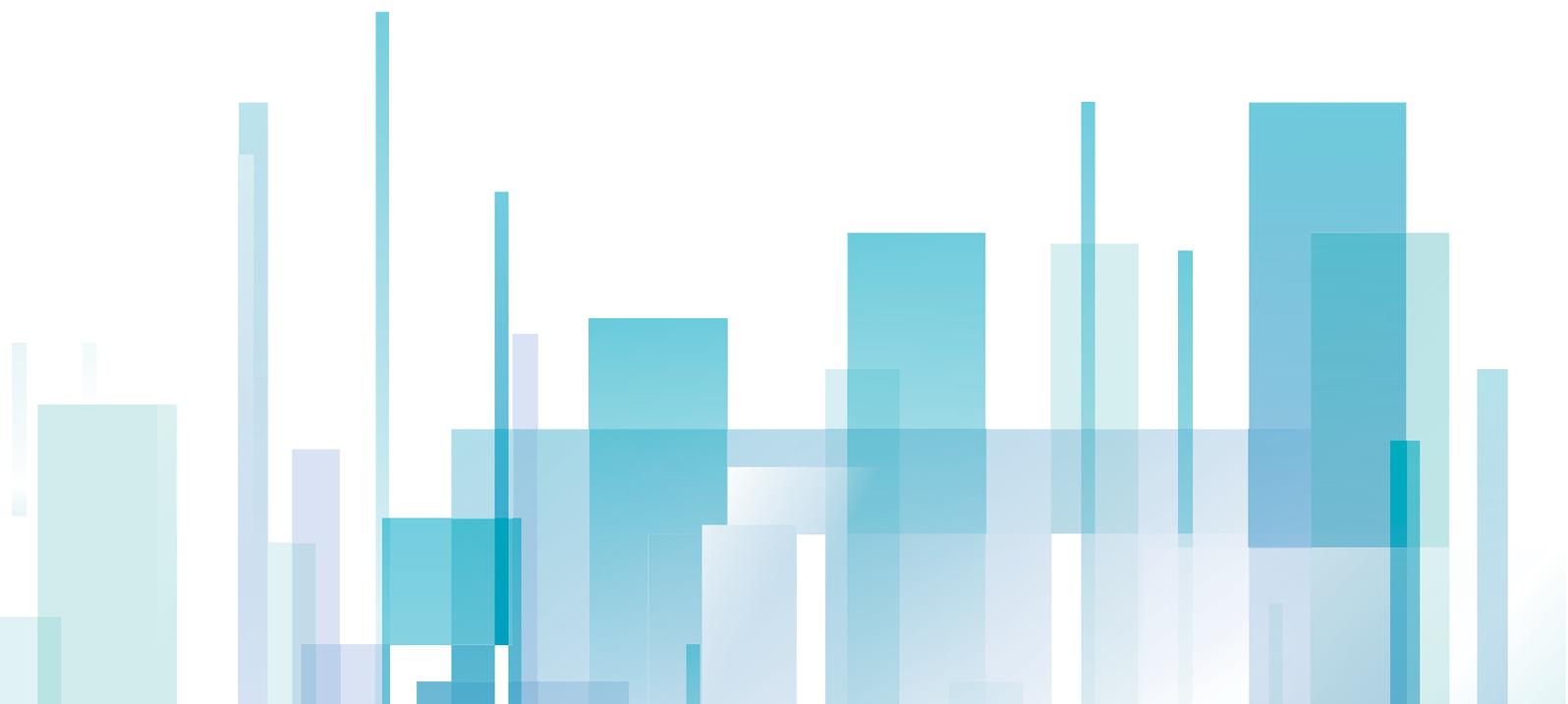




ANNUAL REPORT

2013



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MANAGEMENT REPORT 2013



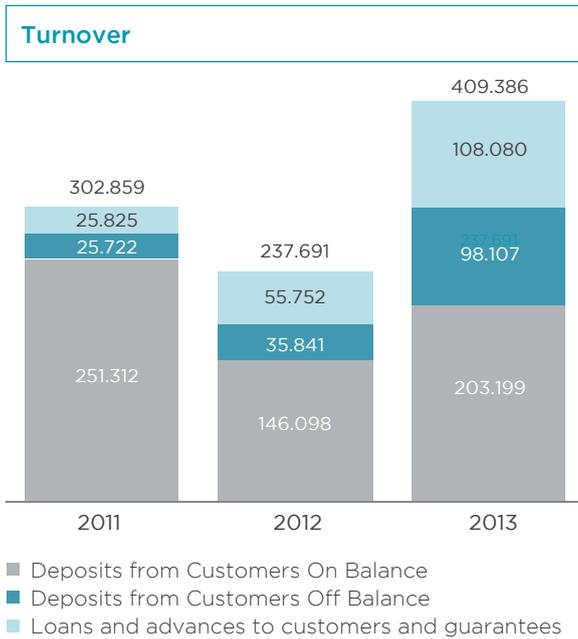
MAIN INDICATORS

(thousands of Euros)

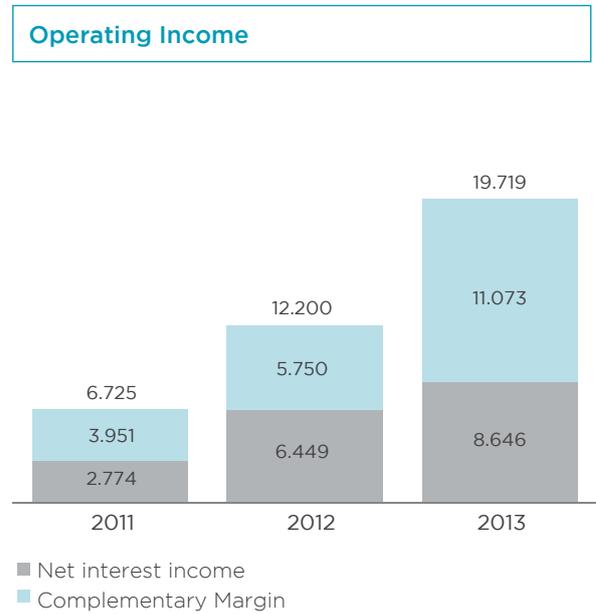
	2011	2012	2013	Change	% Change 13/12
Total Net Assets	298.808	326.182	427.300	101.118	31,0%
Turnover	302.859	237.691	409.386	171.696	72,2%
Loans and advances to customers	25.017	49.786	74.218	24.433	49,1%
Deposits from On Balance	251.312	146.098	203.199	57.102	39,1%
Deposits from Off Balance	25.722	35.841	98.107	62.266	173,7%
Guarantees	808	808	4.553	3.745	463,7%
Documentary credit	-	5.158	29.309	24.151	468,2%
Turnover per Employee	6.057	3.256	4.177	921	28,3%
Loan-to-Deposit Ratio ⁽¹⁾	11,1%	43,4%	80,1%		
Net credit/Customer Resources Ratio	10,0%	34,08%	36,52%		
Overdue Loans/Loans to Customers	0,0%	0,43%	0,14%		
Provisions/Loans to Customer Ratio	1,7%	1,6%	3,4%		
