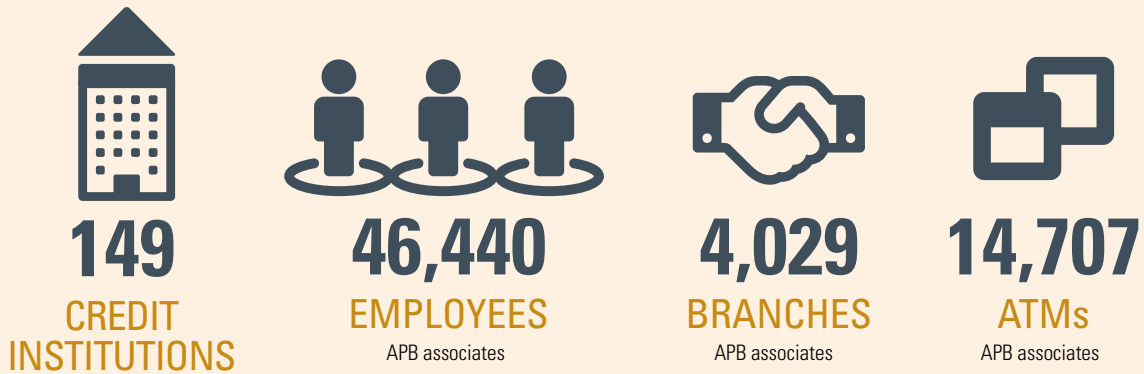


BANKING SECTOR AT A GLANCE

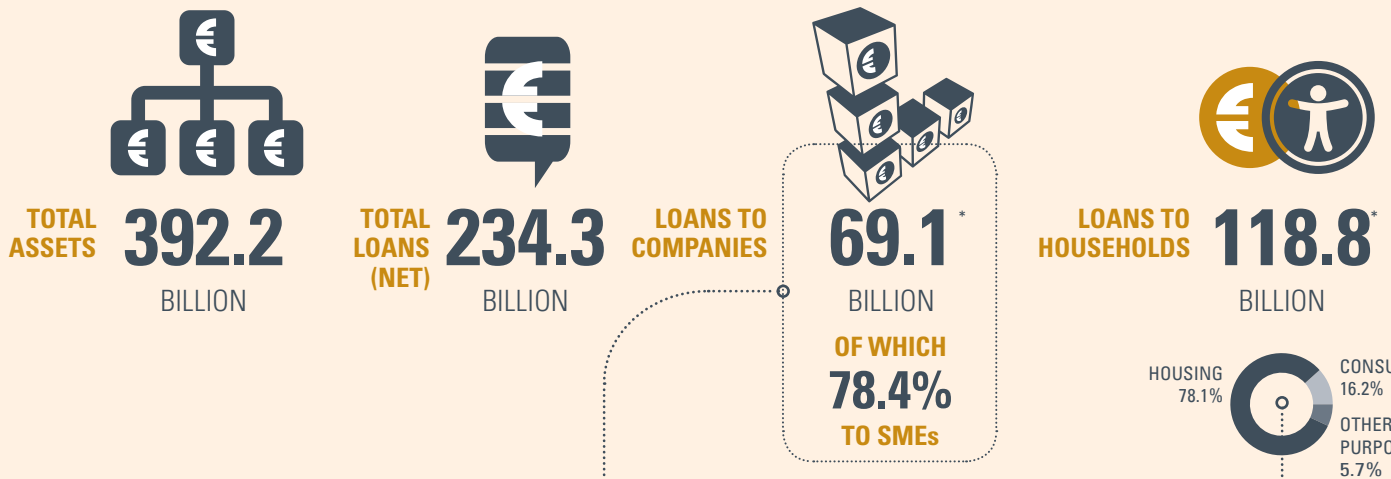
DECEMBER 2019

KEY INDICATORS



FINANCING THE ECONOMY

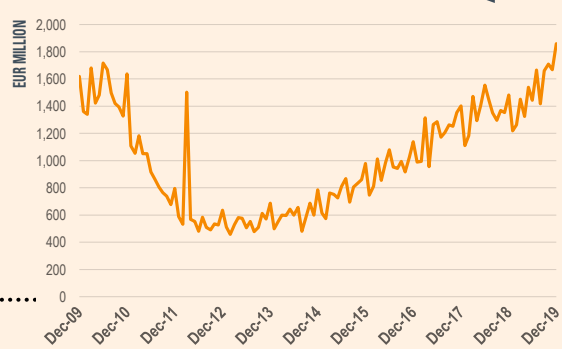
THE BANKING SECTOR CONTINUES TO SUPPORT BUSINESSES AND HOUSEHOLDS



LOAN CONDITIONS FOR COMPANIES ARE VERY FAVOURABLE AND HAVE CONVERGED TO THE EURO AREA AVERAGE



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



SAVINGS

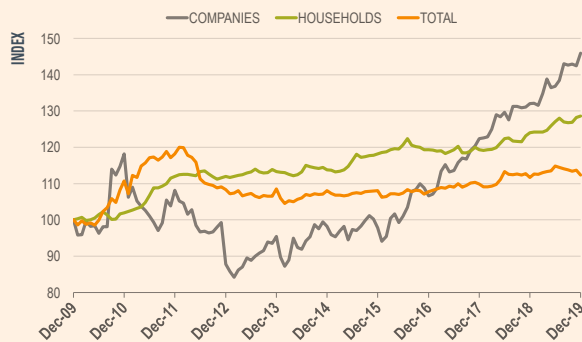
CUSTOMER DEPOSITS ARE THE MAIN SOURCE OF FUNDING FOR THE PORTUGUESE BANKING SECTOR



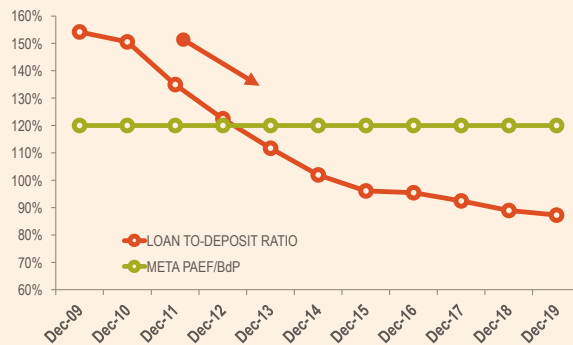
CUSTOMER DEPOSITS



DEPOSITS* INCREASED SLIGHTLY AGAINST DECEMBER 2018

