PRESS RELEASE

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Millennium bcp

31 October 2022

Millennium bcp Earnings release as at 30 September 2022

Profitability
Robust business model; core operating profit increase

- **Net income** of the **Group** of **97.2 million euros**, which compares to 59.5 million euros in September 2021, influenced by:
  - **Group's core income increase** of **24.7%**, with controlled costs;
  - Extraordinary effects[1] related with Bank Millennium including 393.0[2] million euros of costs related with the foreign exchange mortgage loan portfolio, provisions for credit holidays of 304.6 million euros, contribution of 59.1 million euros for the Institutional Protection Scheme (IPS) and booking of Bank Millennium goodwill impairment amounting to 102.3 million euros.
  - Mandatory contributions for the banking sector in Portugal of 62.2 million euros;

- **Net income** of **295.7 million euros** in **Portugal**, as a result of 9.3% core income increase, a reduction of 3.4% in operating costs (excluding specific items) and a cost of risk reduction of 11 bp.

Capital and Liquidity
Capital at adequate levels, above regulatory requirements; reinforced liquidity position

- Despite the extraordinary impacts recorded by Bank Millennium **Total capital** ratio[3] stood at **15.1%** and **CET1** ratio[3] at **11.4%** (**15.7%** and **11.8%**, respectively on a pro forma basis[4], subject to ECB authorization).

- **Strong liquidity**, well in excess of regulatory requirements, and **eligible assets for ECB funding** of **24.4 billion euros**.

Business performance and Credit quality
Maintenance of growth trend in customer resources; loans portfolio with consistent growth; comfortable coverage levels

- **Performing loans** of the **Group up** by **1.1**[5] **billion euros** from September 2021 (+1.8 billion euros excluding foreign exchange rate evolution); in **Portugal**, **performing loans increase 1.4 billion euros** (**+3.7%**). **NPE reduction** in **Portugal** of **0.4 billion euros**, in an adverse environment.

- **Growing Customer base**; **+650,000 mobile Customers** (**+20%**).

[1] before taxes and minority interests [2] includes provisions, costs with out-of-court settlements and legal advice [3] estimated fully-implemented [4] subject to the already requested approval for the application of article 352 (2) of the CRR [5] change on a proforma basis (due to Banque Privée sale).

BANCO COMERCIAL PORTUGUÊS, S.A.
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FINANCIAL HIGHLIGHTS (1)

Million euros

	30 Sep. 22	30 Sep. 21 (restated)	Chg 22/21
BALANCE SHEET			
Total assets	97,169	91,463	6.2%
Equity	5,871	7,358	-20.2%
Loans to customers (net)	57,010	56,414	1.1%
Total customer funds	91,069	90,556	0.6%
Balance sheet customer funds	75,184	69,863	7.6%
Deposits and other resources from customers	73,843	68,321	8.1%
Loans to customers (net) / Deposits and other resources from customers (2)	77.2%	82.6%	
Loans to customers (net) / Balance sheet customer funds	75.8%	80.7%	
RESULTS			
Net interest income	1,545.8	1,165.0	32.7%
Net operating revenues	2,058.0	1,697.5	21.2%
Operating costs	787.4	849.3	-7.3%
Operating costs excluding specific items (3)	781.4	761.6	2.6%
Loan impairment charges (net of recoveries)	241.2	264.0	-8.7%
Other impairment and provisions	837.0	462.1	81.1%
Income taxes	208.6	141.5	47.5%
Net income	97.2	59.5	63.4%
PROFITABILITY AND EFFICIENCY			
Net operating revenues / Average net assets (2)	2.9%	2.5%	
Return on average assets (ROA)	0.0%	0.0%	
Income before tax and non-controlling interests / Average net assets (2)	0.3%	0.2%	
Return on average equity (ROE)	2.5%	1.4%	
Income before tax and non-controlling interests / Average equity (2)	4.2%	2.5%	
Net interest margin	2.38%	1.91%	
Cost to core income (2) (3)	36.9%	44.8%	
Cost to income (2)	38.3%	50.0%	
Cost to income (2) (3)	38.0%	44.9%	
Cost to income (Activity in Portugal) (2) (3)	37.4%	43.8%	
Staff costs / Net operating revenues (2) (3)	20.7%	25.2%	
CREDIT QUALITY			
Cost of risk (net of recoveries, in b.p.)	55	60	
Non-Performing Exposures (loans to customers) / Loans to customers	4.1%	4.9%	
Total impairment (balance sheet) / NPE (loans to customers)	66.5%	67.9%	
Restructured loans / Loans to customers	3.6%	4.3%	
LIQUIDITY			
Liquidity Coverage Ratio (LCR)	264%	264%	
Net Stable Funding Ratio (NSFR)	153%	147%	
CAPITAL (4)			
Common equity tier I phased-in ratio	11.6%	11.9%	
Common equity tier I fully implemented ratio	11.4%	11.8%	
Total fully implemented ratio	15.1%	15.2%	
BRANCHES			
Activity in Portugal	408	447	-8.7%
International activity	830	865	-4.0%
EMPLOYEES			
Activity in Portugal	6,257	6,511	-3.9%
International activity (5)	9,404	9,884	-4.9%

Notes:

(1) Some indicators are presented according to management criteria of the Group, with concepts being described and detailed at the glossary. Following the agreement concluded on 29 June 2021 with Union Bancaire Privée, UBP SA regarding the sale of the entire share capital of Banque Privée BCP (Suisse) SA, concluded in the fourth quarter of 2021, the contribution of this subsidiary to the consolidated results of the Group, in the first nine months of 2021, is reflected as income from discontinued operations in the international activity in order to ensure its comparability, as defined in the IFRS 5. On the other hand, following the sale, at the end of 2021, of the 70% of the investment held in Seguradora Internacional de Moçambique, S.A. ("SIM"), through its subsidiary BIM - Banco Internacional de Moçambique S.A., the contribution of this subsidiary to the consolidated results of the Group, in the first nine months of 2021, was restated, being reflected as income from discontinued operations in the international activity, as defined in the IFRS 5 in order to ensure its comparability. The accounting of assets and liabilities of Banque Privée BCP (Suisse) S.A. and of SIM was not changed compared to the criteria considered in the financial statements published in previous periods. In this context and taking into account the immateriality of the balance sheet balances of these operations in the Group, the calculation of the indicators relating the performance of the profit and loss account to the balance sheet items was not adjusted, with the exception of net interest margin, that reflects the fact that the assets of those subsidiaries were no longer considered interest earning assets in the period under analysis.
(2) According to Instruction from the Bank of Portugal no. 16/2004, as the currently existing version.
(3) Excludes specific items: negative impact of 6.1 million euros in the first nine months of 2022, mainly related to the distribution of the Bank's 2021 results by the employees of the Bank. In the first nine months of 2021, the impact was also negative, in the amount of 87.6 million euros, mainly related with a provision booked to cover the costs related to the current adjustment of headcount, in the amount of 81.4 million euros. In both periods specific items were fully recognised as staff costs in the activity in Portugal.
(4) As at 30 September 2022 and 30 September 2021, capital ratios include the positive cumulative net income of each period. Ratios as of 30 September 2022 are estimated and non-audited.
(5) Of which, in Poland: 6,897 employees as at 30 September 2022 (corresponding to 6,778 FTE - Full-time equivalent) and 7,172 employees as at 30 September 2021 (corresponding to 7,035 FTE - Full-time equivalent). As of 30 September, 2021, the number of employees associated with the international activity includes 79 employees of Banque Privée BCP (Suisse) and 153 employees of SIM at that date, nonexistent as of September 30, 2022, since both operations were disposal at the end of 2021.

RESULTS AND ACTIVITY IN THE FIRST NINE MONTHS OF 2022

The outbreak of the war in Ukraine, resulting from the invasion of that country by the Russian Federation at the end of February, marked decisively the first nine months of the year. In the context of the resulting geopolitical crisis, the Bank acted in accordance with the guidelines of the European Union and implemented a set of mechanisms to monitor the situation and measures to support the Ukrainian people. The direct exposure of the Group to the economies of the two countries involved in the conflict is not material. Nevertheless, the worsening outlook for the world economy, with the exacerbation of inflationary tensions, influencing the economic growth in Portugal and Europe together with the high level of uncertainty currently prevailing regarding the outcome of the conflict do not allow, at this stage, to exclude significant future impacts, which are currently not predictable or quantifiable.

Following the agreement concluded on 29 June 2021 with Union Bancaire Privée, UBP SA regarding the sale of the entire share capital of Banque Privée BCP (Suisse) SA, concluded in the fourth quarter of 2021, the contribution of this subsidiary to the consolidated results of the Group, in the first nine months of 2021, is reflected as income from discontinued operations in the international activity in order to ensure its comparability, as defined in the IFRS 5. On the other hand, following the sale, at the end of 2021, of the of 70% of the investment held in Seguradora Internacional de Moçambique, S.A. (“SIM”), through its subsidiary BIM - Banco Internacional de Moçambique S.A., the contribution of this subsidiary to the consolidated results of the Group, in the first nine months of 2021, was restated, being reflected as income from discontinued operations in the international activity, as defined in the IFRS 5 in order to ensure its comparability. The accounting of assets and liabilities of Banque Privée BCP (Suisse) S.A. and of SIM was not changed compared to the criteria considered in the financial statements published in previous periods. In this context and taking into account the immateriality of the balance sheet balances of these operations in the Group, the calculation of the indicators relating the performance of the profit and loss account to the balance sheet items was not adjusted, with the exception of net interest margin, that reflects the fact that the assets of those subsidiaries were no longer considered interest earning assets in the period under analysis. The purchase price received may be adjusted positively or negatively in the future, according to typical adjustments in this kind of transactions, including the variation of the equity in the completion date, and the ones that may result from the variation of stocks and/or flows of assets under management, in pre-determined dates and specified portfolios. In the first nine months of 2022, income arising from discontinued operations essentially reflect a partial adjustment in that context.

During the first nine months of 2022, the Group liquidated its subsidiaries BCP Finance Company and Millennium bcp Bank & Trust.

RESULTS

The consolidated **net income** of Millennium bcp amounted to 97.2 million euros in the first nine months of 2022, which compares with the 59.5 million euros posted in the same period of the previous year. This evolution of the Group's results reflects the good performance of the activity in Portugal, even if its impact has been largely offset by the reduction in the result of international activity, particularly associated to the Polish subsidiary.

In this sense, it should be said that, despite the solid operational performance of this subsidiary, its result is heavily penalised by the worsening of the extraordinary effects that influenced it. Thus, emphasis should be placed on the booking of provisions, referring to the early recognition of the potential costs arising from the program of moratoriums (credit holidays) enacted last July. Thus, following the signing by the President of the Republic of Poland and announcement in the Journal of Laws of the Republic of Poland on the same day of the Act of 7 July 2022 on crowdfunding for business ventures and assistance to borrowers (‘the Act’), introducing, among others, a possibility of up to 8 months of credit holidays in 2022-2023 for borrowers of mortgages denominated in Zlotys, the Bank estimated the maximum impact of the implementation of this Act if all eligible Bank Millennium Group's borrowers were to use this instrument, having recognised an upfront cost of 80% of such maximum impact in the results of the third quarter of 2022, corresponding to 304.6[1] million euros. The participation rate average in the third quarter of 2022 was 66% of eligible borrowers and the Bank intends to review its estimates of credit holidays costs in early 2023 when the actual data for half of the instalments available for suspension will be available.

In addition, the results of the subsidiary continue to be penalised both by the costs incurred with the mandatory contributions to which it was subject, highlighting the contribution to the newly established Institutional Protection Scheme (IPS) in the amount of 59.1[1] million euros, and by the increase in the costs associated with the foreign exchange mortgage portfolio, the aggregate amount of which increased from 369.3[1] million euros to 393.0[1] million euros in the period under analysis. On the other hand, notwithstanding the good operating performance of Bank Millennium S.A., the uncertainty associated with the material impacts arising from new legislative measures, led the Bank to consider the total impairment of the current goodwill associated with the acquisition by the BCP Group of the current percentage of control over Bank Millennium S.A. in the amount of 102.3[1] million euros as at 30 June 2022.

