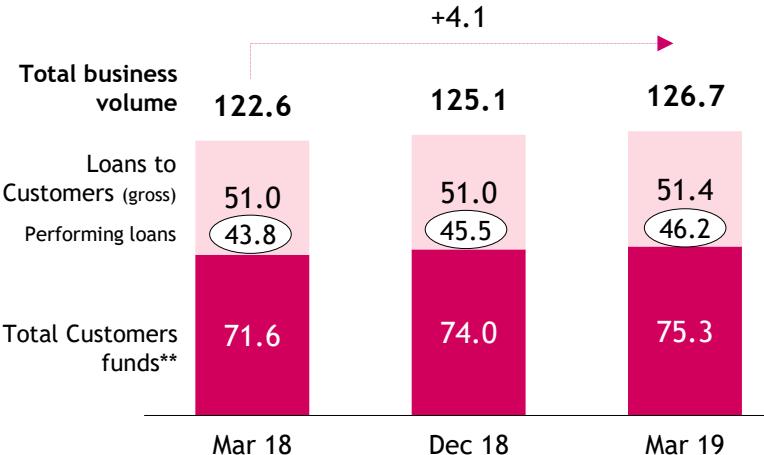
5 Strengthened capital

(Fully implemented capital ratio)



6 Increasing business volumes

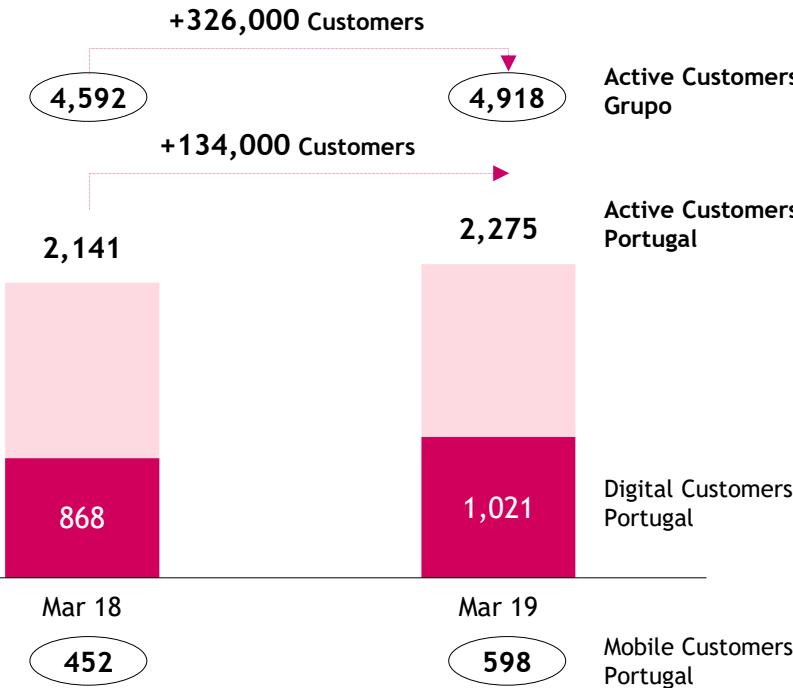
(Consolidated, billion euros)



Highlights

7 Growing active Customer base*

('000 Customers)



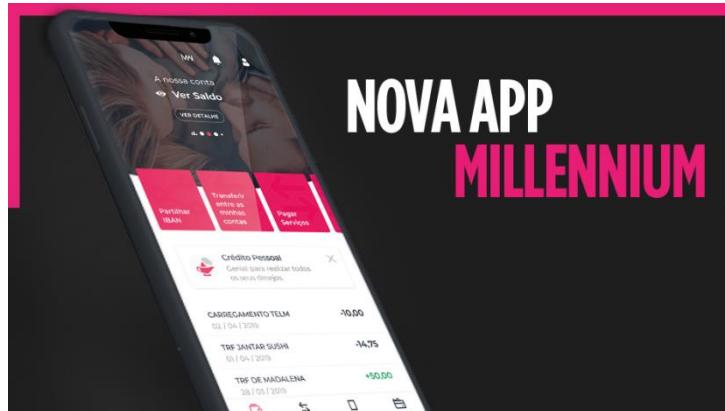
*Customer counting criteria used in the 2021 Strategic Plan.

**Top ranked among the top 5 banks in all 3 categories (current accounts, personal loans and mortgage loans) of Customer complaints.

- +326,000 active Customers from March 31, 2018, of which 134,000 in Portugal
- Best ranked bank (among the top 5 banks) in Bank of Portugal's 2018 Behavioural Supervision Report**
- Customer acquisition supported by innovating digital solutions, among which a new Millennium app and a new Mtrader app in Portugal

Highlights

New digital solutions support transformation process



- Faster, simpler and more intuitive
- Created based on Customers' ideas and experience: **an app that's focused on Customers and their needs**
- Always visible menu bar, bureaucracy-free online personal and car loans, real time alerts, privacy mode (app can be used in public without revealing account information), easier and quicker savings
- Launched on April 26th on (App Store and Google Play)



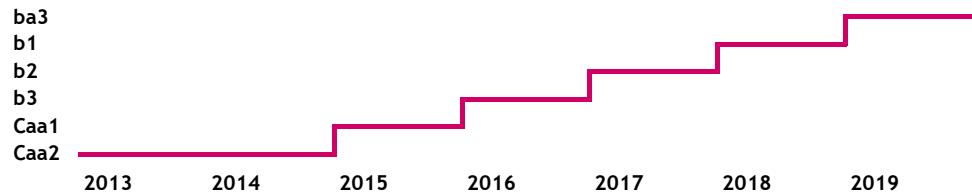
- Simple and intuitive layout, including both **information and trading** under a single app
- Real-time **streaming** of main world markets and access to order book
- **Quick trading** to accelerate the placement of market orders, with trading performed directly through the app
- **News and research**, dividend map and events calendar

Highlights

8 Recent rating upgrades recognise Millennium bcp's improvement over the last years

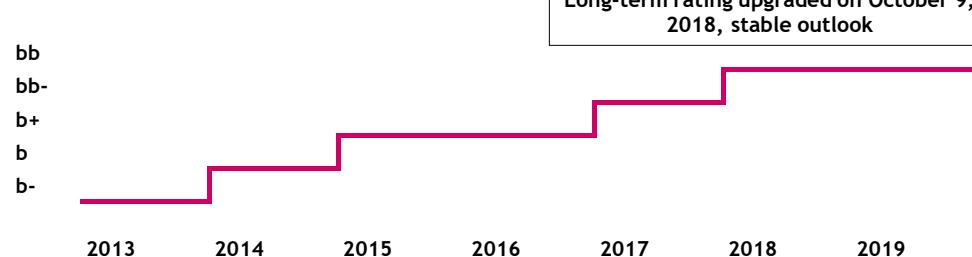
Moody's

Baseline Credit Assessment



Standard & Poor's

Stand-Alone Credit Profile



- Most recent rating upgrade: Moody's (April 1, 2019)
- Moody's rating action reflects Millennium bcp's improved credit profile through a significant reduction of the stock of problematic assets and enhanced domestic profitability, as well as Moody's expectation that the bank's financial fundamentals will further progress in 2019
- The intrinsic rating of BCP was upgraded by 5 notches by Moody's and by 4 notches by S&P since 2013

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Profit of €153.8 million in the 1st quarter of 2019

(million euros)	1Q18	1Q19	YoY	Impact on earnings
Net interest income	344.8	362.7	+5.2%	+17.9
Commissions	167.8	166.6	-0.7%	-1.2
Core income	512.6	529.3	+3.3%	+16.7
Other income*	25.2	68.3	+171.4%	+43.2
Banking income	537.8	597.7	+11.1%	+59.9
Operating costs	-246.0	-259.5	+5.5%	-13.5
Of which: recurring	-242.6	-253.5	+4.5%	-10.9
Of which: non-usual items**	-3.5	-6.0	+73.8%	-2.6
Operating net income	291.8	338.1	+15.9%	+46.4
Impairment and provisions	-129.9	-103.9	-20.0%	+26.0
Net income before income tax	161.8	234.2	+44.7%	+72.4
Income taxes, non-controlling interests and discontinued operations	-76.2	-80.4	+5.4%	-4.1
Net income	85.6	153.8	+79.7%	+68.3

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

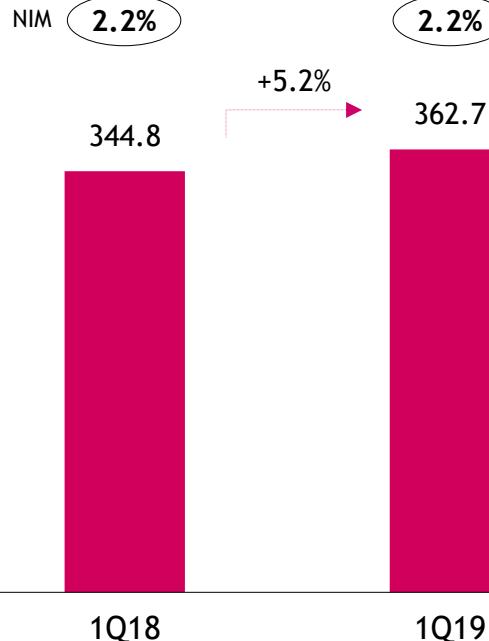
**Staff costs.

Net interest income increases

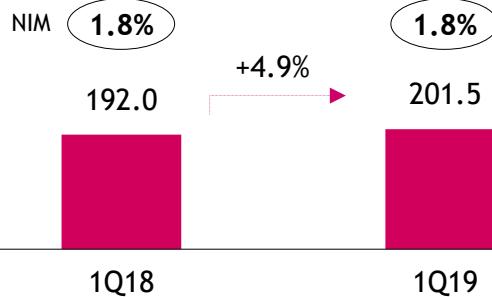
(Million euros)

Net interest income

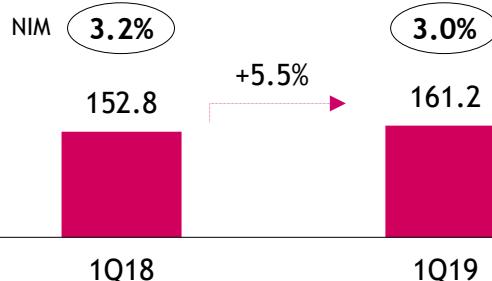
Consolidated



Portugal

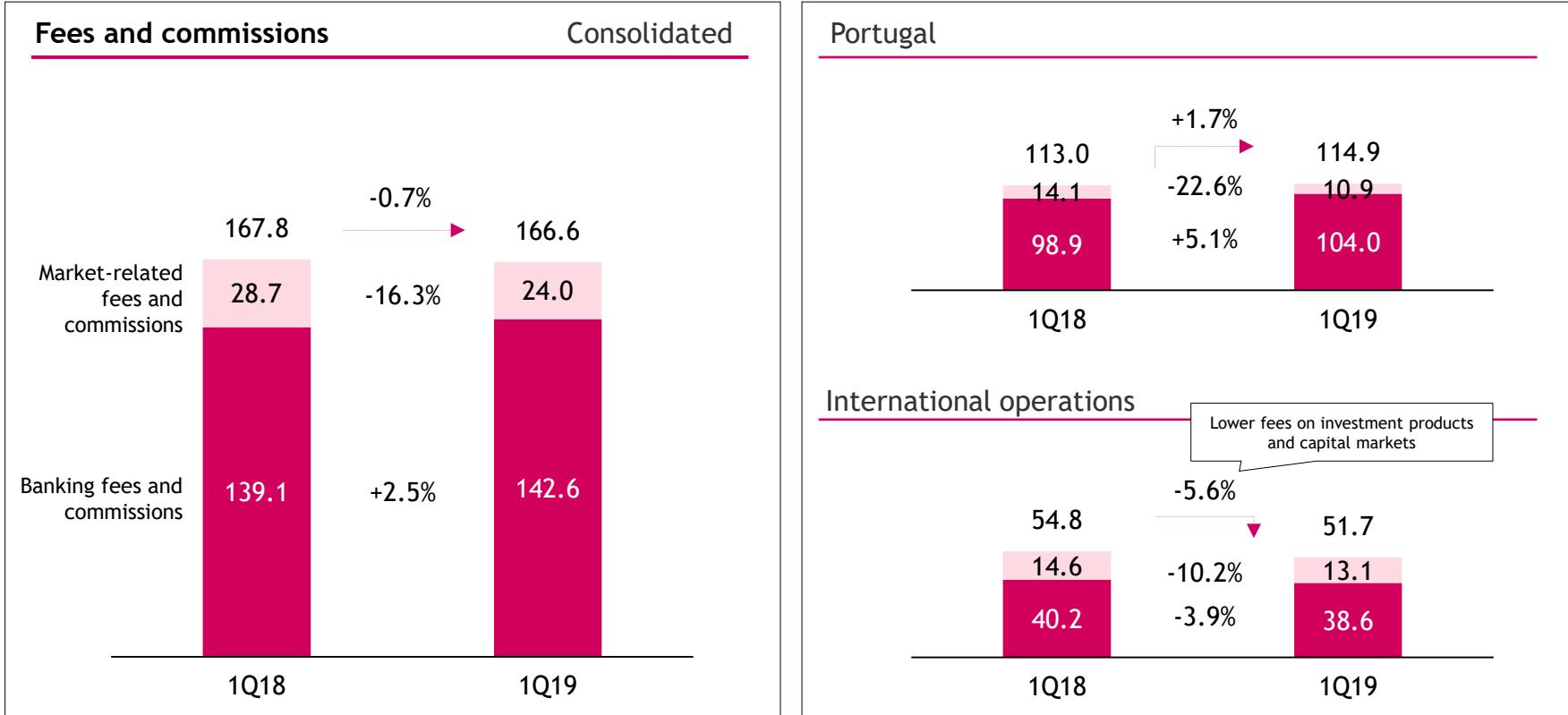


International operations



Fees and commissions: in Portugal, stronger banking business more than compensates for lower market-related fees and commissions