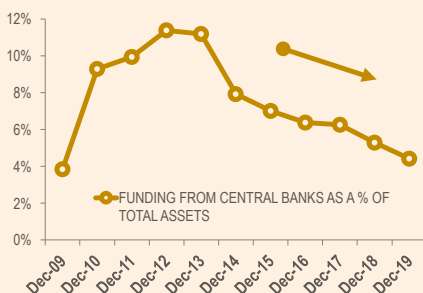


CUSTOMER DEPOSITS HAVE EXCEED LOANS GRANTED IN PORTUGAL SINCE 2015

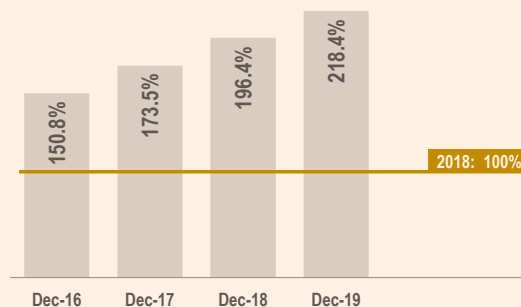


LIQUIDITY

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



THE LIQUIDITY COVERAGE RATIO IS ABOVE THE MINIMUM LEVEL OF 100% REQUIRED AS OF 2018

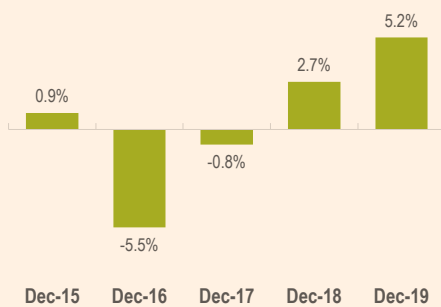


BANKING SECTOR AT A GLANCE

THE SECTOR'S PERFORMANCE

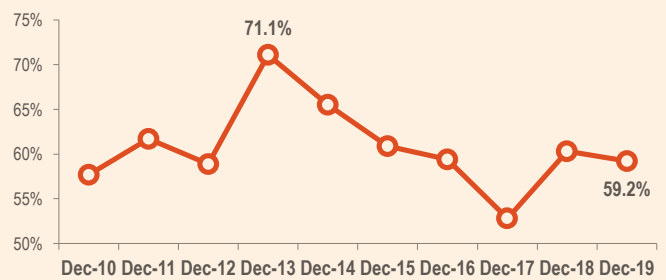
THE SECTOR'S PROFITABILITY HAS BEEN INCREASING

RETURN ON EQUITY



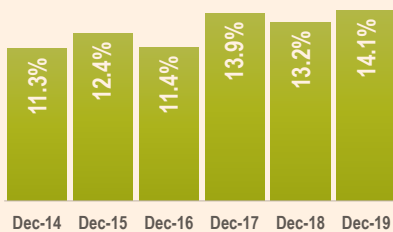
Source: ECB and APB calculations for Dec-19, based on data released by Banco de Portugal.