Excluding the above-mentioned extraordinary effects, the Group's net income in September 2022 was 536.0 million euros, compared with 238.0 million euros posted in the first nine months of 2021.

In addition to the aforementioned impacts, the performance of the net income of the Group mainly reflects the favourable evolution of core income, which stood 24.7% above the 1,699.8 million euros accounted in the first nine months of 2021, reaching 2,119.6 million euros at the end of September 2022. The Polish subsidiary contributed decisively to this evolution, driven by the increase in net interest income, exceeding 70%, and it is also worth noting the good performance of core income in the activity in Portugal and in the subsidiary in Mozambique.

On the other hand, the evolution of net income of the Group was influenced by the recognition, in the second quarter of the previous year, of an extraordinary provision, in the amount of 81.4[1] million euros, recognised as staff costs in the activity in Portugal, to face the costs of the headcount adjustment plan, carried out by the Bank that year.

Excluding specific items[2], consolidated core operating profit amounted to 1,338.3 million euros at the end of September 2022, showing a significant increase of 42.6%. from the 938.2 million euros reached in the first nine months of 2021, boosted by the increase in core income. Stated core operating profit increased 56.6% in the same period.

In the activity in Portugal, net income amounted to 295.7 million euros in the first nine months of 2022, showing a very expressive growth from the 115.2 million euros achieved in the same period of the previous year, driven by the favourable performance of most items. It is worth highlighting, on one hand the increase in core income, reflecting the positive performance showed by both net interest income and net commissions and on the other hand the reduction in staff costs, mainly reflecting the recognition, in the second quarter of 2021, of the provision in the amount of 81.4 million euros to address the costs of the headcount adjustment plan that the Bank carried out that year. Additionally, the favourable evolution of net trading income and impairment and provisions, namely loans

[1] Before taxes and in the case of Bank Millennium S.A, before minority interests.

[2] Negative impact of 6.1 million euros in the first nine months of 2022 and 87.6 million euros in the same period of 2021, fully recognized as staff costs in the activity in Portugal, in both periods. In the first nine months of 2022, specific items mainly include the distribution of the Bank's 2021 results by the employees of the Bank, as compensation for the temporary reduction of remuneration. In the first nine moths of 2021, specific items are mainly related with a provision booked to cover the costs related to the current adjustment of headcount carried out by the Bank that year, in the amount of 81.4 million euros.

impairment, should also be mentioned.

The expansion of core income, along with the reduction in operating costs, contributed to a growth of 41.6% of core operating profit in the activity in Portugal, which increased from 455.0 million euros in the first nine months of 2021 to 644.3 million euros in the same period of 2022. Excluding the impact of specific items[2], core operating profit of the activity in Portugal totalled 650.4 million euros at the end of September of 2022, standing 19.9% above the 542.7 million euros achieved in the same period of 2021.

In the international activity, net income evolved from a negative amount of 55.7 million euros in the first nine months of 2021 to an also negative amount of 198.5 million euros in the same period of 2022. The Polish subsidiary, despite the solid operational performance, has contributed decisively to this evolution, namely due to the aforementioned recognition of provisions, relating to the early recognition of the potential costs arising from the programme of moratoriums (credit holidays) promulgated by the President of the Republic of Poland last July (304.6 million euros). The participation rate average in the third quarter of 2022 was 66% of eligible borrowers and the Bank intends to review its estimates of credit holidays costs in early 2023 when the actual data for half of the instalments available for suspension will be available. Additionally, the results of the international activity were also penalised by both the worsening of mandatory contributions to which the subsidiary was subject (from 72.9 million euros in the first nine months of 2021, to 121.1 million euros in the same period of 2022), and by the increase in costs associated with the foreign exchange mortgage portfolio (from 369.3 million euros to 393.0 million euros). In this sense , it should be noted that the increase in mandatory contributions mainly reflects the contribution to the newly established Institutional Protection Scheme (IPS) in the amount of 59.1 million euros, the aim of which is to ensure the stability of the local financial system by ensuring the liquidity and solvency of the member banks, serving simultaneously to support situations of forced restructuring, carried out by the Bank Guarantee Fund in banks that are public companies. Regarding the increase in costs associated with mortgage loans granted in exchange currency, it mainly reflects the increase in costs with the agreements concluded by the Polish subsidiary with customers holding foreign exchange mortgages, in order to convert those credits to local currency or their early repayment (total or partial), mainly recognised under net trading income. Although the additional provisions to address the foreign exchange mortgage legal risk booked by the Polish subsidiary still represent the largest share of the total costs associated to this credits, strongly penalizing the results of the Group, the amount recognised till September 2022 was below the amount accounted in the same period of the previous year.

In addition, the result of the international activity was penalised by the already mentioned provision concerning to the total goodwill associated with the Group's stake in Bank Millennium S.A. (102.3 million euros).

On the other hand, it is important to highlight the significant increase in net interest income in the international activity, mainly due to the contribution of the Polish subsidiary. The evolution of net interest income in the Polish subsidiary was driven by successive increases in the reference interest rates of the National Bank of Poland that have been taking place since the last months of 2021, ending the period of interest rates close to zero that had been set by the National Bank of Poland since the initial phase of the pandemic and which had been penalizing the net interest income of the subsidiary.

At the same time, although with less expression, the contribution of Millennium bim in Mozambique to the result of the international activity was also higher than the one recorded at the first nine months of 2021, due to the exchange rate evolution of the Metical against the euro. As for Angola, its contribution to net income from the international activity in the first nine months of 2022 was negative by 8.8 million euros, compared to an also negative amount of 11.2 million euros in the same period of the previous year. This evolution was influenced by the recognition of a provision to face the risks associated with the context in which the Angolan operation develops its activity (5.0 million euros in the first nine months of 2022 vs 9.5 million euros in the first nine months of 2021).

The result of international activity was also influenced by the result of discontinued operations, which went from 9.5 million euros in the first nine months of 2021 to 1.5 million euros in the same period of the current year. In the first nine months of 2021 this item includes the contribution of the Swiss subsidiary, following the agreement entered into on 29 June 2021 with Union Bancaire Privée, UBP SA regarding the sale of the entire share capital of Banque Privée BCP (Suisse) SA, completed in the fourth quarter of 2021, as defined in the IFRS 5 (4.7 million euros). On the other hand, and also in accordance with IFRS 5, following the sale, at the end of 2021, of the of 70% of the investment held in Seguradora Internacional de Moçambique, S.A. ("SIM"), through its subsidiary BIM - Banco Internacional de Moçambique S.A., the contribution of this subsidiary to the consolidated results of the Group, in the first nine months of 2021, in the amount of 4.8 million euros, was restated, being reflected as income from discontinued operations in the international activity, in order to ensure its comparability. By September 2022, the same item totalled 1.5 million euros, mainly including the sale price adjustment of Banque Privée, according to previously agreed conditions[3].

Core operating profit in the international activity grew 73.9%, from 395.5 million euros in the first nine months of 2021 to 687.9 million euros in the same period of 2022.

Net interest income reached 1,545.8 million euros at the end of September 2022, showing a significant growth of 32.7% compared to the 1,165.0 million euros posted in the same period of the previous year. The favourable evolution of net interest income was transversal to the general geographies in which the Bank operates, assuming greater expression the growth obtained by the Polish subsidiary, exceeding 70%.

In the activity in Portugal, net interest income stood 8.3% above the 619.5 million euros achieved in the first nine months of 2021, reaching 670.9 million euros in the same period of 2022, largely reflecting the favourable evolution of the commercial business and the management of the public debt portfolio.

In this sense, the increase in the income generated by the loan portfolio stands out, boosted by the increase in credit volumes. Despite the historically low levels of interest rates, penalizing the performance of net interest income in the activity in Portugal, the recent increases in interest rates have a growing impact in the income generate by performing loans portfolio. On the other hand, the reduction in the volume of non-performing loans (NPE portfolio), arising from the divestment strategy in this type of assets carried out by the Bank in recent years, complying with a strict reduction plan, have as a side effect a negative impact on net interest income in the activity in Portugal. In addition, it is important to mention the contribution of customer funds to the evolution of net interest income, still benefiting from the low interest rates in the remuneration of the deposit portfolio observed in this period.

In contrast, we must point out the significant increase in costs incurred by the Bank with the excess liquidity deposited at the Bank of Portugal. At the same time, there was also a negative impact resulting from the end of interest rate bonification period since 23rd June 2022, related to the interest rate of the new targeted longer-term refinancing operation (TLTRO III).

On the other hand, it is also worth mentioning the higher contribution to net interest income evolution in the activity in Portugal, of the increase in the income generated by the securities portfolio, mainly by sovereign debt portfolio compared to the amount recognised in the first nine months of 2021. The reduction in the costs incurred with subordinated debt also benefited net interest income evolution, while costs incurred with the remaining debt issued, in turn, were higher than in the first nine months of 2021. This evolution resulted, on the one hand, from the

[3] The purchase price received may be adjusted positively or negatively in the future, according to typical adjustments in this kind of transactions, including the variation of the equity in the completion date, and the ones that may result from the variation of stocks and/or flows of assets under management, in pre-determined dates and specified portfolios.

execution of a senior preferred issue amounting to 500 million euros in February 2021 and, on the other hand, from a new issue of preferred senior social debt securities, also in the amount of 500 million euros, placed under the Bank's Euro Note Programme, at the end of the third quarter of 2021, with both issues aiming to comply with the requirements known as "MREL" (Minimum Requirements for Own Funds and Eligible Liabilities).

In the international activity, net interest income showed a significant growth of 60.4% from the 545.5 million euros accounted in the first nine months of 2021, amounting to 875.0 million euros at the end of September 2022. The Polish subsidiary was the main responsible for this evolution, despite net interest income in the subsidiary in Mozambique also showing a very favourable performance still, with a smaller impact and benefiting from the favourable evolution of the Metical against the euro. In the Polish subsidiary, net interest income, was boosted by successive increases in the reference interest rates that have been taking place since the last months of 2021, ending the period of interest rates close to zero that had been set by the National Bank of Poland since the initial phase of the pandemic and which had been penalizing the net interest income of the subsidiary. The impact of these interest rate increases was mainly felt on the interest margin of loans to customers, which played a decisive role in the favourable evolution of the net interest income of the subsidiary.

In consolidated terms, net interest margin showed a favourable evolution from 1.91% in the first nine months of 2021 to 2.38% recorded in the same period of the previous year, boosted by the performance of international activity.

In the activity in Portugal, net interest margin stood at 1.45% in the first nine months of 2022, in line with the figure showed a year earlier and recording an increase of 4 bp compared to June 2022.

In the international activity, net interest margin increased significantly from 2.98% in the first nine months of 2021 to 4.66% in the same period in the current year, mainly reflecting the reversal of the evolution trend of the reference interest rates set by the National Bank of Poland, which after a period of sharp reduction has recorded successive increases since the last quarter of 2021.

Equity accounted earnings together with **dividends from equity instruments**, which comprise dividends received from investments classified as financial assets at fair value through other comprehensive income and as financial assets held for trading, totalled 54.2 million euros in the first nine months of 2022, standing 26.2% above the 43.0 million euros recorded in the same period of the previous year. This evolution was determined by the favourable performance of the activity in Portugal.

In the activity in Portugal, equity accounted earnings together with dividends from equity instruments stood at 54.5 million euros in the first nine months of 2022, increasing 24.0%, from the 43.9 million euros posted in the same period of the previous year, mainly due to the increase in the income associated with investments that are part of the shares portfolio of the activity in Portugal. At the same time, equity accounted earnings also contributed to the favourable evolution of this aggregate in the activity in Portugal, although in a smaller size, reflecting above all the increase in income generated by the participation in Unicre.