(Million euros)

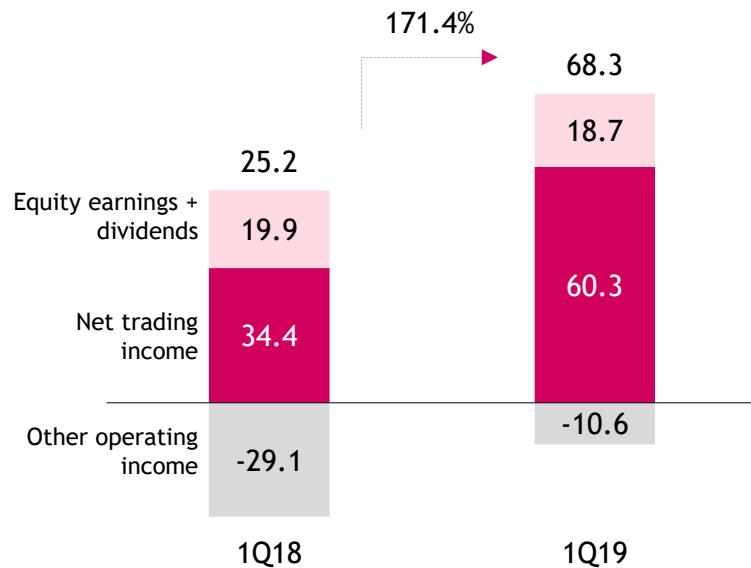


Other income* expands significantly

(Million euros)

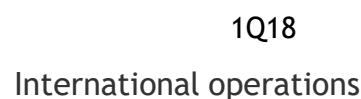
Other income*

Consolidated



Portugal

+135.1%



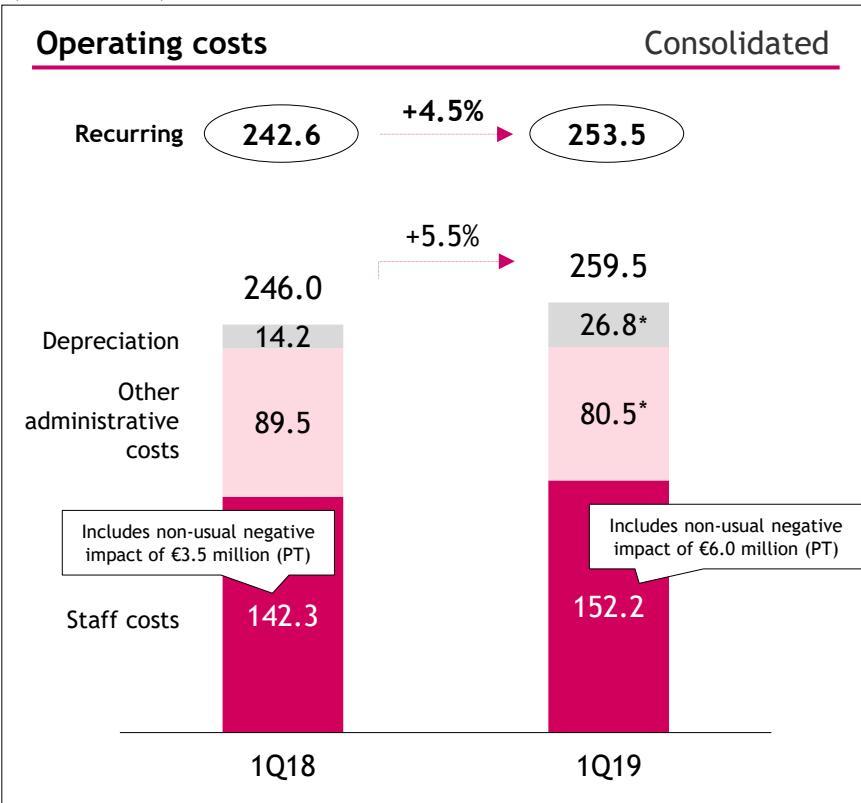
International operations

1.9

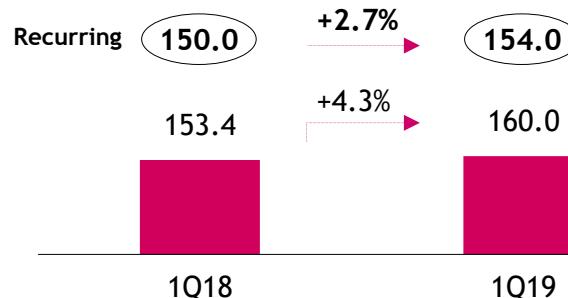


Recurring operating costs under control

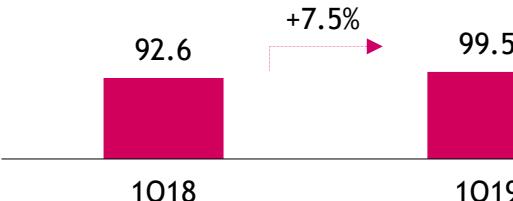
(Million euros)



Portugal



International operations



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

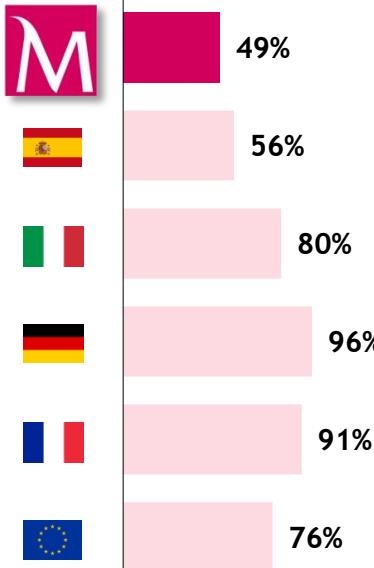
Cost to core income*

Latest available information

vs. peers in
Portugal



vs. Euro-zone
banks



Cost to core income*

80% -4pp 76%

86% -37pp 49%
48% excluding
non-usual items

2013

1Q19

Cost to income

67% -2pp 65%

73% -30pp 43%
42% excluding
non-usual items

2013

1Q19



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

Cost of risk continues trending to normalisation

(Million euros)

Impairment and provision charges

Cost of risk

85bp

Consolidated

129.9

-20.0%

68bp

Other

23.9

103.9

Loans

106.0

17.4

86.5

1Q18

1Q19

Loan-loss reserves

3,447

2,826

Portugal

Cost of risk

96bp

108.0

Other

19.0

Loans

89.0

-17.2%

73bp

89.4

21.4

68.0

1Q18
Loan-loss reserves

2,915

2,310

International operations

Cost of risk

53bp

22.0

Other

4.9

Loans

17.1

-33.8%

54bp

14.5

18.5

-4.0

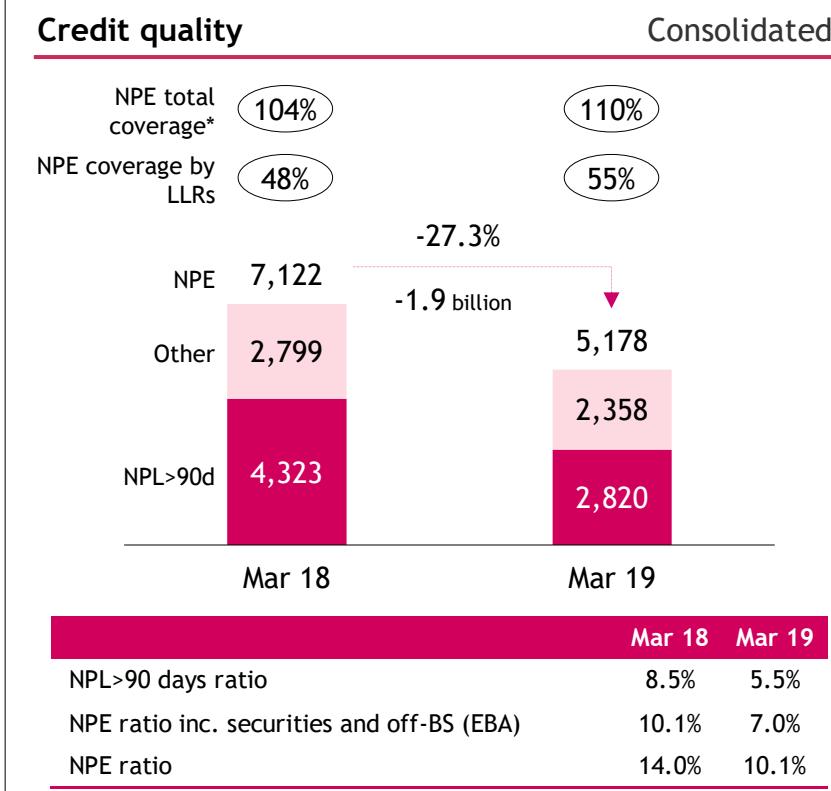
1Q18
Loan-loss reserves

532

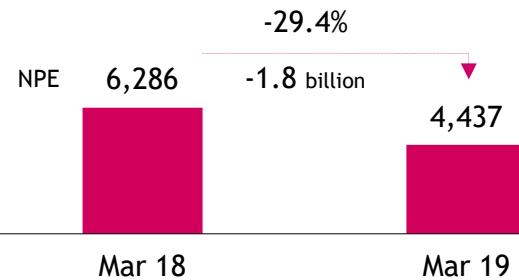
516

Relevant NPE reduction and strengthened coverage

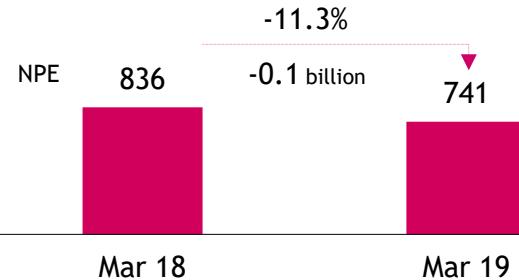
(Million euros)



Portugal



International operations



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

Agenda

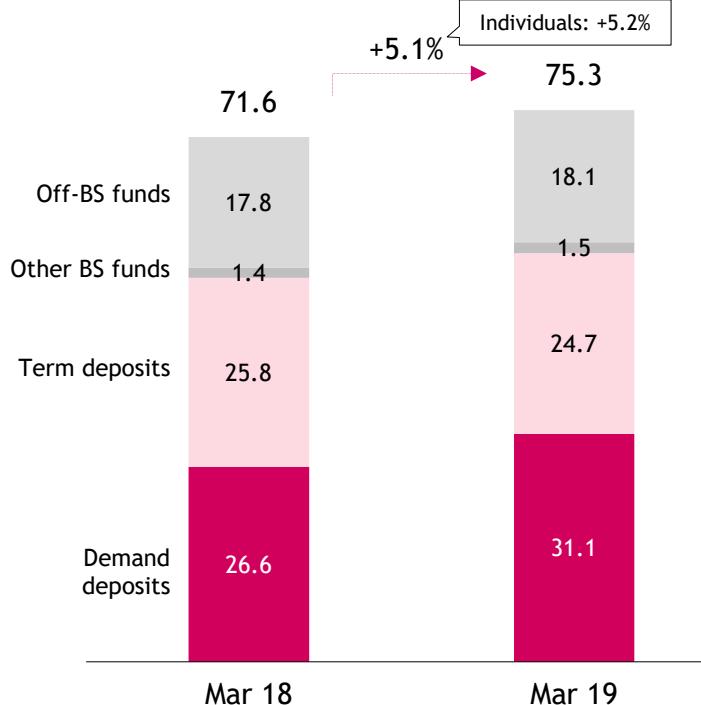
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Strong business dynamics results in growing Customer funds...

