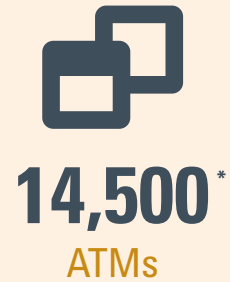


BANKING SECTOR AT A GLANCE

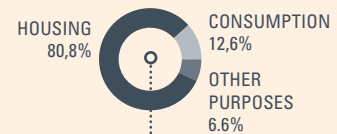
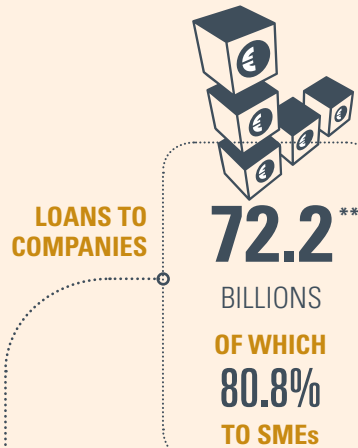
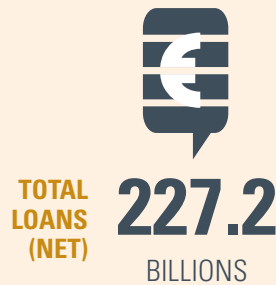
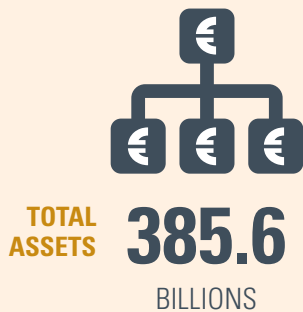
JUNE 2018

KEY INDICATORS

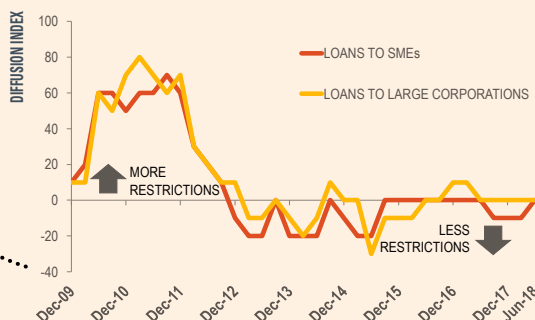


FINANCING THE ECONOMY

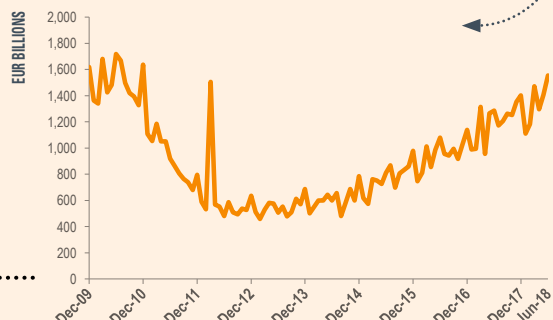
THE BANKING SECTOR CONTINUES TO SUPPORT BUSINESSES AND HOUSEHOLDS



LOAN CONDITIONS FOR COMPANIES REMAINED BROADLY UNCHANGED



THE FLOW OF NEW LOANS TO HOUSEHOLDS HAS SHOWN A MODERATE RECOVERY AFTER REACHING ITS LOWEST LEVEL IN 2013



SAVINGS

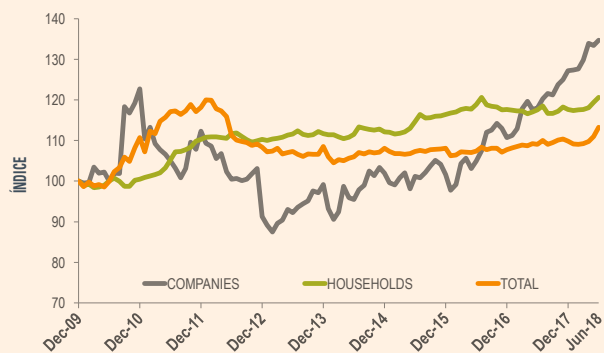
CUSTOMER DEPOSITS ARE THE MAIN SOURCE OF FUNDING FOR THE PORTUGUESE BANKING SECTOR