In the international activity, the evolution of equity accounted earnings together with the income of dividends from equity instruments, from a negative amount of 0.9 million euros in the first nine months of 2021 to an also negative amount of 0.3 million euros, in the same period of 2022, benefited from the appropriation of the results generated by Seguradora Internacional de Moçambique, S.A. ("SIM"), in the amount of 1.4 million euros, following the sale at the end of 2021 by BIM – Banco Internacional de Moçambique, S.A. ("BIM") to Fidelidade – Companhia de Seguros, S.A., of 70% of SIM's share capital and voting rights, keeping BIM approximately 22% of its share capital. Conversely, the evolution of this aggregate in the international activity was penalised by the appropriation of the results generated by Banco Millennium Atlântico in Angola, reflecting the impacts caused by the weaknesses of the local economy.

Net commissions[4] showed a 7.3% growth from the 534.8 million euros recorded in the first nine months of 2021, reaching 573.8 million euros in the same period of the current year, reflecting in part the progressive normalisation of the economic activity. In this context, there was a general improvement in banking commissions mainly in the activity in Portugal, but also in the international activity. Market related commissions, in turn, stood below the amount reached in the first nine months of 2021, with the increase in the activity in Portugal being entirely absorbed by the reduction in the international activity.

In the activity in Portugal, net commissions grew by 10.9% from the 376.6 million euros recorded in the first nine months of 2021, amounting to 417.7 million euros at the end of September of the current year, benefiting from the performance of both commissions related to the banking business, which showed an increase of 11.4% (36.4 million euros) and commissions related to financial markets, which were 8.0% (4.7 million euros) above the amount recorded in the first nine months of 2021. In this evolution, it is worth noting the performance of both commissions related to transfers and management and maintenance of accounts reflecting, on the one hand, the recovery of post-pandemic transactional levels, and on the other the dynamics of new customer acquisition and the proper management of value propositions.

In the international activity, net commissions reached 156.1 million euros in the first nine months of 2022, slightly above the 158.2 million euros posted in the same period of 2021, reflecting the reduction in the Polish subsidiary, partly offset by the largest contribution of the subsidiary in Mozambique. In both cases, the evolution was strongly influenced by the exchange rate evolution of the respective currencies against the euro, since the decline in the Polish subsidiary in Zlotys appeared not very expressive and in the subsidiary in Mozambique commissions expressed in Meticals were in line with the amount calculated in the first nine months of 2021.

[4] During 2021, some commissions were reclassified, in order to improve the quality of the information reported. The historical amounts related to the first nine months of 2021 of such items are presented considering these reclassifications with the purpose of ensuring their comparability. Except for the impacts produced by the restatement of the contribution of the subsidiary in Mozambique following the sale at the end of 2021, from the stake that the subsidiary had in SIM, the total amount of net commissions disclosed in previous periods remains unchanged compared to those published in September 2021.

NET COMMISSIONS

Million euros

	9M22	9M21 (restated)	Chg 22/21
Banking commissions	495.3	453.3	9.3%
Cards and transfers	162.7	131.0	24.1%
Credit and guarantees	108.0	114.4	-5.6%
Bancassurance	89.0	87.3	2.0%
Management and maintenance of accounts	124.5	110.9	12.2%
Other commissions	11.2	9.8	14.4%
Market related commissions	78.5	81.5	-3.6%
Securities	27.4	26.4	3.7%
Asset management and distribution	51.1	55.1	-7.2%
NET COMMISSIONS	**573.8**	**534.8**	**7.3%**
Of which:			
Activity in Portugal	417.7	376.6	10.9%
International activity	156.1	158.2	-1.3%

In the first nine months of 2022, **net trading income** amounted to 74.9 million euros, standing 4.8% above the 71.5 million euros reached in the same period of the previous year, with the increase in the activity in Portugal to be almost entirely offset by the reduction of international activity.

Net trading income, in the activity in Portugal, stood at 98.9 million euros in the first nine months of 2022, representing a significant growth of 54.2% from the 64.1 million euros recorded in the same period of 2021. For this evolution contributed, to a large extent, the gains, recognised in the first nine months of 2022 arising from the revaluation of corporate restructuring funds, which although not very significant, contrasting with the costs that were reflected in the profit and loss account of the same period of the previous year. In the same way, the income recognised in the first nine months of 2022 from the disposal of credits also contrast with the costs calculated in the same period of 2021, contributing favorably to this evolution, as well as higher gains with foreign exchange operations. Conversely, the evolution of net trading income in the activity in Portugal was penalised by the smaller gains associated with Portuguese government debt securities recognised in the first nine months of 2022 compared to the amount posted in the same period of 2021.

In the international activity, net trading income went from a positive amount of 7.4 million euros at the end of September 2021, to a negative amount of 23.9 million euros in the first nine months of 2022. This evolution was mainly due to the performance of the Polish subsidiary, which was strongly influenced by the impact of the costs incurred in converting mortgage loans granted into Swiss francs, following the agreements closed in the meantime with customers holding those credits, which amounted to 69.9 million euros, compared to 47.7 million euros recognised in the first nine months of 2021.

Other net operating income includes, among others, the costs associated with the resolution and the deposit guarantee funds as well as with the other mandatory contributions, both in the activity in Portugal and in the international activity. In the first nine months of 2022, other net operating income stood at a negative amount of 190.8 million euros, compared to an also negative amount of 116.8 million euros posted in the same period of the previous year, mainly reflecting the increase in costs with mandatory contributions to which the Polish subsidiary was subject.

In the activity in Portugal, other net operating income went from a negative amount of 68.6 million euros in the first nine months of 2021, to an also negative amount of 71.3 million euros in the same period of 2022, influenced by the increase of 11.3 million euros recorded in the costs incurred with mandatory contributions, which fully absorb the significant increase in the gains recognised from the sale of non-current assets held for sale. The total amount of costs recognised with mandatory contributions in the activity in Portugal stood at 88.5 million euros in the first nine months of of 2022 (77.2 million euros in the first nine months of 2021), of which 62.2 million euros refer to contributions for national entities (56.2 million euros in the first nine months of 2021).

In the international activity, other net operating income reached a negative amount of 119.5 million euros at the end of September 2022, more than double the also negative amount of 48.3 million euros in the same period of 2021. This evolution was strongly influenced by the increase of 48.2 million euros in the costs incurred with mandatory contributions to which the Polish operation was subject, from 72.9 million euros in the first nine months of 2021 to 121.1 million euros in the same period of 2022. In this context, we must point out the contribution to the new Institutional Protection Scheme (IPS), of 59.1 million euros at the end of September 2022, nonexistent in 2021. This fund was born with the aim of ensuring the stability of the local financial system by ensuring the liquidity and solvency of the member banks, while serving to support situations of forced restructuring carried out by the Bank Guarantee Fund in banks that are public companies. Thus, the Bank, together with the other participating financial institutions, created a company that, in turn, constituted an "aid fund" to which each bank will contribute with the equivalent of 0.4% of its deposits covered by the local Deposit Guarantee Fund. On the other hand, following the creation of this new contribution, in 2022 Bank Millennium will only bear the costs with the deposit guarantee fund for the first quarter of the year, which arose at 8.0 million euros (11.5 million euros as at September 2021). In addition, mention must be made to the increase in costs associated with the foreign exchange mortgage loan portfolio, resulting from the agreement with clients. The income to be reimbursed from a third party, related to foreign exchange mortgage legal risk, following the contract of acquisition of Euro Bank S.A. slightly decreased, from 32.8 million euros in the first nine months of 2021, to 31.4 million euros at the end of September 2022.

Operating costs, not considering the effect of specific items[5], totalled 781.4 million euros in the first nine months of 2022, standing 2.6% above the 761.6 million euros recorded in the same period of the previous year, with this evolution partly justified by the the rise in inflation, across all geographies in which the Bank operates. The increase in costs in international activity, especially regarding staff costs and other administrative costs, was decisive for the evolution of the operating costs of the Group (excluding specific items), having fully offset the savings achieved in the activity in Portugal, resulting from the reduction in staff costs.

In the activity in Portugal, operating costs, not considering the effect of the specific items[5], showed a 3.4% reduction from the 453.5 million euros posted in the first nine months of 2021, amounting to 438.2 million euros in the same period of 2022. The specific items recognised in the first nine months of 2022, mainly relate to the distribution of part of the 2021 results by the Bank's employees, as compensation for the temporary reduction of

[5] Specific items: negative impact of 6.1 million euros in the first nine months of 2022 and 87.6 million euros in the first nine months of 2021, fully recognized as staff costs in the activity in Portugal, in both periods.

remuneration in the period 2014/2017, as proposed at the General Meeting of Banco Comercial Português, S.A., held on May 4, 2022. In the first nine months of 2021, specific items are mainly related to the recognition of a provision, in the amount of 81.4 million euros, to face the costs arising from the headcount adjustment, which the Bank carried out that year. In this context, it should be noted that the favourable evolution of operating costs in the activity in Portugal, excluding specific items[5], was due to the savings in staff costs, resulting from the implementation of the aforementioned headcount adjustment plan that the Bank carried out in 2021. Other administrative costs were higher than in September 2021, while depreciations remained in line with the amount accounted in the first nine months of 2021.

In the international activity, operating costs totalled 343.2 million euros at the end of September 2022, standing 11.4% above the 308.2 million euros accounted in the same period of the previous year, reflecting, in part, the inflationary increases recorded in recent months in the geographies where the Group operates. In this sense, the evolution of operating costs in the international activity stemmed from the performance of both the Polish subsidiary and the subsidiary in Mozambique, in the latter case, strongly penalised by the exchange rate evolution of the Metical against the euro.

In consolidated terms, despite the slight increase in operating costs, excluding specific items[5], compared to the amount recorded in the first nine months of 2021, cost to income and cost to core income ratios excluding specific items showed a significant improvement, evolving, respectively, from 44.9% in the first nine months of 2021, to 38.0% in the first nine months of 2022, and from 44.8% to 36.9% in the same period, thanks to the increase in both net operating revenues and core income. Cost to income and cost to core income stated ratios evolved, respectively, from 50.0% to 38.3% and from 50.0% to 37.1% in the same period.

Staff costs, not considering the effect of specific items (6.1 million euros in the first nine months of 2022 and 87.6 million euros in the same period of the previous year), totalled 425.8 million euros at the end of September 2022, in line with the amount accounted in the same period of 2021. The specific items previously mentioned were, in both periods, fully recognised in the activity in Portugal. In the first nine months of 2022, specific items almost fully respect to the distribution of part of the Bank's 2021 results by the employees of the Bank, as approved at the General Meeting of Banco Comercial Português, S.A., held on May 4, 2022. In the first nine months of 2021, specific items were mainly related to a provision in the amount of 81.4 million euros, booked to cover the costs related to the adjustment of headcount, carried out by the Bank that year. Despite the fact that, in consolidated terms, staff costs excluding specific items are at a similar level to the same period in the previous year, it´s important to highlight the favourable performance of the activity in Portugal, the impact of which was largely absorbed by the increase in the international activity.

In the activity in Portugal, staff costs, excluding the impact of specific items (6.1 million euros in the first nine months of 2022 and 87.6 million euros in the same period of 2021), showed a 7.3% reduction compared to the 264.9 million euros posted in the same period of the previous year, amounting to 245.5 million euros at the end of September 2022. This favourable evolution in staff costs, excluding specific items, reflects mainly the reduction, in net terms, in the number of employees, that went from 6,511 employees as at 30 September 2021, to 6,257 employees at the end of September 2022, mainly reflecting the impact arising from the implementation of the headcount adjustment plan that the Bank carried out in 2021 (costs arising from the headcount adjustment were recognised as specific items in the first nine months of 2021, mostly including the already mentioned provision in the amount of 81.4 million euros). In this context, it should be noted that the Bank continued to acquire the required capabilities to meet current needs by hiring new employees with specific digital and new technologies skills.