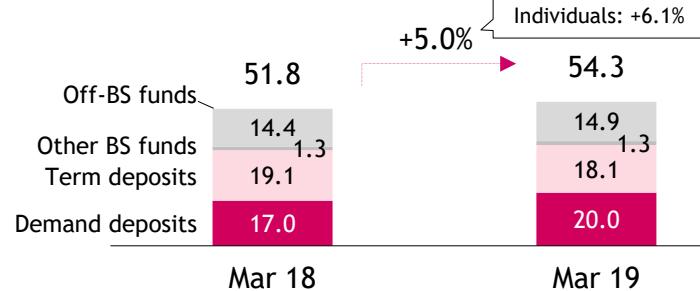
(Billion euros)

Total Customers funds*

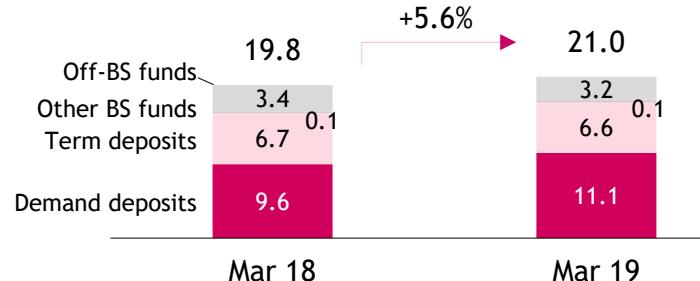
Consolidated



Total Customers funds* in Portugal



Total Customer funds* international operations



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

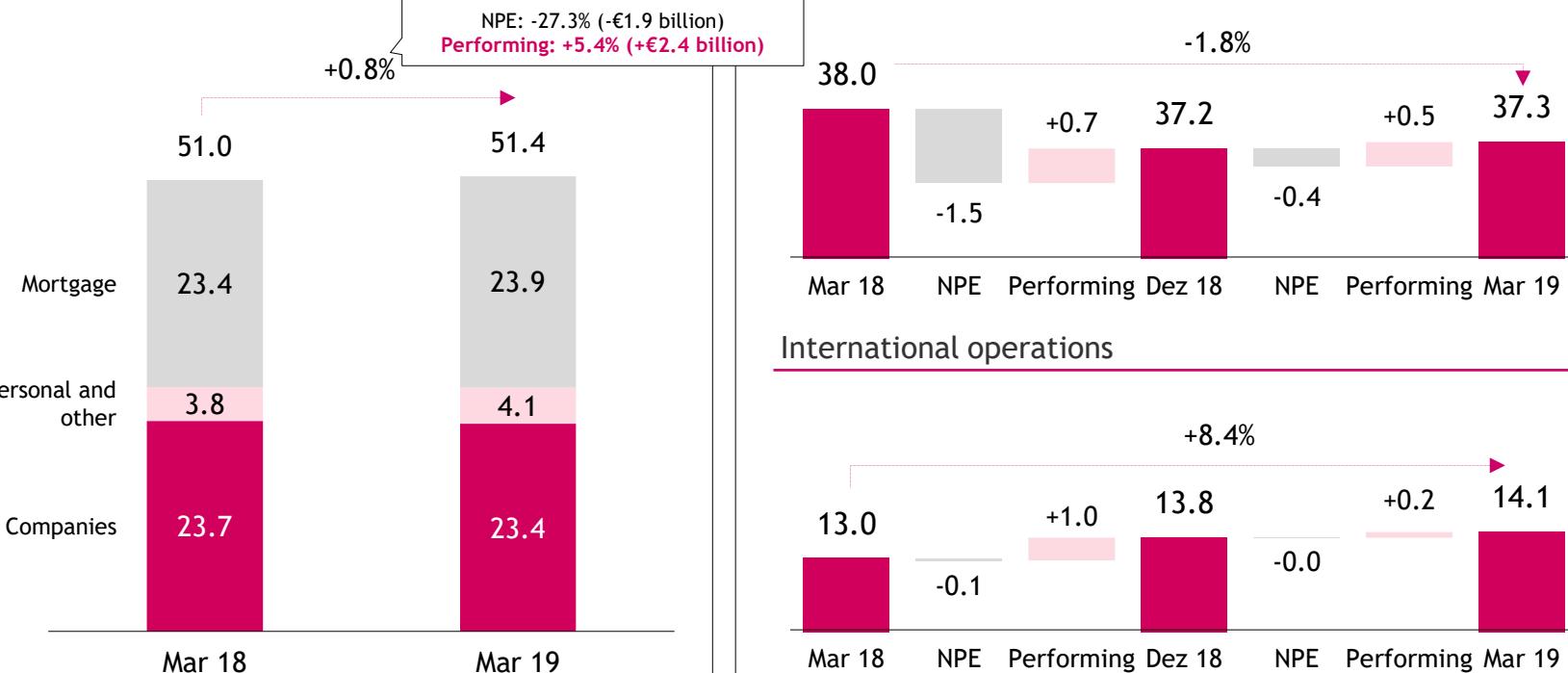
... together with an increasing loan portfolio

(Billion euros)

Loans to Customers (gross)

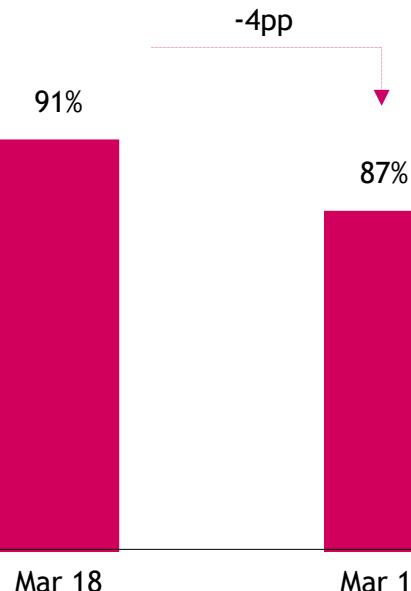
Consolidated

Portugal



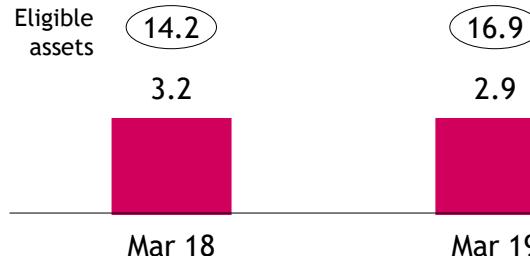
Comfortable liquidity position

Net loans to deposits ratio

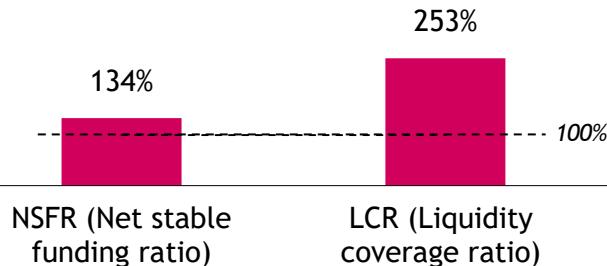


ECB funding

(Billion euros)



Liquidity ratios (CRD IV/CRR)



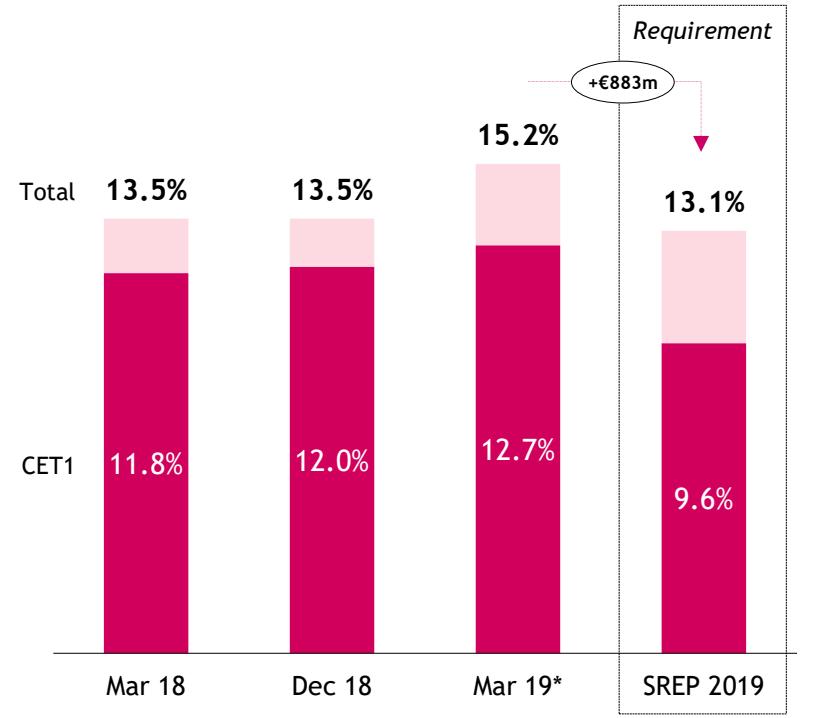
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Strengthened capital

Capital ratio

Fully implemented

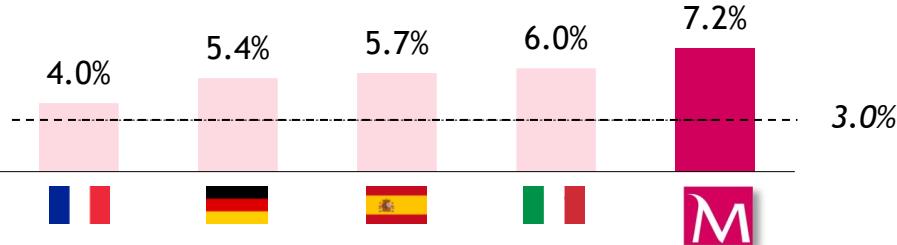


- **CET1 capital ratio of 12.7%*** (fully implemented) as of March 31, 2019
- Increase from 11.8% as of March 31, 2018 and from 12.0% as of December 31, 2018 due to earnings for the last 4 quarters and lower DTA deductions, partially offset by increased risk-weighted assets
- **Total capital ratio of 15.2%*** (fully implemented) as of March 31, 2019, boosted by the AT1 issue completed in January 31, 2019, and comfortably above SREP requirements

Capital at adequate levels

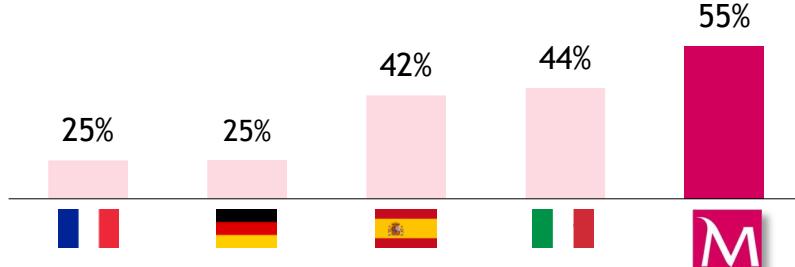
Leverage ratio

Fully implemented, latest available data



RWA density

RWAs as % of assets, latest available data



- Leverage ratio at 7.2% as of March 31, 2019, a comfortable and comparatively strong figure in European banking
- High RWA density (55% as of March 31, 2019), comparing favourably to most European banking markets