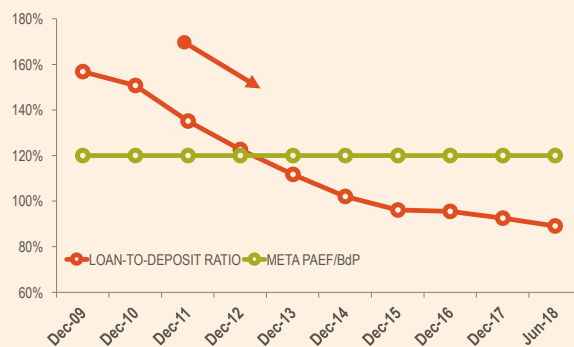
CUSTOMER DEPOSITS



DEPOSITS* INCREASED SLIGHTLY AGAINST DECEMBER 2017

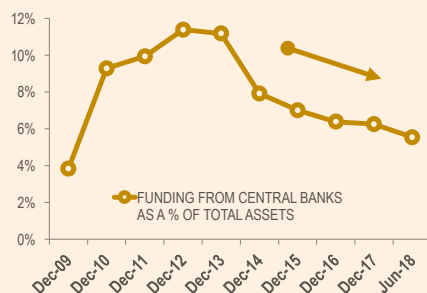


CUSTOMER DEPOSITS HAVE FINANCED LOANS GRANTED IN PORTUGAL SINCE 2015

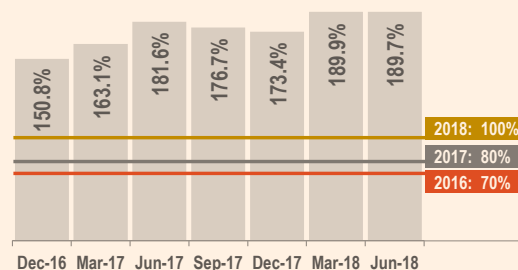


LIQUIDITY

FUNDING FROM CENTRAL BANKS HAS FALLEN TO FIGURES LOWER THAN IN 2010



THE LIQUIDITY COVERAGE RATIO HAS ALWAYS REMAINED ABOVE THE MINIMUM PHASING-IN REQUIREMENTS, PARTICULARLY THE 100% REQUIRED AS OF 2018



BANKING SECTOR AT A GLANCE

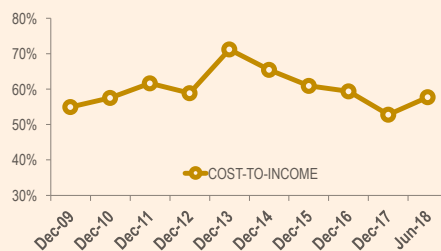
THE SECTOR'S PERFORMANCE

THE SECTOR'S PROFITABILITY WAS POSITIVE, SHOWING AN IMPROVEMENT YEAR-ON-YEAR

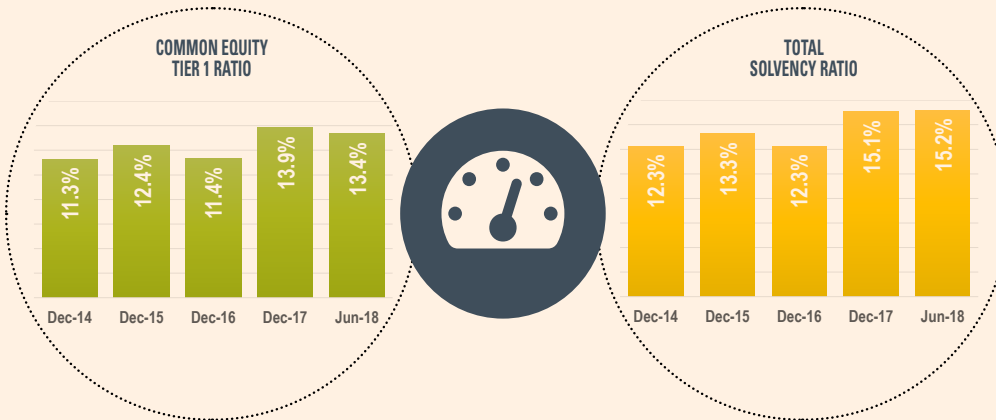
THE COST-TO-INCOME RATIO FELL 2.8 P.P. YEAR-ON-YEAR, BENEFITING FROM A DECREASE IN OPERATIONAL COSTS EXCEEDING THAT OF THE OPERATING INCOME



THIS IS COMPARABLE TO THE 117.7 MILLION EUROS PROFIT IN THE FIRST HALF OF 2017



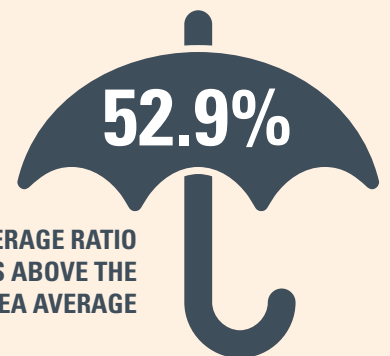
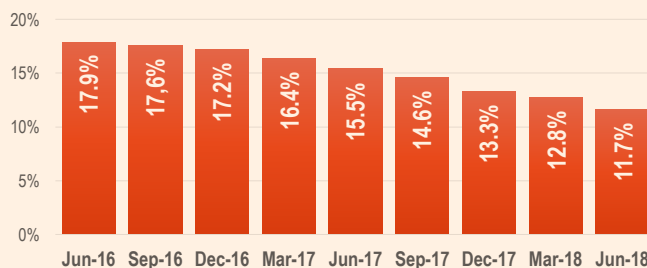
SOLVENCY HAS IMPROVED IN RECENT YEARS



IN THE FIRST HALF OF 2018, THE COMMON EQUITY TIER 1 RATIO FELL 0.5 PP AND THE TOTAL SOLVENCY RATIO INCREASED 0.1 PP

QUALITY OF LOANS HAS BEEN IMPROVING

ALTHOUGH THE NPL RATIO REMAINED HIGH, IT STILL DECREASED SIGNIFICANTLY AFTER REACHING ITS MAXIMUM IN JUNE 2016. NPLS FELL BY 18.1 BILLION EUROS IN THE PERIOD



THE NPL COVERAGE RATIO ROSE AND IS ABOVE THE EURO AREA AVERAGE

PAYMENTS AND DIGITAL BANKING

THE NUMBER OF PAYMENT CARDS AND THEIR TRANSACTIONS HAVE GROWN SUBSTANTIALLY



BANK CUSTOMERS ARE USING DIGITAL CHANNELS MORE AND MORE