In the international activity, staff costs amounted to 180.3 million euros in the first nine months of 2022, standing

10.2% above the 163.6 million euros recorded in the same period of 2021, due to the performance of both the Polish subsidiary and the subsidiary in Mozambique. In the Polish subsidiary, the evolution of staff costs continued to be determined by the strong pressure on basic wages, resulting both from rising levels of inflation and from the characteristics of the Polish labour market, in particular from the very low unemployment rates verified in the country. In this sense, as a way of retaining and motivating employees, the amounts allocated to the bonus paid to employees were also higher than in the first nine months of 2021. Conversely, the evolution of staff costs at the Polish subsidiary also reflects the impact of the reduction in the total number of employees that went from 7,172 employees (7,035 FTE - full time equivalent) as of 30 of September 2021, to 6,897 employees (6,778 FTE – full-time equivalent) at the end of September 2022, resulting from the need to accelerate efficiency improvement within the challenging context that the subsidiary has been facing. In the operation in Mozambique, in turn, despite a reduction of 122 employees in the staff, from 2,629 employees on 30 September 2021, to 2,507 employees in the same date of 2022, this reduction was due to the sale, at the end of 2021, by BIM - Banco Internacional de Moçambique of 70% of the share capital of SIM, becoming a minority shareholder with a stake of 22%. Excluding the 153 employees that at the end of September of 2021 belonged to SIM, the staff of the Mozambican operation increased by 31 employees, which together with the salary update and with the exchange rate evolution of the Metical against the euro, justified the increase in total staff costs compared to the same period of the previous year. It should be noted that, following the sale of SIM at the end of 2021, the historical amounts of this operation, related to the first nine months of 2021, were restated, being classified as discontinued operations, in accordance with IFRS 5, in order to ensure the comparability of the information.

The staff of the international activity, as at 30 September 2022, was composed by 9,404 employees, 480 fewer than the 9,884 employees existing on the same date of the previous year. Bank Millennium in Poland was the principal responsible for this evolution, showing a reduction of 275 employees in the period under analysis. The subsidiary in Mozambique, in turn, reduced the staff by 122 employees in the period under analysis with this variation being strongly influenced by the impact of the sale of SIM, whose staff as of September 30, 2021, was composed of 153 employees. Additionally, the evolution of the number of employees related to international activity also reflects the impact of the disposal of the entire share capital of Banque Privée BCP (Suisse), which occurred at the end of 2021, with 79 employees allocated to this subsidiary, as of September 30, 2021. Although the sale of this subsidiary only occurred at the end of 2021, its contribution to the Group's consolidated results in the first nine months of 2021 was accounted for as a result of discontinued operations following the agreement concluded on June 29, 2021 with Union Bancaire Privée, UBP S.A., as provided for in IFRS5.

Other administrative costs totalled 251.8 million euros at the end of September 2022, increasing 9.3% from the 230.3 million euros posted in the same period of the previous year, strongly influenced by the general increase of inflation. This evolution was mainly driven by the performance of the international activity, despite other administrative costs in the activity in Portugal were also higher than those recorded in the same period of 2021.

In the activity in Portugal, other administrative costs amounted to 133.5 million euros in the first nine months of 2022, standing 4.0% above the 128.4 million euros recorded in the same period of the previous year. This performance was mainly due to the increase, close to 90%, in costs related to water, energy and fuels, mainly reflecting the increased cost of energy. At the same time, the greater investment by the Bank in technology and cybersecurity led to an increase in the respective costs namely associated to the maintenance of hardware and software. On the other hand, there was also an increase in costs associated with transportation, outsourcing, advertising and travel, hotel and representations largely reflecting the gradual recovery of economic activity, influenced by the favourable evolution of the pandemic. Conversly, we should mention the savings obtained in advisory services and independent labour among others. It should also be noted that the Bank pursues a disciplined cost management, implementing a series of measures , highlighting the resizing of its branch network in the activity in Portugal, which decreased from 447 on 30 September 30, 2021, to 408 branches at the end of September 2022, with widespread impact on the several headings of other administrative costs.

In the international activity, other administrative costs amounted to 118.2 million euros in the first nine months of 2022, representing a 15.9% increase from the 102.0 million euros posted in the same period of the previous year. This evolution was due to the performance of both the Polish subsidiary, and the subsidiary in Mozambique with the latter to be penalised above all, by the evolution of the Metical against the euro. On the other hand, it should be mentioned that the performance of other administrative costs, in the international activity, continues to benefit from the synergies achieved as a result of the optimisation of its branch network, in particular the reduction in the Polish subsidiary, whose number decreased from the 665 branches existing as of 30 September 2021, to 633 branches at the end of September 2022. The subsidiary in Mozambique, in turn, reduced the number of branches from 199 at the end of September 2021 to 197 on the same date of the current year.

Depreciations amounted to 103.9 million euros in the first nine months of 2022, staying stable (+1.1%) compared to the amount posted in the same period of the previous year, with the increase in the international activity to be partially offset by the reduction in the activity in Portugal.

In the activity in Portugal depreciations totalled 59.1 million euros, standing 1.7% below the 60.2 million euros posted in the same period of the previous year, mainly due to the the reduction in depreciation associated with computer equipment, although it was partly absorbed by the increase in depreciations stemming from software investment over the last few years. The strengthening of investment in software highlights the Bank's commitment to the ongoing transformation process and the constant focus on technological innovation, particularly relevant in the context of a pandemic that has been experienced in recent times.

In the international activity, depreciations amounted to 44.7 million euros at the end of September 2022, standing 4.9% above the 42.6 million euros recorded in the same period of 2021. This evolution was determined by the performance of the subsidiary in Mozambique, mainly reflecting the exchange rate evolution of Metical against the euro, since in local currency the amount of depreciations in this subsidiary showed a non significant growth.

OPERATING COSTS (1)

Million euros

	9M22	9M21 (restated)	Chg. 22/21
Staff costs	425.8	428.5	-0.6%
Other administrative costs	251.8	230.3	9.3%
Depreciations	103.9	102.8	1.1%
OPERATING COSTS	**781.4**	**761.6**	**2.6%**
Of which:			
Activity in Portugal	438.2	453.5	-3.4%
International activity	343.2	308.2	11.4%
Cost to core income of the Group	36.9%	44.8%	
Cost to income of the Group	38.0%	44.9%	

(1) Excludes the impact of specific items.

In the first nine months of 2022, **impairment for loan losses** (net of recoveries) totalled 241.2 million euros, standing 8.7% bellow the 264.0 million euros accounted in the same period of 2021, benefiting from the favourable evolution in the activity in Portugal, offset by the performance of the international activity.

Loans impairment charges (net of recoveries), in the activity in Portugal, amounted to 174.1 million euros at the end of September 2022, showing a 14.5% reduction from the 203.7 million euros recognised in the same period of the previous year.

In the international activity, impairment charges (net of recoveries), stood 11.2% above the 60.3 million euros recognised in the first nine months of 2021, amounting to 67.1 million euros in the same period of 2022. This evolution was mainly due to the higher level of provisioning required by both the Polish subsidiary and the subsidiary in Mozambique. It should be noted, however, that the evolution of impairment for loan losses in the Mozambican operation was influenced by the reversal, in the first nine months of 2021, of the impairment associated with an individual client, motivated by the assets received as payment in kind.

The evolution of impairment for loan losses (net of recoveries) in consolidated terms led the cost of risk of the Group, net of recoveries, to reduce from the 60 basis points in the first nine months of 2021, to 55 basis points in the same period of 2022. This development benefited from the performance of the activity in Portugal, whose cost of risk (net of recoveries) showed a reduction, from 68 basis points in the first nine months of of 2021, to 57 basis points in the same period of the current year. In the international activity, in turn, the cost of risk (net of recoveries) worsened, from 44 basis points, to 51 basis points in the period under analisys.

Other impairments and provisions totalled 837.0 million euros in the first nine months of 2022, increasing very significantly from the 462.1 million euros recorded in the same period of 2021, strongly influenced by the recognition of impairments and provisions associated to the Polish subsidiary.

In this context, we should highlight the booking of impairments and provisions, referring to the early recognition of the potential costs arising from the program of moratoriums (credit holidays) enacted last July. Thus, following the signing by the President of the Republic of Poland and announcement in the Journal of Laws of the Republic of Poland on the same day of the Act of 7 July 2022 on crowdfunding for business ventures and assistance to borrowers ('the Act'), introducing, among others, a possibility of up to 8 months of credit holidays in 2022-2023 for borrowers of mortgages denominated in Zlotys, the Bank estimated the maximum impact of the implementation of this Act if all eligible Bank Millennium Group's borrowers were to use this instrument, having recognised an upfront cost of 80% of such maximum impact in the results of the third quarter of 2022, corresponding to 304.6 million euros. The participation rate average in the third quarter of 2022 was 66% of eligible borrowers and the Bank intends to review its estimates of credit holidays costs in early 2023 when the actual data for half of the instalments available for suspension will be available.

On the other hand, notwithstanding the good operating performance of Bank Millennium S.A., the expected effect that the increase in reference interest rates has on the prospective evolution of net interest income and the fact that Bank Millennium S.A. continues to assess that the goodwill associated with the consumer credit business acquired from Euro Bank S.A. as recoverable, given the sensitivity of the estimated value to the main assumptions considered and the uncertainty associated with the material impacts on the Business Plan and projections arising from potential legislative measures, the Bank has considered the total impairment of the current goodwill associated with the acquisition by the BCP Group of the current percentage of control over Bank Millennium S.A. in the amount of 102.3 million euros as at 30 June 2022.

In the activity in Portugal, other impairments and provisions showed a 3.4% reduction, from 103.3 million euros in the first nine months of 2021, to 99.7 million euros in the same period of 2022, mainly reflecting the reduction associated to financial assets at fair value through other comprehensive income and to non-current assets held for sale, in particular the portfolio of real estate properties received as payment in kind.

In the international activity, other impairment and provisions amounted to 737.3 million euros at the end of September 2022, more than doubling from the 358.8 million euros posted in the first nine months of the previous year. As previously mentioned, this evolution mainly reflects the recognition of impairments and provisions associated to the Polish subsidiary, related to both the upfront cost recognition of the potential costs arising from the moratorium programme (credit holidays) enacted last July (304.6 million euros), and the goodwill associated with the Group's participation in Bank Millennium S.A. (102.3 million euros).

On the other hand, despite continuing to strongly penalise the result of the Polish subsidiary, the reinforcement of the extraordinary provision, booked to address the foreign exchange mortgage legal risk, evolved favourably from the 346.3 million euros recognised in the first nine months of 2021, to 323.9 million euros in the same period of the current year. In both periods, the impact of these provisions has been partially offset by the recognition of income, reflected under the heading of other net operating income, corresponding to the amount to be received from a third party, following the indemnity and contractual guarantees clauses foreseen in the agreement established for the purchase of Euro Bank S.A. (31.4 million euros in the first nine months of 2022 and 32.8 million euros in the same period of 2021).

Other impairments and provisions in the international activity also benefited, although on a smaller dimension, from the favourable evolution of both impairments for the investment in the participation in Banco Millennium Atlântico (including goodwill) and the reduction of impairment booked in the subsidiary in Mozambique compared to the first nine months of 2021.

Income tax (current and deferred) amounted to 208.6 million euros in the first nine months of 2022, which compares to 141.5 million euros obtained in the same period of the previous year.

The recognised taxes include, in the first nine months of 2022, current tax of 75.4 million euros (66.9 million euros in the same period of 2021) and deferred tax of 133.2 million euros (74.5 million euros in the first nine months of 2021).

Current tax expenses in the first nine months of 2022 were strongly influenced by provisions for legal risks related to the portfolio of foreign currency mortgage loans and by mandatory contributions to the banking sector, both of them non-deductible for tax purposes in the Polish subsidiary.

Deferred tax expenses in the first nine months of 2022 mainly result from the income of the period of the activity in Portugal and are influenced by some mandatory contributions to the banking sector in Portugal non-deductible for tax purposes.

The Group income before tax includes the expense of 102.3 million euros related to the impairment of the goodwill of the Polish subsidiary, which has no impact on current and deferred taxes.