Agenda

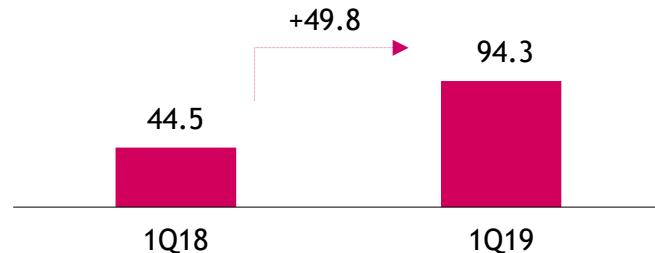
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Increased net income

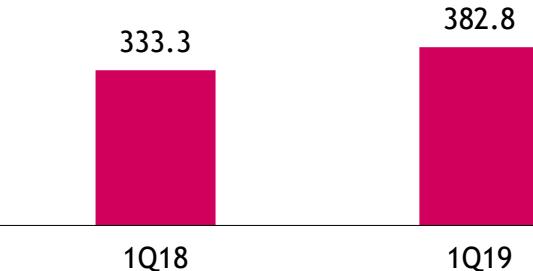


(Million euros)

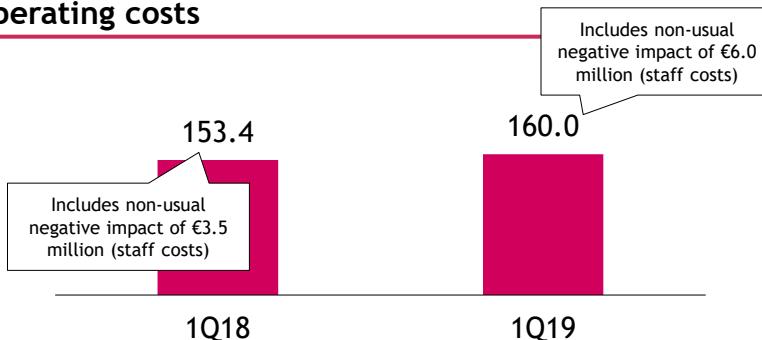
Net income*



Banking income



Operating costs



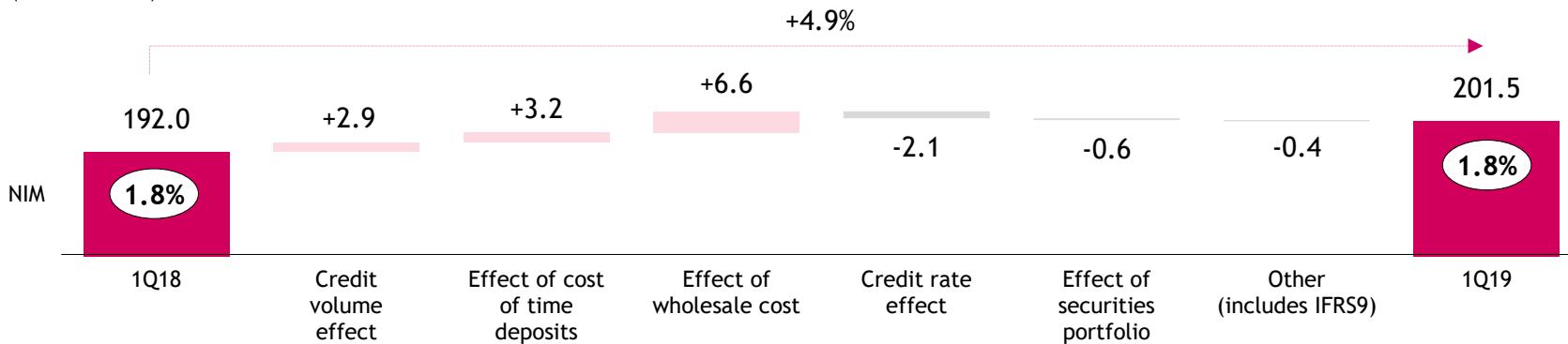
- Net earnings of €94.3 in the 1st quarter of 2019, +€49.8 million compared to €44.5 million in the same period of the previous year
- Net earnings were driven by a significant reduction in credit-loss charges (-23.6%, with cost of risk decreasing to 73bp from 96bp), as well as by higher trading income, resulting from gains on sales of sovereign and corporate debt, and from lower losses on credit sales

Net interest income



Net interest income

(Million euros)



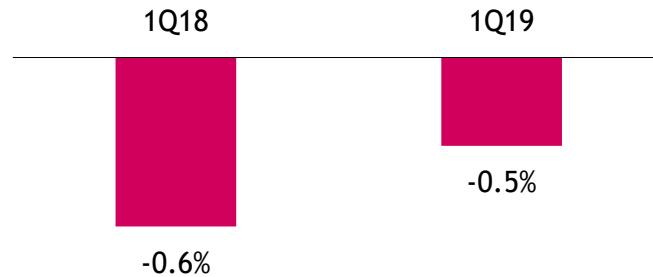
- Net interest income stood at €201.5 million in the 1st quarter of 2019, comparing to €192.0 million in the same period of 2018. The negative effects of lower credit yields, reflecting the normalisation of the macro-economic environment and of the securities portfolio (increased balance yielding lower interest, reflecting lower sovereign yields from March 31, 2018); were more than compensated by the favourable impacts of a lower wholesale funding cost, of the continued decline in the remuneration of time deposits and of a growing credit portfolio (as the expansion of the performing portfolio now exceeds the decrease in NPEs)
- Net interest income stood at €201.5 million in the 1st quarter of 2019, comparing to €207.5 million in the 4th quarter of 2018. The positive impacts from a lower wholesale funding, from the declining remuneration of time deposits and from a growing credit portfolio were more than offset by the negative effects resulting from a lower number of days (90 days in the 1st quarter of 2019, comparing to 92 days in the 4th quarter of 2018), of lower credit yields and of the securities portfolio (increased balance yielding lower interest)

Continued effort to reduce the cost of deposits



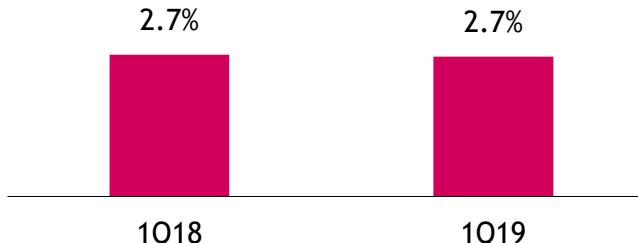
Spread on the book of term deposits

(vs 3m Euribor)



Spread on the performing loan book

(vs 3m Euribor)



NIM

1.8%



1.8%



- Continued improvement in the spread of the portfolio of term deposits: from -0.6% in 1st quarter of 2018 to -0.5% in the same period of 2019; front book for the 1st quarter of 2019 priced at an average spread of -41bp (-45bp in the previous quarter), still below the current back book's
- Spread on the performing loan portfolio stood at 2.7% in the 1st quarter of 2019 (same spread as in the 1st quarter of 2018)
- NIM stood at 1.8%

Commissions and other income*

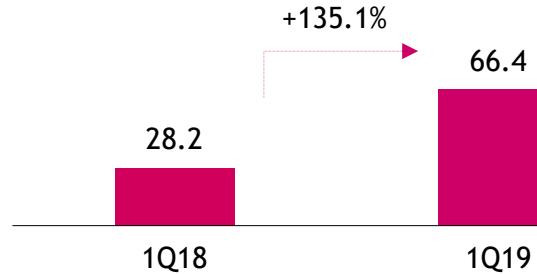


(Million euros)

Fees and commissions

	1Q18	1Q19	YoY
Banking fees and commissions	98.9	104.0	+5.1%
Cards and transfers	26.4	26.1	-1.3%
Loans and guarantees	25.4	27.7	+8.9%
Bancassurance	20.6	22.2	+7.7%
Customer account related	23.4	24.7	+6.0%
Other fees and commissions	3.1	3.3	+5.2%
Market related fees and commissions	14.1	10.9	-22.6%
Securities operations	12.3	9.3	-23.9%
Asset management	1.8	1.6	-14.1%
Total fees and commissions	113.0	114.9	+1.7%

Other income*



- Growing commissions in Portugal, with income related to loans and guarantees, to bancassurance and to accounts standing out, more than compensating for lower market-related fees
- Increased other income due to trading income of €40.0 million (€19.0 million in the 1st quarter of 2018), reflecting gains on the sale of sovereign and corporate debt, as well as of lower losses on credit sales



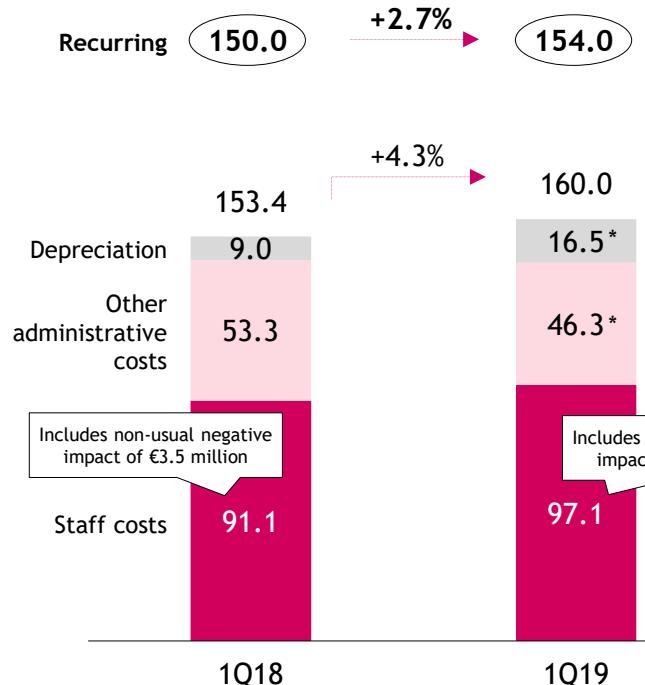
*Includes dividends from equity instruments, other net operating income, net trading income and equity accounted earnings.

Operating costs

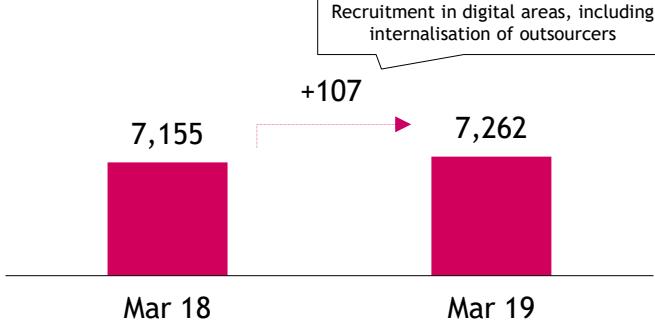


(Million euros)

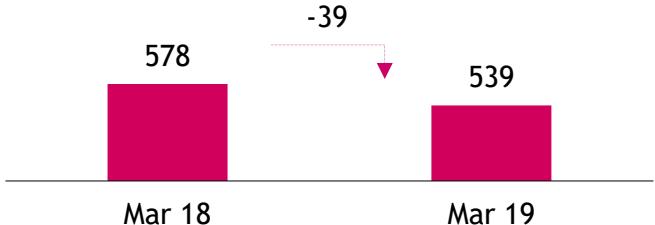
Operating costs



Employees



Branches



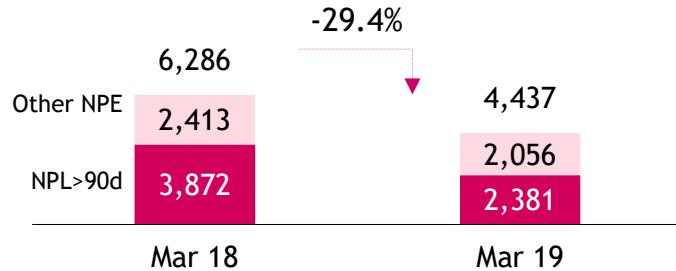
*Includes impact of IFRS16.

