May 8, 2019

Banco Comercial Português, S.A. hereby informs that Bank Millennium in Poland, in which it has a 50.1% holding and whose accounts are fully consolidated at BCP group level, released today its results for 1Q 2019. Main highlights are as follows:

“Improved profitability

- Net profit of 1Q 2019 reached 160 million PLN (37.3 million EUR), +3% versus 1Q 2018
- ROE at 10.3% (9.1%, adjusted for one-offs*), +0.6 p.p. versus 1Q 2018, with an equal quarterly distribution of Banking Guarantee Fund (BGF) fees and influenced by a strong equity increase y/y (+10%)
- Cost/income at 44.6% (46.1%, excluding extraordinary items), i.e. -1.3 p.p. versus 1Q 2018

Fast pace in interest income growth; costs negatively influenced by BGF annual fees

- Net interest income grew 14.6% y/y, flat q/q
- Net Commissions Income grew 1.0% q/q, decreasing 5.4% y/y due to adverse market conditions
- Operating costs grew by 9.0% y/y, excluding BGF contributions

High asset quality and liquidity

- Impaired loans (stage 3) ratio at 4.4% with coverage by loan-loss reserves at 73%
- Cost of Risk** at 55 b.p. (annualised)
- Loans to deposits ratio at 81%
Very high capital ratios after retention of 2018 profits and T2 issue

- Group’s Total Capital Ratio (TCR) at 25.6%, and CET1 ratio at 21.5% after incorporating full 2018 year profits
- 830 million PLN subordinated bonds issued in January improved T2 capital
- Moody’s rating agency upgraded the Bank’s rating to Baa1

(*) without non usual items, i.e., with an equal accrual through the year of BGF resolution fee and without net impact of PLN 24 million from extraordinary tax asset recovery.

(**) Total net provisions to average net loans”

End of announcement

Banco Comercial Português, S.A.