BALANCE SHEET

Total assets of the consolidated balance sheet of Millennium bcp amounted to 97,169 million euros as of 30 September 2022, maintaining the growth trend observed over the last quarters, standing 6.2% above the 91,463 million euros posted on the same date in the previous year. This evolution mainly reflects the good performance of the activity in Portugal, since assets in the international activity recorded a decrease.

The performance of the ativity in Portugal led to an increase of 9.6% of the total assets, compared to the 65,121 million euros posted at the end of the first nine months of 2021, totalling 71,404 million euros at the same date of 2022. This evolution is explained by the growth of loans and advances to credit institutions, particularly at central banks, other assets (increase in collateral associated with derivatives clearing/clearing houses) and loans to customers portfolio (net of impairment). Inversely, there were reductions in deposits at central banks, securities portfolio, mainly due to the divestment in Portuguese public debt and in non-current assets held for sale, in particular the portfolio of real estate properties received as payment.

In the international activity, total assets amounted to 25,765 million euros as of 30 September 2022, recording a drop of 2.2% comparing to the same date in the previous year (26,342 million euros posted on 30 September 2021). As far as the evolution of the balance sheet items is concerned, there was an increase of the deposits at central bank and loans and advances to credit institutions that was more than offset by the decrease in the securities portfolio, reduction in loans to customers portfolio (net of impairment), the recognition of total impairment of the goodwill related to the acquisition of the Polish subsidiary by BCP and by the deconsolidation impact related to the disposals of the operation in Switzerland and of SIM at the end of 2021.

Consolidated **loans to customers (gross)**[6] of Millennium bcp, as defined in the glossary, amounted to 58,622 million euros on 30 September 2022, which compares with the 57,964 million euros recorded at the end of September 2021, representing a growth of 1.1% in relation to the equivalent period of the previous year, mainly achieved through the performance of the activity in Portugal, since international activity posted a decrease.

The evolution of loans to customers (before impairment) in the activity in Portugal showed a growth of 2.6% comparing to the 39,998 million euros recorded by the end of September 2021, standing at 41,030 million euros on 30 September 2022. The net growth of loans portfolio includes, on the one hand, the good performance of the performing loans, which has grown by 1,426 million euros between the first nine months of 2021 and 2022 and on the other hand, the reduction of 394 million euros in NPE, thus maintaining the strategy of Bank's divestment for these type of assets that has been carried out over the last years.

Loan portfolio growth in the activity in Portugal reflects, largely, the expansion of loans to individuals, which have evolved from 20,225 million euros on 30 September 2021 to 21,101 million euros by the end of the first nine months of 2022, benefiting mainly from the dynamism of mortgage loans, but also from the performance from personal loans, albeit the growth is of a smaller magnitude in the latter case.

Loans to companies amounted 19,928 million euros at the end of the first nine months of the current year, remaining almost unchanged compared to the figure reached the same date of the previous year (19,773 million euros on 30 September 2021). Regarding the credit granted by the Bank under the COVID-19 lines guaranteed by the Portuguese State, the total figure of credit stood at 2,254 million euros as at 30 September 2022, comparing to

[6] Following the disposal of the Swiss subsidiary in 2021, its historical values are not being considered in the context of this analysis, to ensure the comparability of the information.

2,632 million euros recorded in the same date in the previous year. At the end of the first nine months of 2022, the COVID-19 lines represented about 5.5% of the total loan portfolio of the activity in Portugal.

Regarding the quality of the credit portfolio previously subject to a moratorium, which at the end of the first nine months of 2022 amounted to 7,023 million euros (expired moratoriums), it should be noted that 88% of this exposure corresponded to performing loans. Consequently, 12% concerned non-performing exposures (operations classified as stage 3), which compared with a percentage of non-performing exposures of 3.7%[7] of the total portfolio.

In the international activity, loans to customers (gross)[6] amounted to 17,593 million euros as of 30 September 2022, standing 2.1% below the 17,966 million euros posted at the end of the first nine months of the previous year. The Polish subsidiary recorded a decrease in loan portflio compared to the same date of the previous year, driven by the reduction in mortgage loans, as a result of the provision constituted for credit holidays program. This evolution is, however, strongly influenced by the devaluation of Zloty against the euro, since there was an increase in the amounts of credit in the period under analysis. Inversely, loan portfolio in the subsidiary in Mozambique recorded an increase amplified by the Metical appreciation vs Euro.

As for the foreign currency credit portfolio, mostly denominated in Swiss francs, it continued to show a relevant downward trend by falling from 2,364 million euros as of 30 September 2021 to 1,722 million euros as of 30 September 2022, representing 13.6% and 10.2% of the total amount of credit recorded on the balance sheet of Bank Millennium and 4.1% and 2.9% of the Group's total loans portfolio at the end of first nine months of 2021 and 2022, respectively.

It should be noted that the foreign exchange loan portfolio before provisions for individual mortgage loans in Swiss francs [8] (which amounted to 459 million euros and 867 million euros on 30 September 2021 and 2022, respectively) and deducted from the part relating to Euro Bank S.A. (whose risk is fully secured by a third party, under the clauses provided for in the contract of acquisition of that entity) amounted to 2,648 million euros at the end of the first nine months of 2021 and 2,442 million euros at the end of the first nine months of 2022, resulting in a reduction of 7.8% compared to the same date the previous year.

7 NPE ratio, measured by the quotient between non-performing exposures (only exposures included in the aggregate of loans to customers) and total loans (gross).

8 In the first half of 2021, the Group changed the presentation of provisions for individual mortgage loans in Swiss francs, starting to allocate provisions for future legal risks and recognising them as a reduction in the gross book value of loans for those where a reduction in cash flows is expected, as provided for under IFRS 9.

LOANS TO CUSTOMERS (GROSS)

Million euros

	30 Sep. 22	30 Sep. 21 comparable (1)	Chg. 22/21
INDIVIDUALS	**33,852**	**33,474**	**1.1%**
Mortgage	27,939	27,498	1.6%
Personal loans	5,913	5,976	-1.0%
COMPANIES	**24,770**	**24,490**	**1.1%**
Services	8,728	8,724	0.1%
Commerce	4,189	4,261	-1.7%
Construction	1,612	1,516	6.3%
Others	10,241	9,990	2.5%
	58,622	**57,964**	**1.1%**
Of which:			
Activity in Portugal	41,030	39,998	2.6%
International activity	17,593	17,966	-2.1%
Discontinued operations (1)	--	372	
TOTAL	**58,622**	**58,336**	**0.5%**

(1) Following the sale of Banque Privée BCP in Switzerland in 2021, its historical figures related to 2021 were included in a single line called "Discontinued operations", to ensure the comparability of the information.

The **quality of the credit portfolio** continues to benefit from the focus on selectivity and monitoring of the credit risk control processes, as well as from the initiatives carried out by the commercial and credit recovery areas, in order to recover non-performing loans over the recent years.

With the emergence of the Russian/Ukraine conflict, the Bank has performed a set of quantitative and qualitative analysis to assess the potential impacts in the performance of the credit portfolio. This evaluation was carried out, particularly, in Portugal and Poland, the latter being a geography potentially more exposed to the impacts of this event, considering it is a neighbouring country of Ukraine. Taking into consideration the still highly uncertain environment, it is difficult to determine the economic consequences in the Bank's business and near/mid-term prospects from the military actions and sanctions imposed on Russia and Belarus by Western countries, among others, energy supply constraints, namely the provision of gas to Europe, and impacts in the supply chains of several products and commodities. Nevertheless, monitoring procedures were put in place focusing on specific portfolios identified as being potently more vulnerable, among which we highlight dedicated sessions of BCP Executive Committee with the purpose of evaluating the impacts of this geopolitical crisis in the risk profile of the bank and dedicated committees to follow exposures to more vulnerable customers.

Loan portfolio quality has continued to record a favourable trend. In this context, NPE ratio, measured by the ratio between non performing exposures and the total loan portfolio dropped from 4.9% as of 30 September 2021 to 4.1% at the same date of 2022, largely due to the performance of the domestic loan portfolio, whose NPE ratio stands at 3.7% at the end of the first nine months of 2022, which compares to 4.8% posted in the same date the previous year.

As for the coverage by impairments ratios, we highlight the positive evolution of the coverage of NPL by more than 90 days, that rose from 139.3% at the end of September 2021 to 182.7% on 30 September 2022. The coverage of NPE by loans impairments in the activity in Portugal, in turn, showed a drop of 3 p.p., standing at 65.9% by the end of the first nine months of 2022, compared to 68.6% recorded in the same date last year.

Still with regard to the coverage ratios, we point out that the coverage of foreign exchange mortgage loan portfolio in the Polish Subsidiary [9] was reinforced from 19.5% on 30 September 2021 to 41.3% on 30 September 2022.

CREDIT QUALITY INDICATORS

	Group			Activity in Portugal		
	30 Sep. 22	30 Sep. 21	Chg. 22/21	30 Sep. 22	30 Sep. 21	Chg. 22/21
STOCK (M€)						
Loans to customers (gross)	58,622	58,336	0.5%	41,030	39,998	2.6%
Overdue loans > 90 days	641	1,008	-36.4%	296	636	-53.5%
Overdue loans	730	1,129	-35.3%	308	650	-52.6%
Restructured loans	2,093	2,525	-17.1%	1,571	1,996	-21.3%
NPL > 90 days	882	1,380	-36.1%	446	884	-49.5%
NPE	2,424	2,832	-14.4%	1,537	1,931	-20.4%
Loans impairment (Balance sheet)	1,612	1,923	-16.2%	1,012	1,324	-23.5%
NPE impairment (Balance sheet)	1,172	1,464	-19.9%	726	1,010	-28.2%
RATIOS AS A PERCENTAGE OF LOANS TO CUSTOMERS						
Overdue loans > 90 days / Loans to customers (gross)	1.1%	1.7%		0.7%	1.6%	
Overdue loans / Loans to customers (gross)	1.2%	1.9%		0.8%	1.6%	
Restructured loans / Loans to customers (gross)	3.6%	4.3%		3.8%	5.0%	
NPL > 90 days / Loans to customers (gross)	1.5%	2.4%		1.1%	2.2%	
NPE / Loans to customers (gross)	4.1%	4.9%		3.7%	4.8%	
COVERAGE BY IMPAIRMENTS						
Coverage of overdue loans > 90 days	251.6%	190.7%		342.1%	208.2%	
Coverage of overdue loans	220.7%	170.3%		328.8%	203.8%	
Coverage of NPL > 90 days	182.7%	139.3%		227.1%	149.9%	
Coverage of NPE	66.5%	67.9%		65.9%	68.6%	
Specific coverage of NPE	48.3%	51.7%		47.2%	52.3%	
EBA						
NPE ratio (includes debt securities and off-balance exposures)	2.7%	3.3%		2.5%	3.3%	

Note: NPE include loans to customers only, as defined in the glossary.

[9] Coverage ratio measured by the quotient between the total amount of provisions booked (516 million euros and 1,009 million euros, including both provisions consisting directly of reduction in asset value and provisions in liabilities, at the end of first nine months of 2021 and 2022, respectively) and the total amount of the portfolio. before the provisions directly reducing the gross book value of the loans and excluding exposure from Euro Bank S.A. (2,648 million euros and 2,442 million euros at the end of first nine months of 2021 and 2022, respectively).

Total customer funds[10] grew by 3.5% compared to the same date of the previous year, from 88,019 million euros as of 30 September 2021 to 91,069 million euros at the end of the first nine months of the current year. This evolution reflects above all the good performance of the activity in Portugal and international activity, although in the latter case contributing to the aforesaid growth in a smaller magnitude. As far as the nature of resources is concerned, there was an expansion of balance sheet customer funds, against a decrease in off- balance sheet customer funds, in line with the trend seen over the last two quarters.