Lower NPEs, with reinforced coverage



(Million euros)

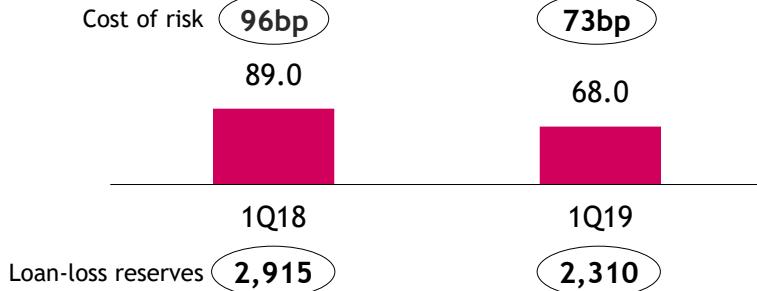
Non-performing exposures (NPE)



NPE build-up

	Mar 19 vs. Mar 18	Mar 19 vs. Dec 18
Opening balance	6,286	4,797
Net exits	-719	-209
Write-offs	-488	-77
Sales	-641	-74
Ending balance	4,437	4,437

Loan impairment (net of recoveries)

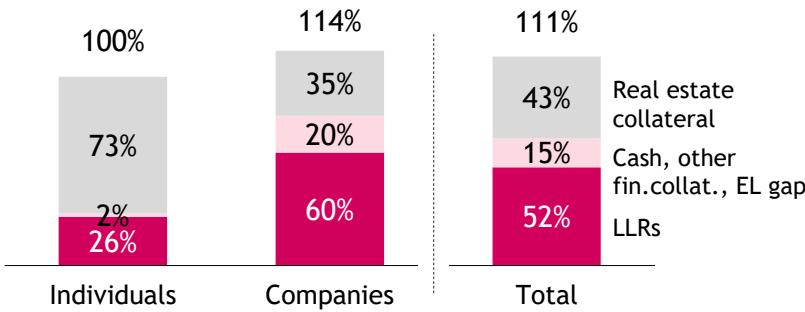


- NPE in Portugal down by €1.8 billion, from €6.3 billion as at March 31, 2018 to €4.4 billion as at the same date of 2019
- This decrease results from net outflows of €0.7 billion, sales of €0.6 billion and write-offs of €0.5 billion
- The decrease of NPE from March 31, 2018 is attributable to a €1.5 billion reduction of NPL >90d and to a €0.4 billion decrease of other NPE
- Significant NPE reduction in the quarter, from €4.8 billion as at December 31, 2018 to €4.4 billion as at March 31, 2019
- Reduction of the cost of risk to 73bp in the 1st quarter of 2019 from 96bp in the same period of 2018, with a reinforcement of NPE coverage by loan-loss reserves to 52% from 46%, respectively

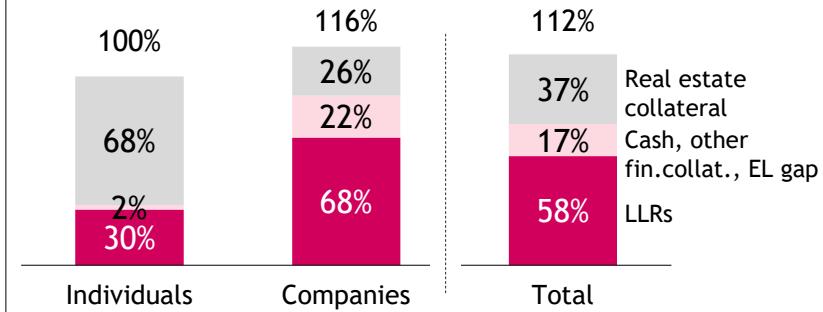
NPE coverage



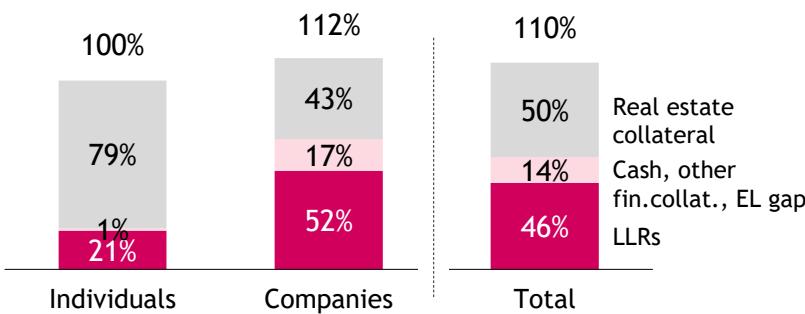
NPE total coverage*



NPL>90d total coverage*



Other NPE total coverage*



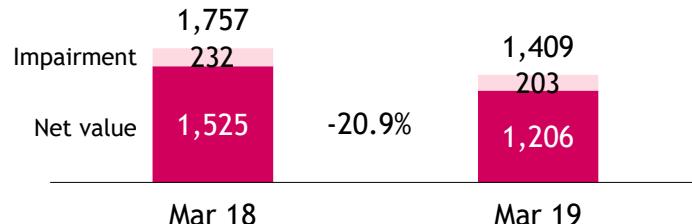
- Total coverage* $\geq 100\%$, for both individuals and companies, and for both NPE categories (NPL>90d and other NPE)
- Coverage by loan-loss reserves is stronger in loans to companies, where real-estate collateral, usually more liquid and with a more predictable market value, accounts for a lower coverage than in loans to individuals: coverage by loan-losses was 60% for companies NPE as at March 31, 2019, reaching 68% for companies NPL>90d (80% and 90%, respectively, if cash, financial collateral and expected loss gap are included)

Foreclosed assets and corporate restructuring funds



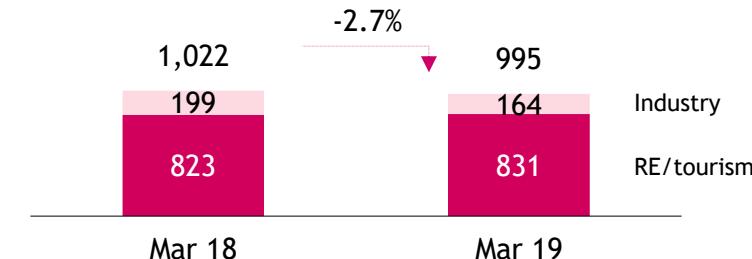
Foreclosed assets

(Million euros)



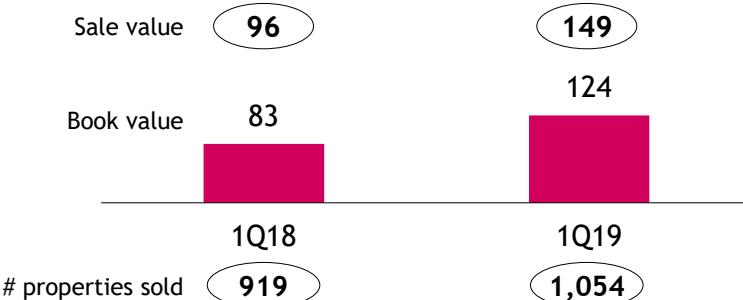
Corporate restructuring funds

(Million euros)



Sales of foreclosed assets

(Million euros)



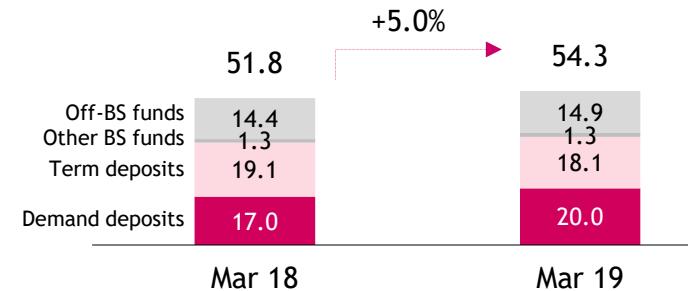
- Net foreclosed assets were down by 20.9% between March 31, 2018 and March 31, 2019. Valuation of foreclosed assets by independent providers exceeded book value by 27%
- 1,054 properties were sold during the 1st quarter of 2019, up from 919 properties in the same period of 2018, with capital gains doubling from €12 million to €24 million
- Corporate restructuring funds decreased 2.7% to €995 million at March 31, 2019. The original credit exposure on these funds totals €2,006 million, with total reserves (original credit, plus restructuring funds) corresponding to a 50% coverage

Strong business dynamics leads to increased Customer funds and performing credit portfolio

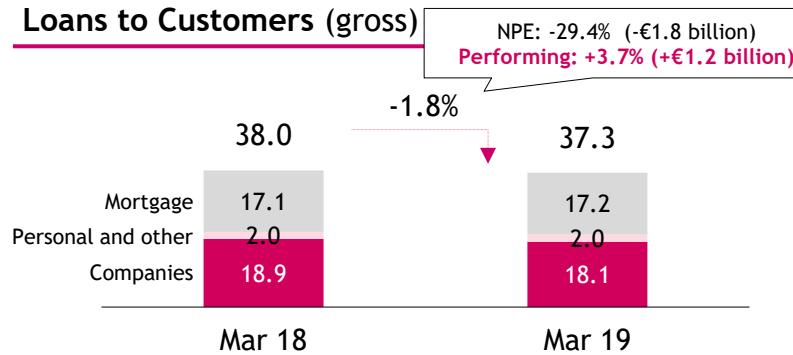


(Billion euros)

Total Customers funds*



Loans to Customers (gross)



- Total Customers funds in Portugal up by 5.0% from March 31, 2018, with total Customers funds held by individuals growing 6.1%
- Performing credit portfolio in Portugal expands by €1.2 billion (+3.7%) from March 31, 2018, of which 44% related to mortgages, 40% of loans to companies and 16% of personal/other loans
- Millennium bcp reinforced its role as the Bank of Companies in Portugal:
 - Strong performance of loans to companies, up by €470 million, with new leasing and factoring business, up by 37.3% and by 49.8% from March 31, 2018, respectively, being particularly outstanding
 - Millennium bcp was the leader for the SME Excelência'18 and SME Líder'18 programmes, with the largest number of submissions and awards among participating banks



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

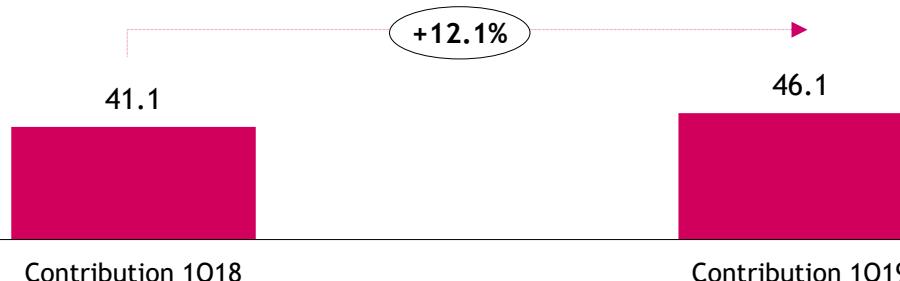
Agenda

- Highlights
- Group
 - Profitability
 - Business activity
 - Capital
- Portugal
- International operations
- Key figures

Positive contribution from international operations

(Million euros)

	1Q18	1Q19	Δ % local currency	Δ % euros	ROE	Capital ratio*
Poland	36.3	37.3	+3.0%	+0.3%	10.3%	25.6%
Mozambique	25.9	27.3	+5.5%	+10.8%	23.3%	38.5%
Angola**						
Before IAS 29 impact	2.9	4.9				
IAS 29 impact***	-0.8	0.7				
Total Angola including IAS 29 impact	2.1	5.6				
Other	3.1	3.6				
Net income	67.4	73.9				
Non-controlling interests (Poland and Mozambique)	-26.7	-27.7				
Exchange rate effect	0.4	--				
Contribution from international operations	41.1	46.1		+12.1%		



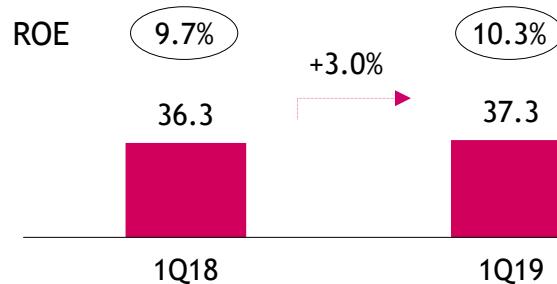
*Including earnings for the year. | **Contribution of the Angolan operation. | ***Includes goodwill impairment (-€2.2 million in the 1st quarter of 2019, -€4.6 million in the 1st quarter of 2018) and contribution revaluation (+€2.9 million in the 1st quarter of 2019, +€3.5 million in the 1st quarter of 2018). Subsidiaries' net income presented for 2018 at the same exchange rate as of 2019 for comparison purposes.