COST-TO-INCOME

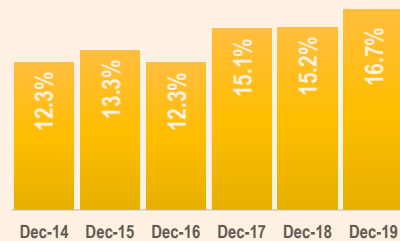


SOLVENCY HAS BEEN REINFORCED

COMMON EQUITY TIER 1 RATIO

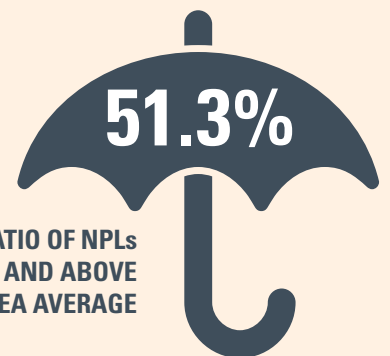
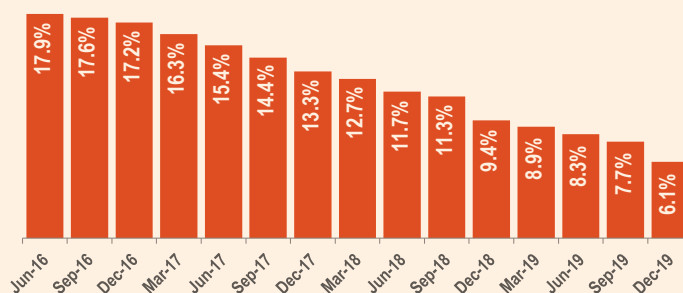


TOTAL SOLVENCY RATIO



ASSET QUALITY HAS BEEN IMPROVING

ALTHOUGH THE NPL RATIO REMAINED HIGH, IT DECREASED SIGNIFICANTLY AFTER REACHING ITS MAXIMUM IN JUNE 2016. SINCE THEN, NPLs FELL BY 33.3 BILLION EUROS



THE COVERAGE RATIO OF NPLs IS AT A HIGH LEVEL AND ABOVE THE EURO AREA AVERAGE

PAYMENTS AND DIGITAL BANKING

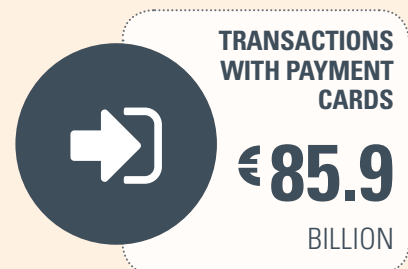
THE NUMBER OF PAYMENT CARDS AND THEIR
TRANSACTIONS HAVE GROWN SUBSTANTIALLY



Banco de Portugal - December 2018

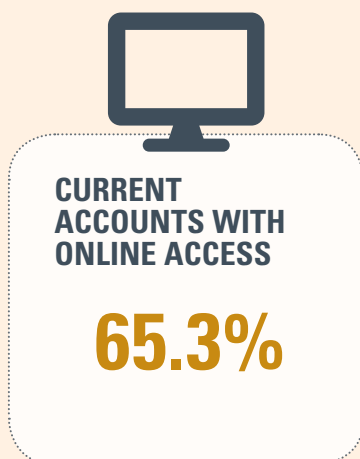


Banco de Portugal - December 2018

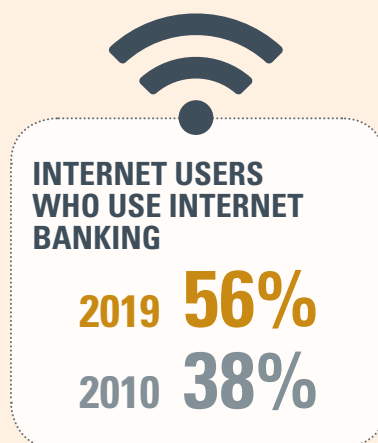


Banco de Portugal - December 2018

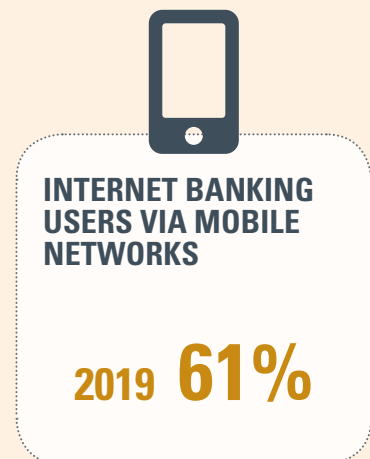
BANK CUSTOMERS ARE INCREASINGLY
USING DIGITAL CHANNELS



Banco de Portugal - December 2018



INE - Statistics Portugal - November 2019



Eurostat - January 2020