Balance sheet customer funds increased from 69,121 million euros on 30 September 2021 to 75,184 million euros on 30 September 2022, mostly due to the expansion of the deposits and other resources from customers, which in consolidated terms increased by 6,264 million euros compared to the same date in the previous year. This evolution mainly reflects the positive performance of the activity in Portugal, although it also benefited on a smaller scale from the growth recorded in the international activity.

Off-balance sheet customer funds amounted 15,885 million euros on 30 September 2022, decreasing by 15.9% compared to the same date of the previous year (18,898 million euros at the end of September 2021), due to the declines recorded both in the activity in Portugal and in international activity.

In the activity in Portugal, total customer funds stood at 67,173 million euros on 30 September 2022, 4.2% above the 64,480 million euros recorded as of 30 September of the previous year. This growth was boosted by the performance of balance sheet customer funds, namely deposits and other resources from customers which recorded an increase of 5,149 million euros from 30 September 2021, reflecting the growth of customer savings.

Off-balance sheet customer funds in the activity in Portugal at the end of the first nine months in 2022 showed a decrease of 2,264 million euros when compared with the figures reached at the end of September 2021. All the business segments contributed to the aforesaid decline, with the reduction in insurance products (savings and investment) being the most significant one in absolute terms.

In the international activity[10], total customer funds stood at 23,896 million euros on 30 September 2022, posting a slight increase of 1.5% compared to the 23,539 million euros recorded on the same date of 2021, mainly reflecting the positive contribution from the Mozambican activity, in part offset by the slight decline seen in the Polish subsidiary.

Balance sheet customer funds in the international activity stood at 22,574 million euros on 30 September 2022, 5.2% above the 21,468 million euros recorded in the same date in the previous year, with this evolution being explained by both the deposits increase in the Polish subsidiary and the Mozambican activity.

Off-balance sheet customer funds in the international activity recorded a reduction of 749 million euros compared to 30 September 2021, standing at 1,322 million euros at the end of the first nine months of 2022. This decline was observed in all the business segments, with the reduction in assets under management being the most significant one in absolute terms.

On 30 September 2022, balance sheet customer funds and deposits and other resources from customers, on a consolidated basis, represented 83% and 81% of total customer funds (77% and 75%, respectively on 30 September 2021, considering stated information).

[10] Following the disposal of the Swiss subsidiary in 2021, the historical figures are not being considered in the context of this analysis to ensure the comparability of the information.

The loans to deposits ratio (stated), in accordance with the Bank of Portugal's Instruction no. 16/2004, stood at 77.2% on 30 September 2022, with the same ratio, considering on-balance sheet customers' funds, standing at 75.8%. Both ratios show values below those obtained at the same date of the previous year, 82.6% and 80.7%, respectively.

TOTAL CUSTOMER FUNDS

Million euros

	30 Sep. 22	30 Sep. 21 comparable(1)	Chg. 22/21
BALANCE SHEET CUSTOMER FUNDS	**75,184**	**69,121**	**8.8%**
Deposits and other resources from customers	73,843	67,579	9.3%
Debt securities	1,341	1,542	-13.0%
OFF-BALANCE SHEET CUSTOMER FUNDS	**15,885**	**18,898**	**-15.9%**
Assets under management	5,071	5,592	-9.3%
Assets placed with customers	5,166	6,243	-17.3%
Insurance products (savings and investment)	5,649	7,063	-20.0%
	91,069	**88,019**	**3.5%**
Of which:			
Activity in Portugal	67,173	64,480	4.2%
International activity	23,896	23,539	1.5%
Discontinued operations (1)	--	2,537	
TOTAL	**91,069**	**90,556**	**0.6%**

(1) Following the sale of Banque Privée BCP in Switzerland in 2021, its historical figures related to 2021 were included in a single line called "Discontinued Operations" to ensure the comparability of information.

On 30 September 2022, the **securities portfolio** of the Group, as defined in the glossary, amounted to 19,536 million euros, showing a decrease of 9.6% from 21,614 million euros recorded in the same date of the previous year, which led to a decrease of its weight in total assets from 23.6% on 30 September 2021 to 20.1% on 30 September 2022. This decrease was mainly due to the reduction of the portfolio of international activity that amounted to 4,129 million euros on 30 September 2022, showing a 28.1% drop compared to the 5,746 million euros posted on the same date the previous year, explained by the divestment in Polish public debt and by the impact of the divestment of the Swiss subsidiary which occurred at the end of 2021. As for the portfolio in the activity in Portugal, that evolved from 15,868 million euros on 30 September 2021 to 15,407 million euros on the same date this year, especially due to divestment in Portuguese public debt, since the amount invested in foreign public debt has increased when compared to the same date in the previous year.

LIQUIDITY MANAGEMENT

BCP Group structurally improved its liquidity profile by recording a credit transformation ratio on deposits calculated in accordance with the Bank of Portugal Instruction No. 16/2004 (current version) of 77% on 30 September 2022. On 30 September 2021 this ratio was set at 83%.

The Liquidity Coverage Ratio (LCR), on a consolidated basis, stood at 264% at the end of September 2022 (September 2021: 264%), equivalent to a surplus of 14.0 billion euros (September 2021: 13.6 billion euros) to 100%

regulatory minimum requirement, supported by highly liquid asset portfolios in an amount compatible with the prudent management of the Group's short-term liquidity.

The Group reinforced the available stable funding base, characterized by the large share of customer deposits in the funding structure, collateralized funding and medium and long-term instruments, which enabled the stable funding ratio (Net Stable Funding Ratio or NSFR) as at 30 September 2022 to stand at 153% (147% as at 30 September 2021).

In the period between 30 September 2021 and 30 September 2022, the liquidity positions of BCP, Bank Millennium and BIM maintained their robustness, based mainly on the growth of their respective customer deposit bases. As a result, the liquidity risk indicators of each of the operations continued to comply with all the regulatory minimums and the strictest requirements imposed by the Group's risk appetite framework, with a very comfortable margin.

The growth in customer deposits was particularly significant in the operation in Portugal, where it exceeded 10%, mainly ensured by the retail depositors' segment. The Bank's main source of funding thus reinforced its stability, supporting a favourable evolution of the commercial gap, in terms of liquidity.

Also in Portugal, within the same time horizon and on the side of liquidity uses, there was the reimbursement of the issue of covered bonds placed on the market, in the amount of 1.0 billion euros, and the reinforcements of 2.4 billion euros deposits with the Bank of Portugal and 1.5 billion euros from derivatives margin accounts, whose provisioning needs grew significantly after the onset of the crisis in Ukraine as a result of the increase in interest rates on swaps and their volatility.

The liquidity buffer available for discounting at the ECB stood at 23.0 billion euros on 30 September 2022, lower than that recorded at the end of 2021 (23.8 billion euros), due to the devaluation of the portfolio of assets eligible for discount at the ECB, the reinforcement of derivatives margin accounts and the reimbursement of the mortgage bond issue, the overall effect of which exceeded the positive impact of the improvement in the commercial gap. It should be noted, however, that the value as at 30 September 2022 is materially higher than in the same period of the previous year (21.4 billion euros), reflecting the strength of BCP's short-term position.

Likewise, in the annual period ended 30 September 2022, Bank Millennium and BIM demonstrated the resilience of their liquidity positions, supported by robust buffers discountable at the respective central banks, with regulatory and internal liquidity risk indicators positioned in the comfort zone. In the case of the operation in Poland, this occurred despite the effects of the invasion of Ukraine, which resulted in the significant devaluation of the portfolio of eligible assets and the strengthening of derivatives margin accounts.

In consolidated terms, the refinancing risk of medium and long-term instruments will remain at very low levels over the next four years, in annual amounts without material expression.

CAPITAL

The estimated CET1 ratio as at 30 September 2022 stood at 11.6% phased-in and 11.4% fully implemented reflecting a change of -24 and -44 basis points, respectively, compared to the 11.9% and 11.8% phased-in and fully implemented ratios reported in the same period of 2021 and above the minimum ratios defined on the scope of SREP (Supervisory Review and Evaluation Process) for the year 2022 (CET1 9.156%, T1 11.125% and Total 13.750%). The supervisory authority's decision on the application of article 352 (2) of the CRR is awaited to exclude certain structural exchange rate positions from the calculation of market risk-weighted assets, to immunize regulatory ratios against changes in exchange rates. This change would have an estimated impact on the CET1 ratio of +45 basis points.

The evolution of capital ratios in the period continued to be significantly conditioned by the impacts on Bank Millennium of the increase in provisions for legal risks associated with loans in foreign currency and the new moratorium regime on mortgage loans adopted in Poland and by the decrease in fair value reserves resulting from the rise in interest rates, partially offset by the positive performance of recurrent activity in Portugal. The solvency medium-term goals remain unchanged.

SOLVENCY RATIOS

Million euros

	30 Sep. 22	30 Sep. 22 proforma*	30 Sep. 21
FULLY IMPLEMENTED			
Own funds			
Common Equity Tier 1 (CET1)	5,235	5,235	5,514
Tier 1	5,635	5,635	6,047
Total Capital	**6,963**	**6,963**	7,080
Risk weighted assets	**45,997**	**44,249**	46,649
Solvency ratios			
CET1	11.4%	11.8%	11.8%
Tier 1	12.3%	12.7%	13.0%
Total capital	15.1%	15.7%	15.2%
PHASED-IN			
CET1	11.6%	12.1%	11.9%

* Subject to the already requested approval of the application of article 352 (2) of the CRR.
Note: The capital ratios of September 2022 and September 2021 include the positive accumulated net income of the respective periods.
The capital ratios of September 2022 are estimated and non-audited.

SIGNIFICANT EVENTS IN THE FIRST NINE MONTHS OF 2022

In the first nine months of 2022, the Bank kept its focus on supporting households and companies, particularly with the agents most affected by the effects of the COVID-19 pandemic.

Following the geopolitical crisis with the invasion of Ukraine, the Bank acted in accordance with the guidelines of the European Union and implemented a set of mechanisms to monitor the situation and measures to support the Ukrainian people.

In the scope of the Supervisory Review and Evaluation Process (SREP), BCP has been notified of the decision of the European Central Bank (ECB) regarding minimum prudential requirements to be fulfilled on a consolidated basis from March 1, 2022: CET1 9.16%, T1 11.13% and Total 13.75%.

The European Investment Bank (EIB) and Millennium bcp renewed their long-standing partnership through an agreement to support SMEs, medium-sized companies and large Portuguese companies by providing a guarantee of 200 million euros that aims to mobilize financing up to 840 million euros.

Bank Millennium (Poland) and the EIB Group, comprehending the European Investment Bank and the European Investment Fund, came together to support Polish SMEs affected by the COVID-19 crisis through a guarantee of 1.5 billion Zlotys.

BCP Group has implemented a set of solidarity initiatives to support the Ukrainian people following the invasion of the country.

Conclusion on May 4, 2022 of the Annual General Meeting of Shareholders, with 64.31% of the share capital represented, with the following resolutions:

- Approval of the individual and consolidated Annual Report, balance sheet and financial statements of 2021, and the Corporate Governance Report, that includes a chapter on the remuneration of the management and supervisory bodies and the Sustainability Report; and approval of the proposal for the appropriation of profit concerning the 2021 financial year;

- Approval of the updating of the policy for the remuneration of Members of the Management and Supervisory Bodies; approval of the update of the internal policy for the selection and assessment of the suitability of the Members of the Management and Supervisory Bodies and Key-functions Holders; approval of the update of the policy for selection and appointment of the Statutory Auditor or audit firm and the hiring of non-prohibited non-audit services, under the terms of the legislation in force; and approval of the proposal to amend the articles of association of the Bank;

- Election of the Board of Directors, including the Audit Committee and of the Remunerations and Welfare Board, for the term-of-office 2022/2025.