Growing net income

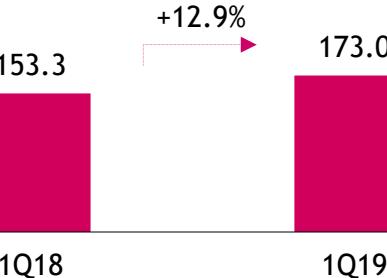


(Million euros)

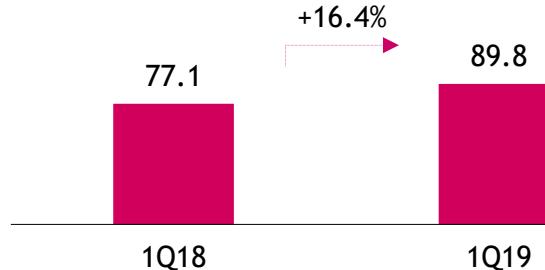
Net income



Banking income



Operating costs



Eurobank acquisition: expected completion at the end of May 2019

- Net earnings of €37.3 million (+3.0%), with ROE of 10.3%
- Banking income up by 12.9%, driven by net interest income; operating costs impacted by a higher contribution to the resolution fund and by increased IT costs
- Customer funds up by 9.3%, while loans to Customers increased by 16.8%, excluding FX-denominated mortgage loans
- CET1 ratio of 21.5% as of March 31, 2019, with total capital of 25.6%
- Best bank in Poland 2019 by Global Finance; second place among banks with the best customer service and 1st place in the “socially sensitive bank” category, both in the Złoty Bankier ranking 2019

FX effect excluded. €/Złoty constant at March 2019 levels: Income Statement 4.28290000; Balance Sheet 4.3046. | *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 (€3.8 million in the 1st quarter of 2019 and €2.0 million in the 1st quarter of 2018) is presented in net trading income.

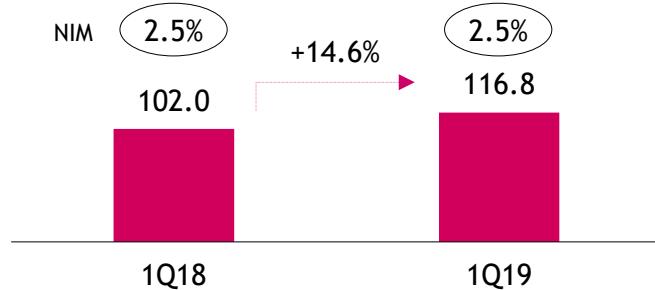


Increased net interest income

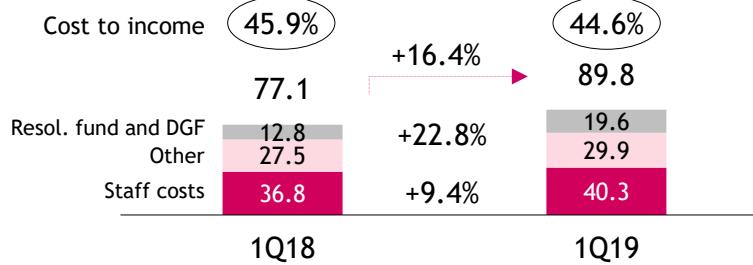


(Million euros)

Net interest income*

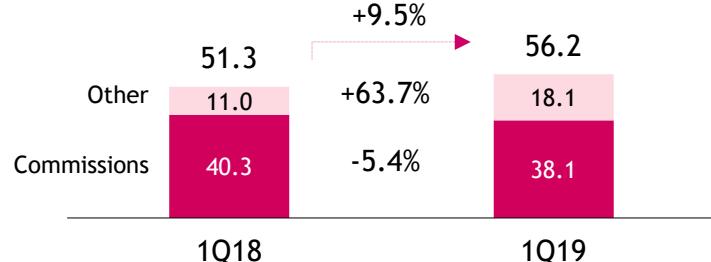


Operating costs

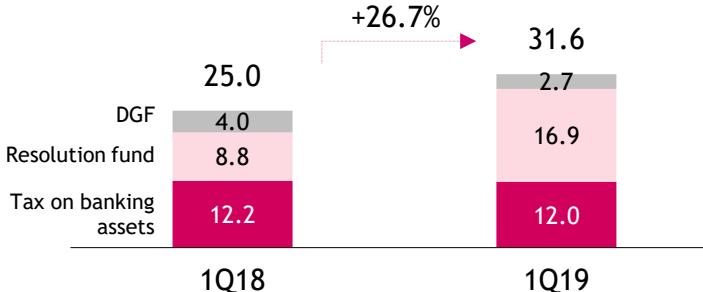


Commissions and other income

(Does not include tax on assets and contributions to the resol. fund and to the DGF)



Mandatory contributions



*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 (€3.8 million in the 1st quarter of 2019 and €2.0 million in the 1st quarter of 2018) is presented in net trading income. FX effect excluded. €/Zloty constant at March 2019 levels: Income Statement 4.28290000; Balance Sheet 4.3046.

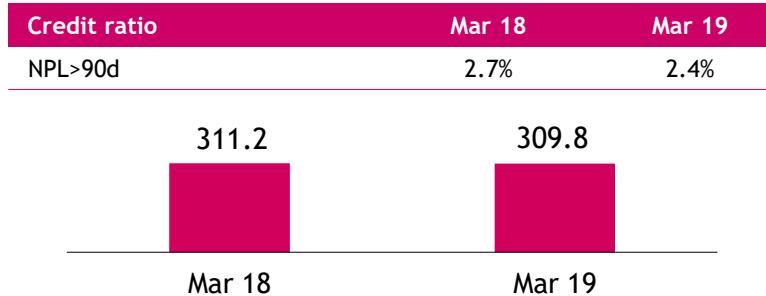


Credit quality

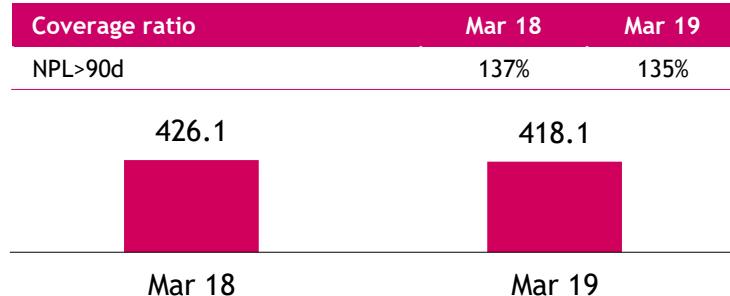


(Million euros)

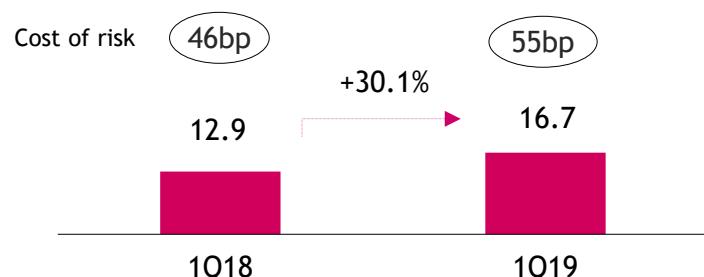
NPL>90d



Loan-loss reserves



Loan impairment (net of recoveries)



- NPL>90d accounted for 2.4% of total credit as of March 31, 2019 (2.7% as of March 31, 2018)
- Coverage of NPL>90d by loan-loss reserves at 135% (137% as of March 31, 2018)
- Cost of risk of 55bp (46bp in the 1st quarter of 2018)



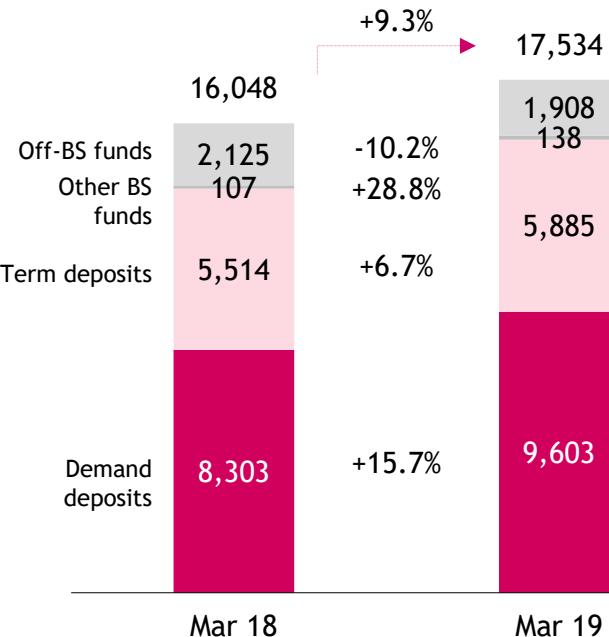
FX effect excluded. €/Zloty constant at March 2019 levels: Income Statement 4.28290000; Balance Sheet 4.3046.

Growing volumes

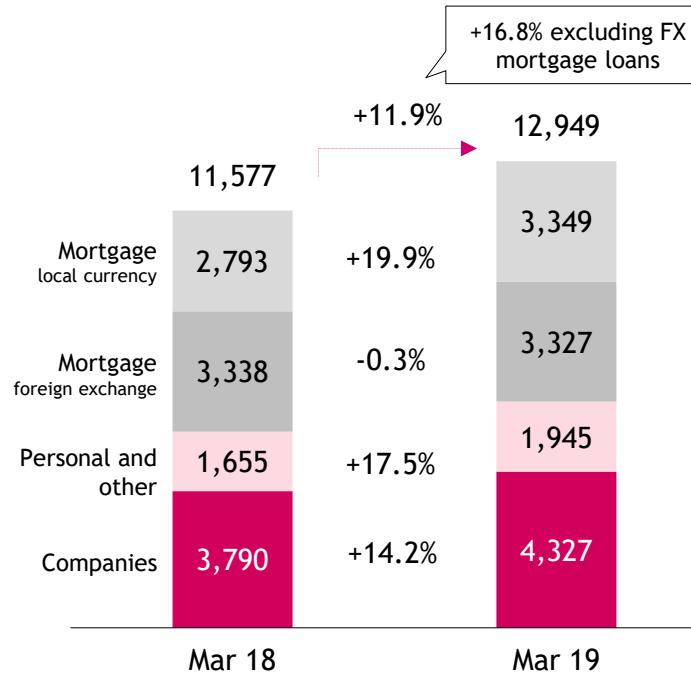


(Million euros)

Customer funds



Loans to Customers (gross)



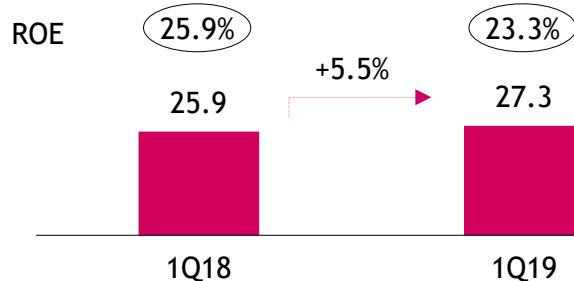
FX effect excluded. €/Zloty constant at March 2019 levels: Income Statement 4.28290000; Balance Sheet 4.3046.

