

March 3, 2017

Banco Comercial Português, S.A. informs about Bank Millennium (Poland) results in 2016

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 the full year 2016. Main highlights are as follows:

“Record net profit and cost efficiency

- Net profit in 2016 at PLN 701 million (€160.3 million), +28.3% y/y, - the highest level in the Bank’s history
- New banking tax cost a significant amount of PLN 174.1 million (€39.8 million) in 2016 year (not tax-deductible)
- Net profit without new tax and one-offs (VISA and provisions booked in 2Q) at PLN 695 million (€158.8 million); +4.1% versus recurrent net profit in 2015: PLN 667.4 million (€152.5 million) without one-off charges booked in 4Q 2015
- ROE (Return on average equity) at 10.4% (7.8% without one-off items) versus 9% in 2015
- ROA (Return on average assets) at 1.05%
- Cost to Income at 45% - the lowest yearly level (49.6% without one-offs - in line with strategic target of Bank Millennium Group)

Continued growth of operating income

- Operating income grew by 23% yearly
- Core income higher by 6% yearly
- Net interest income up by 10% yearly
- Net commission income fell by 2.5% yearly but showed consequent growth since 2Q 2016

Good and stable asset quality and cost of risk

- Impaired loans ratio at low 4.5% and in case of mortgage at 2.5%
- Cost of risk at 49 bps

Strong capital and liquidity ratios

- Consolidated Total Capital Ratio at 17.4% and Common Equity Tier 1 at 17.3%
- Comfortable fulfillment of regulatory capital adequacy requirements
- Very strong liquidity: loans-to-deposits ratio at low 84% level”

End of announcement

Banco Comercial Português, S.A.