BCP has been notified by the Bank of Portugal, as the national resolution authority, about the establishment of its minimum requirement for own funds and eligible liabilities ("MREL" or "Minimum Requirement for own funds and Eligible Liabilities") as decided by the Single Resolution Board. The resolution strategy applied continues to be that of a multiple point of entry ("MPE"). The MREL requirements to be met by BCP Group of Resolution (consisting of BCP, S.A., Banco ActivoBank, S.A. and all the subsidiary companies of BCP apart from Bank Millennium S.A. and Banco Internacional de Moçambique and their respective subsidiaries), from 1 January 2024 is of:

- 23.81% of the total risk exposure amount ("TREA") (to which adds further a combined buffer requirement ("CBR") of 3.5%, thus corresponding to total requirements of 27.31%); and
- 6.92% of the leverage ratio exposure measure ("LRE").

Until the date mentioned before, BCP should comply with an interim requirement of:

- 18.09% of TREA (to which adds a further 3.25% CBR requirement, thus corresponding to a total requirement of 21.34%); and
- 6.92% of the LRE.

No subordination requirements have been applied to the Bank. In accordance with the regulations in force, MREL requirements must be updated or reconfirmed annually. The MREL requirements, now communicated to the BCP resolution group described above, are in line with the 2021-24 Strategic Plan and are accommodated by the ongoing funding plan. As of January 1, 2022, BCP complied to the intermediate MREL requirement set for that date, both as a percentage of the TREA (also including the applicable CBR) and as a percentage of the LRE.

Considering that the Regulations of the Statutory Auditors Association foresees that the maximum exercise period of a partner responsible for the guidance of the statutory audit of an auditor is seven years and that Paulo Alexandre de Sá Fernandes, ROC no. 1456, registered with the CMVM under no. 20161066, is the partner of Deloitte & Associados - Sociedade de Revisores Oficiais de Contas, S.A. ("Deloitte") responsible for the statutory and external auditing of the Bank since 2016, BCP disclosed that it was informed on July 21 by Deloitte that, from that date on, João Carlos Henriques Gomes Ferreira, ROC no. 1129, registered with the CMVM under no. 20160741, became responsible for the statutory and external auditing of Banco Comercial Português, S.A..

Following receipt of the letter from the European Central Bank on the assessment of the suitability of the members of the Board of Directors and the Audit Committee elected at the General Shareholders' Meeting of May 4, 2022, for the four-year period 2022/2025, the Board of Directors began its functions on September 5, 2022. Clara Raposo and Teófilo da Fonseca were not subject to this assessment since they informed that, for personal reasons, they were not available to serve on the Board of Directors. On October 11, BCP informed that its Board of Directors, in accordance with the law and the Bank's regulations on Succession Planning, approved that day the co-optation of Prof. Altina Sebastián and Mr. Pedro Ferreira Malaquias as independent non-executive directors of the Bank, thus filling the vacancies on the Board of Directors. The co-optation was subject to the suspensive condition of obtaining authorization from the European Central Bank to exercise their functions and will be submitted for ratification at the Bank's next General Meeting.

Moody's Rating Agency, as part of its regular revision, upgraded BCP's senior unsecured debt ratings to Investment Grade, from Ba1/Prime-2 to Baa3/Prime-2, driven by the reduction in the stock of Non-performing assets (NPA) and the improvement in capitalization levels over the last years, the improvement in domestic profitability, which offsets the impact of provisions for legal risk in Poland, as well as the BCP's funding plan being executed to comply with its Minimum Requirement for own funds and Eligible Liabilities (MREL).

Moody`s Rating Agency assigned a rating of Baa3, corresponding to investment grade, to Bank Millennium's senior non-preferred debt in Poland, within the scope of the Euro Medium Term Notes (EMTN) program.

S&P Global Ratings upgraded BCP's long-term issuer credit rating by one notch to 'BB+', keeping the Outlook stable. This upgrade follows the recent upgrade on the sovereign rating, as well as the recent improvement of BCP credit risk profile, result of the 40% reduction in NPEs since 2019 and the expectations from S&P Global Ratings that the uncertainties in Poland will have a manageable impact on the level of the Bank's capitalization. The Outlook reflects the Bank's solid retail franchise that should enable to strength domestic profitability.

Fitch Rating Agency revised the Outlook for BCP's rating from stable to positive, maintaining the long-term rating at BB. The revision of the outlook reflects the organic reduction in non-performing assets since the end of 2019, as well as the lower uncertainty about the provisioning related to mortgage loans denominated in CHF of Bank Millennium.

AWARDS AND DISTINCTIONS

Consumer Choice 2022, in the "Large Banks" category for the second year in a row.

ActivoBank distinguished with Consumer Choice, in the "Digital Banking" category, for the fourth consecutive year.

In 2022, the BCP Group was included again in The Sustainability Yearbook, a publication edited by S&P.

Millennium bcp is part of the Bloomberg Gender-Equality Index for the third consecutive year.

Best Investment Bank, in Portugal, in 2022, for the fourth consecutive year, according to Global Finance.

Best Foreign Exchange Provider, in Portugal, in 2022, according to Global Finance.

Millennium bcp wins Inovadora COTEC status for the second consecutive year, supporting more than 360 companies to achieve the status Inovadora COTEC.

Millennium bcp was distinguished as Best Bank for Sustainable Finance in Portugal in 2022, according to Global Finance.

Millennium bcp was once again distinguished as one of leading companies in the fight against climate change, according to "Europe's Climate Leaders 2022" ranking published by the Financial Times and Statista.

Best Consumer Digital Bank, in Portugal, in 2022, according to Global Finance. In addition to this category, BCP also won in three other categories: The Best Information Security and Fraud Management in Western Europe for 2022 (consumer); The Best in Social Media Marketing and Services in Western Europe for 2022 (Consumer) and The Best Information Security and Fraud Management in Western Europe for 2022 (Corporate).

Bank Millennium is Best Bank in Poland in 2022, according to Global Finance.

Bank Millennium distinguished as the Best Digital Bank in Poland in 2022, according to Global Finance.

Bank Millennium distinguished with the Kantar Polska Award for the most effective brand communication.

Bank Millennium among Poland's Best Employers in 2022 according to the ranking prepared by Forbes Polska and Statista.

Distinction at the Euronext Lisbon Awards with the Local Market Member in Equity and Growing Structured Finance awards.

ActivoBank distinguished as Powerful Brand, in the "Online Banking" category, in the joint study of Sábado magazine and Marktest.

Best Trade Finance Provider, in Mozambique, in 2022, according to Global Finance.

Bank of the Year in Mozambique, in 2022, by Euromoney.

"Best Digital Bank" in Mozambique and "Most Innovative Digital Bank in Africa", according to Global Finance.

SUBSEQUENT EVENTS

On **18 October 2022**, Banco Comercial Português, S.A. informed that it has fixed the terms for a new issue of senior preferred debt securities eligible for MREL (Minimum Requirement for own funds and Eligible Liabilities), under its Euro Note Programme.

The issue, in the amount of 350 million euros, will have a tenor of 3 years, with the option of early redemption by the Bank at the end of year 2, an issue price of 100% and an annual interest rate of 8.5% during the first 2 years (corresponding to a spread of 5.547% over the 2-year mid-swap rate). The annual interest rate for the 3th year was set at 3-month Euribor plus a 5.547% spread.

The high demand and the diversified profile of the investors who subscribed the issue confirmed, once again, the Bank's ability to access capital market in a context of high volatility and great uncertainty as has been the case in recent months.

MACROECONOMIC ENVIRONMENT

The steep rise in the global inflation rate, which the International Monetary Fund (IMF) projects to be 8.8% in 2022 and 6.5% in 2023, as well as a persistently high degree of uncertainty in the geopolitical realm represent important risks for the economic activity. Against this backdrop, the IMF has downwardly reviewed its projections for the global GDP growth in 2023, from 2.9% to 2.7%, which corresponds to an historically low output growth, driven by a sluggish expansion of the Chinese economy (4.4%), of the Euro Area (0.5%) and of the United States (1.0%).

Amid the acceleration of the inflationary pressures, the main central banks have further tightened their monetary policy in the third quarter. The Federal Reserve of the United States rose its key interest rate, from 1.75% to 3.25%, and the European Central Bank increased its reference interest rate from 0.0% to 1.25%. The rising recessive fears due to the current inflationary environment and tighter financial conditions resulted in a weak performance of the financial markets in the third quarter, which triggered a rise in volatility, the devaluation of the equity indices, the reduction of the non-energy commodities' prices, and a surge of government bond yields as well as of the remaining market interest rates, especially the Euribor rates. In the foreign exchange market, the US Dollar has reinforced its strength, having appreciated against most currencies. It is worth noting the new record low of the Sterling against the US Dollar, due to the uncertainty stemming from the fiscal stimulus package presented by the British government in late September.

In the second quarter, the Portuguese economy recorded a marginal growth comparing with the previous period (0.1%). The weak performance of the economy is explained by the contraction of domestic demand, which was, however, partially mitigated by the dynamism of the tourism exports. For the overall year, the IMF envisages an economic growth of 6.2% for Portugal, which entails a GDP contraction, even if limited, in the second half of the year. For 2023, the projections show a moderate growth of 0.7%, resulting from the persistently high inflation rate (that IMF predicts to be at 4.7% in 2023), the rise in financing costs and the external demand slowdown.

In Poland, GDP grew 4.7% in the second quarter of 2022 (yoy), which suggests a substantial deceleration comparing with the previous period, due to the slowdown in domestic demand, namely in investment. Given the rising inflation rate, that was 14.8% in August, the central bank rose its reference interest rate from 6.00% to 6.75% in the third quarter. The uncertainty regarding the energy supply in the Winter, which adds to the current adverse economic and financial environment, led the IMF to review downwards its Polish output growth projections to 3.8% in 2022 and 0.5% in 2023. Against this background, Zloty continued to depreciate in the third quarter.

In Mozambique, GDP accelerated in the second quarter, from 4.1% to 4.6%, benefiting from the favourable evolution of commodities prices and the dynamism of the external demand. In the next quarters, the Mozambican economy should continue its recovery, bolstered by the execution of energy projects in Inhambane and in the Rovuma River basin, and by the first shipments of liquefied gas projects, which are due imminently. The rise in inflationary pressures, reflected in an annual inflation rate of 12.1% in August, led the central bank to increase the MIMO interest rate, from 15.25% to 17.25%. Despite the external adverse context, the Metical remained stable. The Angolan economy continued its recovery trend. As a result, the IMF predicts a GDP growth of 2.9% and 3.4% in 2022 and 2023, respectively. Amid this background, Kwanza was also stable throughout the third quarter.