Growing net income

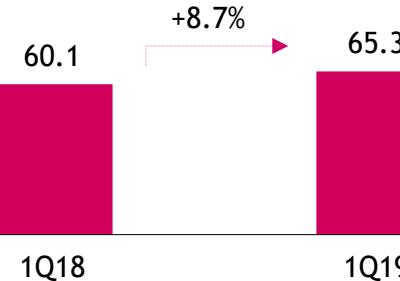


(Million euros)

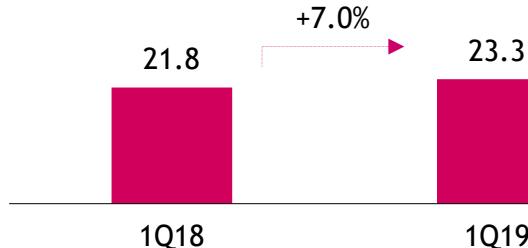
Net income



Banking income



Operating costs



- Net earnings of €27.3 million (+5.5%), with ROE of 23.3%, increasing banking income (+8.7%)
- Customer funds grew 6.6%, with loan portfolio down by 16.7% reflecting a conservative approach under a challenging environment
- Capital ratio of 38.5%
- Millennium bim was distinguished as best bank in Mozambique by Global Finance by the 10th time in a row



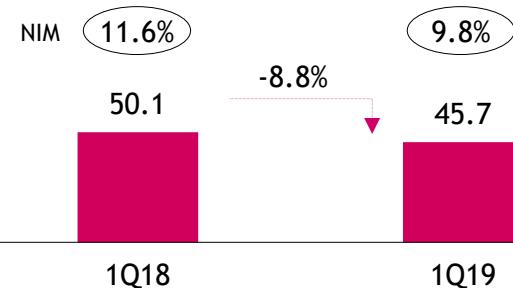
FX effect excluded. €/Metical constant at March 2019 levels: Income Statement 71.19666667; Balance Sheet 71.1600.

Growing income partially offset by the increase in operating costs

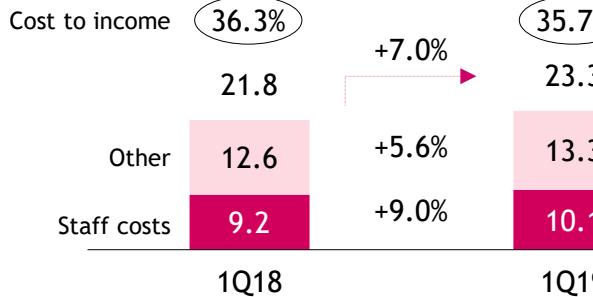


(Million euros)

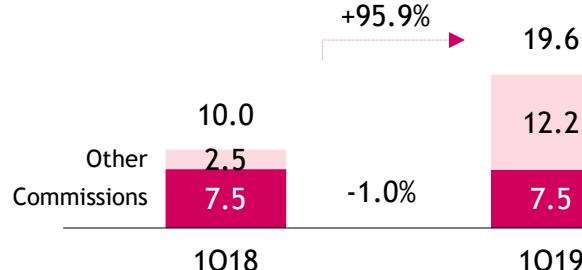
Net interest income



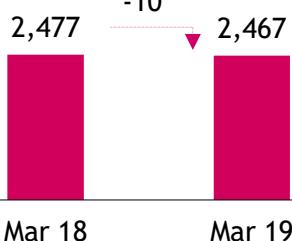
Operating costs



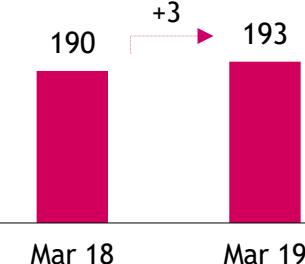
Commissions and other income



Employees*



Branches



*Excludes employees from SIM (insurance company)



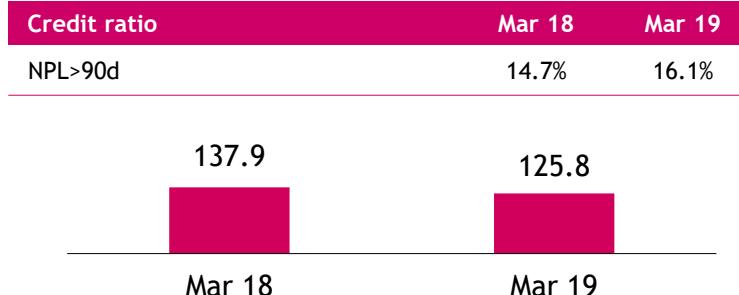
FX effect excluded. €/Metical constant at March 2019 levels: Income Statement 71.19666667; Balance Sheet 71.1600.

Credit quality performance influenced by challenging environment

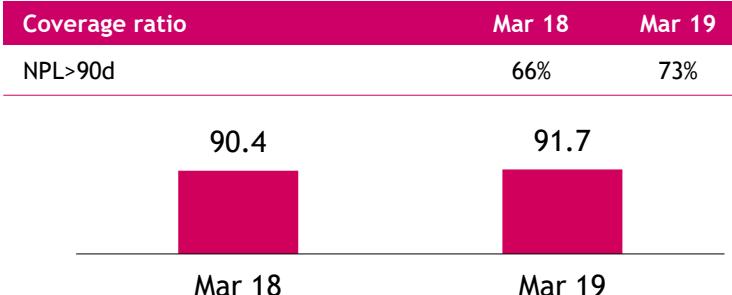


(Million euros)

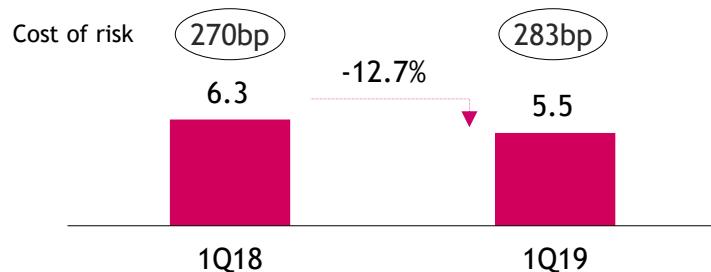
NPL>90d



Loan-loss reserves



Loan impairment (net of recoveries)



- NPL>90d ratio of 16.1% as of March 31, 2019, with coverage by loan-loss reserves of 73% on the same date
- Maintenance of a high provisioning effort, reflected in a cost of risk of 283bp (270bp in the 1st quarter of 2018)



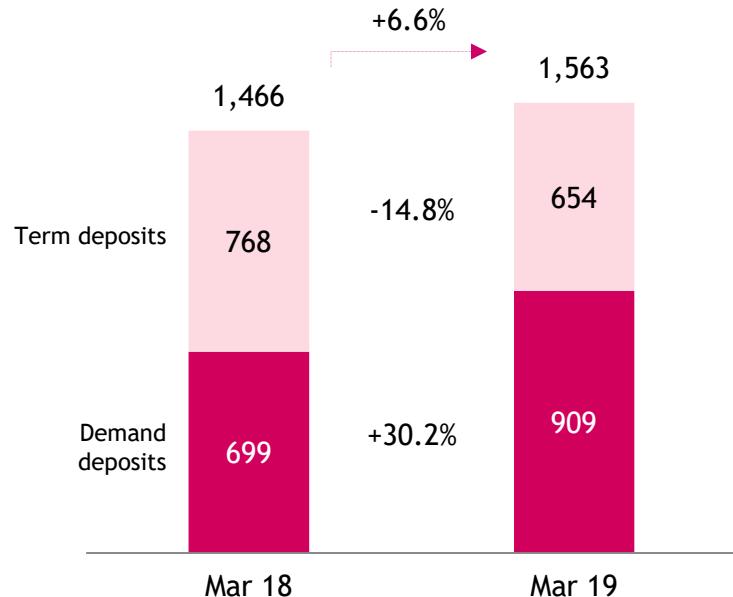
FX effect excluded. €/Metical constant at March 2019 levels: Income Statement 71.19666667; Balance Sheet 71.1600.

Business volumes reflect a conservative approach under a challenging environment

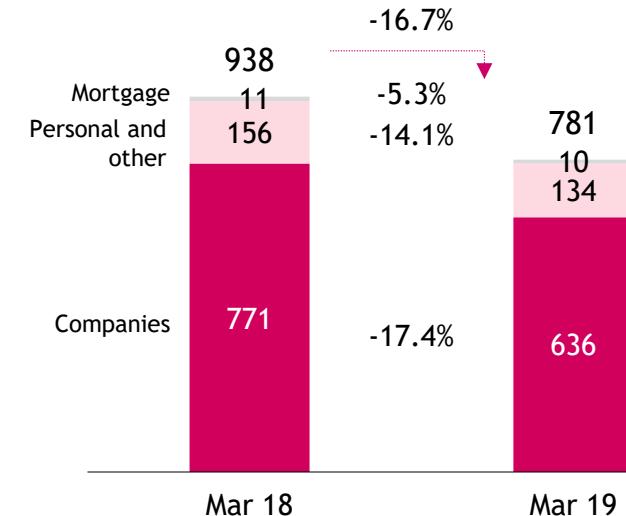


(Million euros)

Customer funds



Loans to Customers (gross)



FX effect excluded. €/Metical constant at March 2019 levels: Income Statement 71.19666667; Balance Sheet 71.1600.

Agenda

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- Key figures

Key figures

Consolidated

	1Q18	1Q19	2021
Franchise growth	Active Customers 4.6 million	4.9 million	>6 million
	Digital Customers 52%	56%	>60%
	Mobile Customers 29%	35%	>45%
	Cost to Income 46% (45% excluding non-usual items)	43% (42% excluding non-usual items)	≈40%
	RoE 6.1%	10.6%	≈10%
Value creation	CET1 11.8%	12.7%**	≈12%
	Loans to Deposits 91%	87%	<100%
	Dividend Payout --	--	≈40%
Asset quality	NPE stock €7.1 billion	€5.2 billion	≈€3 billion down by ≈60% from 2017
	Cost of risk 85 bp	68 bp	<50 bp

*Customer counting criteria used in the 2021 Strategic Plan.

**Including unaudited earnings for the 1st quarter of 2019.

Appendix

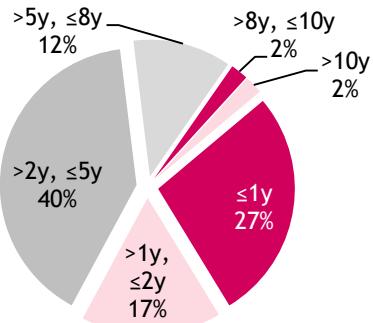
Sovereign debt portfolio

Sovereign debt portfolio

(Million euros)

	Mar 18	Dec 18	Mar 19	YoY	QoQ
Portugal	4,696	6,609	7,375	+57%	+12%
T-bills and other	452	853	1,932	+327%	>100%
Bonds	4,244	5,755	5,443	+28%	-5%
Poland	3,981	4,925	5,385	+35%	+9%
Mozambique	553	698	263	-52%	-62%
Other	1,068	857	1,091	+2%	+27%
Total	10,299	13,089	14,115	+37%	+8%

Sovereign debt maturity



- The sovereign debt portfolio totalled €14.1 billion, €11.9 billion of which maturing until 5 years
- The Portuguese sovereign debt portfolio totalled €7.4 billion, whereas the Polish and Mozambican portfolios amounted to €5.4 billion and to €0.3 billion, respectively; “other” includes Spanish and Italian sovereign debt (€0.5 billion each)

Sovereign debt portfolio

(Million euros)

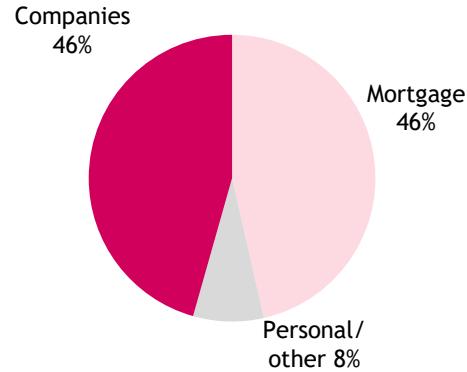
	Portugal	Poland	Mozambique	Other	Total
Trading book*	40	180		1	220
≤ 1 year		42			42
> 1 year and ≤ 2 years	34	61			95
> 2 years and ≤ 5 years	4	33			37
> 5 years and ≤ 8 years	1	29			30
> 8 years and ≤ 10 years		15			15
> 10 years	1	1		1	2
Banking book**	7,335	5,206	263	1,091	13,895
≤ 1 year	1,933	1,260	50	581	3,824
> 1 year and ≤ 2 years	19	1,970	23	236	2,248
> 2 years and ≤ 5 years	3,639	1,693	80	225	5,636
> 5 years and ≤ 8 years	1,335	276			1,612
> 8 years and ≤ 10 years	185	6	38	49	279
> 10 years	224	1	72		297
Total	7,375	5,385	263	1,091	14,115
≤ 1 year	1,933	1,301	50	581	3,865
> 1 year and ≤ 2 years	54	2,031	23	236	2,343
> 2 years and ≤ 5 years	3,643	1,726	80	225	5,673
> 5 years and ≤ 8 years	1,336	305			1,642
> 8 years and ≤ 10 years	185	21	38	49	294
> 10 years	225	1	72	1	299

*Includes financial assets held for trading at fair value through net income (€33 million).