CONSOLIDATED INDICATORS, ACTIVITY IN PORTUGAL AND INTERNATIONAL ACTIVITY

Million euros

	Consolidated			Activity in Portugal			International activity		
	Sep. 22	Sep. 21 (restated)	Chg. % 22/21	Sep. 22	Sep. 21	Chg. % 22/21	Sep. 22	Sep. 21 (restated)	Chg. % 22/21
INCOME STATEMENT									
Net interest income	1,545.8	1,165.0	32.7%	670.9	619.5	8.3%	875.0	545.5	60.4%
Dividends from equity instruments	9.3	0.9	>200%	8.5	0.1	>200%	0.7	0.8	-3.5%
Net fees and commission income	573.8	534.8	7.3%	417.7	376.6	10.9%	156.1	158.2	-1.3%
Net trading income	74.9	71.5	4.8%	98.9	64.1	54.2%	(23.9)	7.4	<-200%
Other net operating income	(190.8)	(116.8)	-63.3%	(71.3)	(68.6)	-4.0%	(119.5)	(48.3)	-147.6%
Equity accounted earnings	45.0	42.1	6.8%	46.0	43.8	4.9%	(1.0)	(1.7)	41.9%
Net operating revenues	**2,058.0**	**1,697.5**	**21.2%**	**1,170.6**	**1,035.6**	**13.0%**	**887.4**	**661.9**	**34.1%**
Staff costs	431.8	516.1	-16.3%	251.5	352.6	-28.7%	180.3	163.6	10.2%
Other administrative costs	251.8	230.3	9.3%	133.5	128.4	4.0%	118.2	102.0	15.9%
Depreciation	103.9	102.8	1.1%	59.1	60.2	-1.7%	44.7	42.6	4.9%
Operating costs	**787.4**	**849.3**	**-7.3%**	**444.2**	**541.1**	**-17.9%**	**343.2**	**308.2**	**11.4%**
Operating costs excluding specific items	781.4	761.6	2.6%	438.2	453.5	-3.4%	343.2	308.2	11.4%
Profit before impairment and provisions	**1,270.6**	**848.3**	**49.8%**	**726.4**	**494.5**	**46.9%**	**544.2**	**353.7**	**53.8%**
Loans impairment (net of recoveries)	241.2	264.0	-8.7%	174.1	203.7	-14.5%	67.1	60.3	11.2%
Other impairment and provisions	837.0	462.1	81.1%	99.7	103.3	-3.4%	737.3	358.8	105.5%
Profit before income tax	**192.4**	**122.1**	**57.5%**	**452.6**	**187.5**	**141.3%**	**(260.2)**	**(65.4)**	**<-200%**
Income taxes	208.6	141.5	47.5%	157.2	72.0	118.3%	51.5	69.5	-25.9%
Current	75.4	66.9	12.6%	16.5	8.3	100.1%	58.9	58.7	0.3%
Deferred	133.2	74.5	78.8%	140.6	63.7	120.6%	(7.4)	10.8	-168.8%
Income after income tax from continuing operations	**(16.2)**	**(19.3)**	**15.9%**	**295.4**	**115.5**	**155.7%**	**(311.7)**	**(134.8)**	**-131.1%**
Income arising from discontinued operations	1.5	9.5	-84.5%	–	–	-	1.5	9.5	-84.5%
Non-controlling interests	(112.0)	(69.3)	-61.7%	(0.3)	0.3	-194.6%	(111.7)	(69.6)	-60.5%
Net income	**97.2**	**59.5**	**63.4%**	**295.7**	**115.2**	**156.7%**	**(198.5)**	**(55.7)**	**<-200%**
BALANCE SHEET AND ACTIVITY INDICATORS									
Total assets	97,169	91,463	6.2%	71,404	65,121	9.6%	25,765	26,342	-2.2%
Total customer funds	**91,069**	**90,556**	**0.6%**	**67,173**	**64,480**	**4.2%**	**23,896**	**26,076**	**-8.4%**
Balance sheet customer funds	**75,184**	**69,863**	**7.6%**	**52,610**	**47,653**	**10.4%**	**22,574**	**22,209**	**1.6%**
Deposits and other resources from customers	73,843	68,321	8.1%	51,269	46,120	11.2%	22,574	22,201	1.7%
Debt securities	1,341	1,542	-13.0%	1,341	1,533	-12.5%	–	9	-100.0%
Off-balance sheet customer funds	**15,885**	**20,693**	**-23.2%**	**14,563**	**16,827**	**-13.5%**	**1,322**	**3,866**	**-65.8%**
Assets under management	5,071	7,297	-30.5%	4,298	4,398	-2.3%	773	2,899	-73.3%
Assets placed with customers	5,166	6,333	-18.4%	4,876	5,785	-15.7%	290	548	-47.1%
Insurance products (savings and investment)	5,649	7,063	-20.0%	5,390	6,644	-18.9%	259	419	-38.2%
Loans to customers (gross)	**58,622**	**58,336**	**0.5%**	**41,030**	**39,998**	**2.6%**	**17,593**	**18,339**	**-4.1%**
Individuals	**33,852**	**33,474**	**1.1%**	**21,101**	**20,225**	**4.3%**	**12,751**	**13,249**	**-3.8%**
Mortgage	27,939	27,498	1.6%	18,917	18,136	4.3%	9,022	9,362	-3.6%
Personal Loans	5,913	5,976	-1.0%	2,184	2,089	4.5%	3,729	3,886	-4.1%
Companies	**24,770**	**24,863**	**-0.4%**	**19,928**	**19,773**	**0.8%**	**4,842**	**5,090**	**-4.9%**
CREDIT QUALITY									
Total overdue loans	730	1,129	-35.3%	308	650	-52.6%	422	479	-11.9%
Overdue loans by more than 90 days	641	1,008	-36.4%	296	636	-53.5%	345	372	-7.3%
Overdue loans by more than 90 days / Loans to customers	1.1%	1.7%		0.7%	1.6%		2.0%	2.0%	
Total impairment (balance sheet)	1,612	1,923	-16.2%	1,012	1,324	-23.5%	599	598	0.2%
Total impairment (balance sheet) / Loans to customers	2.7%	3.3%		2.5%	3.3%		3.4%	3.3%	
Total impairment (balance sheet) /Overdue loans by more than 90 days	251.6%	190.7%		342.1%	208.2%		173.9%	160.9%	
Non-Performing Exposures	2,424	2,832	-14.4%	1,537	1,931	-20.4%	888	901	-1.5%
Non-Performing Exposures / Loans to customers	4.1%	4.9%		3.7%	4.8%		5.0%	4.9%	
Total impairment (balance sheet) / NPE	66.5%	67.9%		65.9%	68.6%		67.5%	66.4%	
Restructured loans	2,093	2,525	-17.1%	1,571	1,996	-21.3%	521	529	-1.4%
Restructured loans / Loans to customers	3.6%	4.3%		3.8%	5.0%		3.0%	2.9%	
Cost of risk (net of recoveries, in b.p.)	55	60		57	68		51	44	

CONSOLIDATED INCOME STATEMENTS
FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2022 AND 2021

(Thousands of euros)

	30 September 2022	30 September 2021 (restated)
Interest and similar income	1,878,103	1,253,489
Interest expense and similar charges	(332,272)	(88,515)
NET INTEREST INCOME	1,545,831	1,164,974
Dividends from equity instruments	9,262	870
Net fees and commissions income	573,803	534,835
Net gains / (losses) from financial operations at fair value through profit or loss	8,000	(20,566)
Net gains / (losses) from foreign exchange	30,894	20,895
Net gains / (losses) from hedge accounting operations	(1,506)	4,361
Net gains / (losses) from derecognition of assets and financial liabilities at amortised cost	22,806	(3,039)
Net gains / (losses) from derecognition of financial assets at fair value through other comprehensive income	14,744	69,889
Other operating income / (losses)	(201,913)	(121,261)
TOTAL OPERATING INCOME	2,001,921	1,650,958
Staff costs	431,821	516,146
Other administrative costs	251,751	230,332
Amortisations and depreciations	103,856	102,772
TOTAL OPERATING EXPENSES	787,428	849,250
NET OPERATING INCOME BEFORE PROVISIONS AND IMPAIRMENTS	1,214,493	801,708
Impairment for financial assets at amortised cost	(246,385)	(266,265)
Impairment for financial assets at fair value through other comprehensive income	1,763	(7,199)
Impairment for other assets	(138,268)	(41,316)
Other provisions	(695,325)	(411,331)
NET OPERATING INCOME	136,278	75,597
Share of profit of associates under the equity method	44,982	42,128
Gains / (losses) arising from sales of subsidiaries and other assets	11,128	4,424
NET INCOME BEFORE INCOME TAXES	192,388	122,149
Income taxes		
Current	(75,409)	(66,947)
Deferred	(133,227)	(74,525)
NET INCOME AFTER INCOME TAXES FROM CONTINUING OPERATIONS	(16,248)	(19,323)
Income arising from discontinued or discontinuing operations	1,481	9,535
NET INCOME AFTER INCOME TAXES	(14,767)	(9,788)
Net income for the period attributable to:		
Bank's Shareholders	97,193	59,469
Non-controlling interests	(111,960)	(69,257)
NET INCOME FOR THE PERIOD	(14,767)	(9,788)
Earnings per share (in Euros)		
Basic	0.006	0.003
Diluted	0.006	0.003

BANCO COMERCIAL PORTUGUÊS

CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2022 AND 2021 AND 31 DECEMBER 2021

(Thousands of euros)

	30 September 2022	31 December 2021	30 September 2021
ASSETS			
Cash and deposits at Central Banks	3,122,862	7,796,299	5,557,434
Loans and advances to credit institutions repayable on demand	346,032	361,786	411,776
Financial assets at amortised cost			
Loans and advances to credit institutions	7,751,515	453,213	664,230
Loans and advances to customers	54,902,163	54,972,401	54,900,939
Debt securities	12,585,844	8,205,196	8,364,163
Financial assets at fair value through profit or loss			
Financial assets held for trading	1,047,739	931,485	1,063,910
Financial assets not held for trading mandatorily at fair value through profit or loss	914,910	990,938	1,011,557
Financial assets at fair value through other comprehensive income	7,574,144	12,890,988	13,156,651
Hedging derivatives	799,496	109,059	86,627
Investments in associated companies	432,850	462,338	458,275
Non-current assets held for sale	605,888	780,514	850,803
Investment property	12,238	2,870	5,722
Other tangible assets	574,988	600,721	603,486
Goodwill and intangible assets	157,366	256,213	242,780
Current tax assets	12,892	17,283	13,672
Deferred tax assets	2,970,129	2,688,216	2,651,949
Other assets	3,358,370	1,385,292	1,419,011
TOTAL ASSETS	97,169,426	92,904,812	91,462,985
LIABILITIES			
Financial liabilities at amortised cost			
Resources from credit institutions	8,967,315	8,896,074	9,072,047
Resources from customers	73,842,798	69,560,227	68,320,742
Non subordinated debt securities issued	1,091,639	2,188,363	1,745,641
Subordinated debt	1,331,884	1,394,780	1,205,389
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	246,698	231,241	368,412
Financial liabilities at fair value through profit or loss	1,331,522	1,581,778	1,508,684
Hedging derivatives	2,258,197	377,206	238,006
Provisions	567,205	458,744	473,769
Current tax liabilities	8,490	20,427	8,469
Deferred tax liabilities	11,241	16,932	9,358
Other liabilities	1,641,506	1,116,983	1,154,323
TOTAL LIABILITIES	91,298,495	85,842,755	84,104,840
EQUITY			
Share capital	4,725,000	4,725,000	4,725,000
Share premium	16,471	16,471	16,471
Other equity instruments	400,000	400,000	400,000
Legal and statutory reserves	268,534	259,528	259,528
Reserves and retained earnings	(341,210)	580,304	828,967
Net income for the period attributable to Bank's Shareholders	97,193	138,082	59,469
TOTAL EQUITY ATTRIBUTABLE TO BANK'S SHAREHOLDERS	5,165,988	6,119,385	6,289,435
Non-controlling interests	704,943	942,672	1,068,710
TOTAL EQUITY	5,870,931	7,062,057	7,358,145
TOTAL LIABILITIES AND EQUITY	97,169,426	92,904,812	91,462,985

GLOSSARY

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.

Business Volumes - corresponds to the sum of total customer funds and loans to customers (gross).

Commercial gap – loans to customers (gross) minus on-balance sheet customer funds.

Core income - net interest income plus net fees and commissions income.

Core operating profit - 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 some 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.

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 income.

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 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) for loans and advances of credit institutions classified at amortised cost, impairment for financial assets (classified at fair value through other comprehensive income and at amortised cost not associated with credit operations), impairment for other assets, namely assets received as payment in kind, 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 – 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.

Performing loans - loans to customers (gross) deducted from Non-performing exposures (NPE).

Profit before impairment and provisions – net operating revenues deducted from operating costs.

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.

Specific coverage of NPE - NPE impairments (balance sheet) divided by the stock of NPE.

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 funds.

Disclaimer

The financial information in this presentation has been prepared under the scope of the International Financial Reporting Standards ("IFRS") of the BCP Group for the purposes of the preparation of the consolidated financial statements under Regulation (CE) 1606/2002, as the currently existing version.

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.

The interim condensed consolidated financial statements, for the nine months ended at 30 September 2022, were prepared in terms of recognition and measurement in accordance with the IAS 34 - Interim Financial Reporting adopted by the EU.

The figures presented do not constitute any form of commitment by BCP regarding future earnings.

The figures for the first nine months of 2022 and 2021 were not audited.