**Includes financial assets at fair value through other comprehensive income (€13,544 million) and financial assets at amortised cost (€350 million).

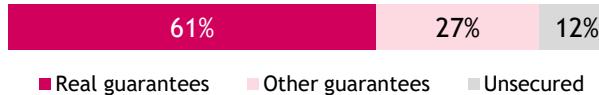
Diversified and collateralised portfolio

Loan portfolio

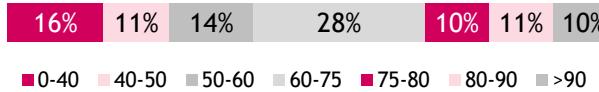


Consolidated

Loans per collateral



LTV of the mortgage portfolio in Portugal



Loans

- Loans to companies accounted for 46% of the loan portfolio as at March 31, 2019, including 7% to construction and real-estate sectors
- Mortgage accounted for 47% of the loan portfolio, with low delinquency levels and an average LTV of 65%
- 88% of the loan portfolio is collateralised

Collaterals

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

Consolidated earnings

(million euros)	1Q18	1Q19	YoY	Impact on earnings
Net interest income	344.8	362.7	+5.2%	+17.9
Net fees and commissions	167.8	166.6	-0.7%	-1.2
Other income*	25.2	68.3	+171.4%	+43.2
Banking income	537.8	597.7	+11.1%	+59.9
Staff costs	-142.3	-152.2	+7.0%	-9.9
Other administrative costs and depreciation	-103.7	-107.3	+3.4%	-3.6
Operating costs	-246.0	-259.5	+5.5%	-13.5
Profit before impairment and provisions	291.8	338.1	+15.9%	+46.4
Loans impairment (net of recoveries)	-106.0	-86.5	-18.4%	+19.5
Other impairment and provisions	-23.9	-17.4	-27.1%	+6.5
Impairment and provisions	-129.9	-103.9	-20.0%	+26.0
Net income before income tax	161.8	234.2	+44.7%	+72.4
Income taxes	-49.3	-65.4	+32.7%	-16.1
Non-controlling interests	-26.9	-28.4	+5.3%	-1.4
Net income from discontinued or to be discontinued operations	0.0	13.5		+13.5
Net income	85.6	153.8	+79.7%	+68.3

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

Consolidated balance sheet

(Million euros)

	31 March 2019	31 March 2018		31 March 2019	31 March 2018
ASSETS					
Cash and deposits at Central Banks	2,292.1	2,265.8	Financial liabilities at amortised cost	7,397.5	7,427.1
Loans and advances to credit institutions repayable on demand	288.2	254.5	Resources from credit institutions	53,321.6	49,535.1
Financial assets at amortised cost			Resources from customers	1,639.8	1,982.7
Loans and advances to credit institutions	1,021.6	864.0	Non subordinated debt securities issued	1,270.4	1,179.4
Loans and advances to customers	45,971.8	45,039.9	Subordinated debt		
Debt instruments	3,465.3	2,900.3	Financial liabilities at fair value through profit or loss		
Financial assets at fair value through profit or loss			Financial liabilities held for trading	331.6	408.7
Financial assets held for trading	907.4	1,234.6	Financial liabilities at fair value through profit or loss	3,636.3	3,775.0
Financial assets not held for trading mandatorily at fair value through profit or loss	1,393.2	1,608.5	Hedging derivatives	272.8	140.8
Financial assets designated at fair value through profit or loss	33.0	142.4	Provisions	360.1	340.4
Financial assets at fair value through other comprehensive income	14,663.6	10,814.4	Current tax liabilities	14.7	12.8
Assets with repurchase agreement	185.2	33.5	Deferred tax liabilities	6.7	5.5
Hedging derivatives	162.1	141.7	Other liabilities	1,278.2	1,041.3
Investments in associated companies	444.4	498.8	TOTAL LIABILITIES	69,529.6	65,848.7
Non-current assets held for sale	1,674.8	2,144.7			
Investment property	63.8	12.5			
Other tangible assets	621.9	481.6	EQUITY		
Goodwill and intangible assets	170.9	179.8	Share capital	4,725.0	5,600.7
Current tax assets	39.2	24.8	Share premium	16.5	16.5
Deferred tax assets	2,844.6	2,956.9	Preference shares	-	59.9
Other assets	875.4	1,075.2	Other equity instruments	402.9	2.9
TOTAL ASSETS	77,118.3	72,673.9	Legal and statutory reserves	264.6	252.8
			Treasury shares	(0.1)	(0.3)
			Reserves and retained earnings	852.5	(249.2)
			Net income for the period attributable to Bank's Shareholders	153.8	85.6
			TOTAL EQUITY ATTRIBUTABLE TO BANK'S SHAREHOLDERS	6,415.2	5,769.0
			Non-controlling interests	1,173.5	1,056.2
			TOTAL EQUITY	7,588.7	6,825.2
			TOTAL LIABILITIES AND EQUITY	77,118.3	72,673.9

Consolidated income statement

Per quarter

(Million euros)

	Quarterly				
	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19
Net interest income	344.8	342.8	365.2	370.8	362.7
Dividends from equity instruments	0.1	0.6	0.0	0.0	0.0
Net fees and commission income	167.8	172.4	169.9	174.0	166.6
Other operating income	-29.1	-61.0	1.7	-1.0	-10.6
Net trading income	34.4	42.6	12.6	-11.0	60.3
Equity accounted earnings	19.8	21.6	30.5	17.3	18.6
Banking income	537.8	519.0	579.7	550.1	597.7
Staff costs	142.3	147.5	145.8	157.2	152.2
Other administrative costs	89.5	93.1	93.1	100.9	80.5
Depreciation	14.2	14.2	14.5	14.8	26.8
Operating costs	246.0	254.8	253.4	273.0	259.5
Profit bef. impairment and provisions	291.8	264.2	326.3	277.1	338.1
Loans impairment (net of recoveries)	106.0	114.6	116.2	127.9	86.5
Other impairm. and provisions	23.9	35.3	33.0	44.2	17.4
Net income before income tax	161.8	114.3	177.1	105.0	234.2
Income tax	49.3	22.6	37.6	28.5	65.4
Non-controlling interests	26.9	28.5	30.5	31.9	28.4
Net income (before disc. oper.)	85.6	63.3	109.0	44.5	140.4
Net income arising from discontin. operations	0.0	1.8	-2.2	-0.9	13.5
Net income	85.6	65.1	106.8	43.6	153.8

Income statement (Portugal and International operations)

For the 3-month periods ended March 31st, 2018 and 2019

(Million euros)

	International operations																	
	Group			Portugal			Total			Bank Millennium (Poland)			Millennium bim (M oz.)			Other int. operations		
	Mar 18	Mar 19	Δ %	Mar 18	Mar 19	Δ %	Mar 18	Mar 19	Δ %	Mar 18	Mar 19	Δ %	Mar 18	Mar 19	Δ %	Mar 18	Mar 19	Δ %
Interest income	473	472	-0.2%	251	244	-2.7%	222	228	2.5%	146	162	11.0%	75	63	-15.4%	2	3	69.8%
Interest expense	128	109	-14.8%	59	43	-27.5%	69	67	-4.1%	43	49	13.1%	27	17	-35.3%	-1	0	>100%
Net interest income	345	363	5.2%	192	201	4.9%	153	161	5.5%	103	113	10.1%	48	46	-4.2%	2	3	2.6%
Dividends from equity instruments	0	0	-33.2%	0	0	<-100%	0	0	29.7%	0	0	29.7%	0	0	100.0%	0	0	--
Intermediation margin	345	363	5.2%	192	201	4.9%	153	161	5.5%	103	113	10.1%	48	46	-4.2%	2	3	2.6%
Net fees and commission income	168	167	-0.7%	113	115	1.7%	55	52	-5.6%	41	38	-7.9%	7	7	4.0%	6	6	-16%
Other operating income	-29	-11	63.5%	-3	16	>100%	-26	-26	-0.5%	-26	-34	-30.4%	0	8	>100%	0	0	18.8%
Basic income	484	519	7.3%	302	332	9.9%	182	187	2.9%	118	117	-0.8%	55	61	11.1%	9	9	-0.0%
Net trading income	34	60	75.1%	19	40	>100%	15	20	314%	13	15	20.3%	2	4	95.7%	1	1	41.0%
Equity accounted earnings	20	19	-5.9%	12	11	-11.7%	8	8	3.5%	0	0	--	0	0	--	8	8	3.5%
Banking income	538	598	11.1%	333	383	14.9%	205	215	5.1%	130	132	1.3%	57	65	14.2%	17	17	3.4%
Staff costs	142	152	7.0%	91	97	6.6%	51	55	7.7%	38	40	6.6%	9	10	14.5%	5	5	3.7%
Other administrative costs	90	80	-10.1%	53	46	-13.1%	36	34	-5.7%	25	22	-12.4%	10	11	11.1%	2	2	-7.8%
Depreciation	14	27	88.9%	9	17	84.0%	5	10	97.4%	3	8	>100%	2	2	10.3%	0	0	>100%
Operating costs	246	260	5.5%	153	160	4.3%	93	100	7.5%	66	70	6.2%	21	23	12.4%	6	7	5.2%
Profit bef. impairment and provisions	292	338	15.9%	180	223	23.9%	112	115	3.0%	65	63	-3.7%	36	42	15.2%	11	11	2.4%
Loans impairment (net of recoveries)	106	87	-18.4%	89	68	-23.6%	17	19	8.5%	12	15	32.5%	6	6	-8.3%	-1	-2	<100%
Other impairm. and provisions	24	17	-27.1%	19	21	-12.6%	5	-4	<-100%	1	-7	<-100%	0	1	>100%	5	2	-52.1%
Net income before income tax	162	234	44.7%	72	133	85.7%	90	101	12.0%	52	54	3.5%	31	35	14.5%	7	11	68.3%
Income tax	49	65	32.7%	27	39	43.1%	22	26	19.7%	15	17	11.3%	6	8	29.4%	1	1	>100%
Non-controlling interests	27	28	5.3%	0	0	<-100%	27	29	5.7%	0	0	--	0	0	16.1%	27	28	5.6%
Net income (before disc. oper.)	86	140	64.0%	44	94	>100%	41	46	12.1%	37	37	0.3%	25	27	10.8%	-21	-19	10.5%
Net income arising from discont. operations	0	13	--															
Net income	86	154	79.7%															

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.

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 amortised cost and debt instruments at amortised 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 amortised 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 amortised 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 a significant 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 amortised cost, balance sheet impairment associated with debt instruments at amortised 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 amortised cost for loans to customers and for debt instruments related to credit operations.

Loans to customers (gross) - loans to customers at amortised cost before impairment, debt instruments at amortised 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 amortised cost net of impairment, debt instruments at amortised 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 amortised cost and results from derecognition of financial assets measured at fair value through other comprehensive.

Non-performing exposures (NPE) - non-performing loans and advances to customers (loans to customers at amortised 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 realisation, if they recognised as defaulted or impaired.

Non-performing loans (NPL) - overdue loans (loans to customers at amortised cost, debt instruments at amortised cost associated to credit operations 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) of financial assets at amortised cost for loans and advances of credit institutions, impairment of financial assets (at fair value through other comprehensive income and at amortised cost not associated with credit operations), other assets impairment, in particular provision charges related to assets received as payment in kind not fully covered by collateral, 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 amortised cost, debt instruments at amortised 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 amortised cost, debt instruments at amortised 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 amortised 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.



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Banco Comercial Português, S.A., a public company (sociedade aberta) having its registered office at Praça D. João I, 28, Oporto, registered at the Commercial Registry of Oporto, with the single commercial and tax identification number 501 525 882, LEI JU1U6S0DG9YLT7N8ZV32 and the share capital of EUR 4,725,000,000.00.