Operating Income	6.725	12.200	19.719	7.519	61,6%
Of which:					
Net interest income	2.774	6.449	8.646	2.197	34,1%
Banking Op. and Interm. Commissions	1.179	816	1.263	447	54,7%
Investment Banking Commissions	2.557	3.285	3.293	8	0,2%
Gains and losses from Financial Operations	216	1.650	6.517	4.867	>1000%
Operating income per Employee	135	167	201	34	20,4%
Net Income for the year	(1.403)	701	2.189	1.487	212,2%
Cost-to-Income	114,1%	81,5%	71,5%		
Net Position	45.927	48.450	50.085	1.635	3,4%
Tier 1 Capital	45.215	44.435	46.050	1.615	3,6%
Capital Requirements	9.799	10.837	14.293	3.456	31,9%
RWA	122.488	135.465	178.667	43.202	31,9%
Solvency Ratio	36,9%	32,8%	25,8%		
Core Tier 1 Ratio	36,9%	32,8%	25,8%		
Return on Assets (ROA)	-0,5%	0,2%	0,5%		
Return on Equity (ROE)	-3,1%	1,5%	4,7%		
Number of Clients	446	732	1.443	711	97,1%
Number of Employees	50	73	98	25	34,2%

(1) Calculated in accordance with Banco de Portugal Instruction 23/2011

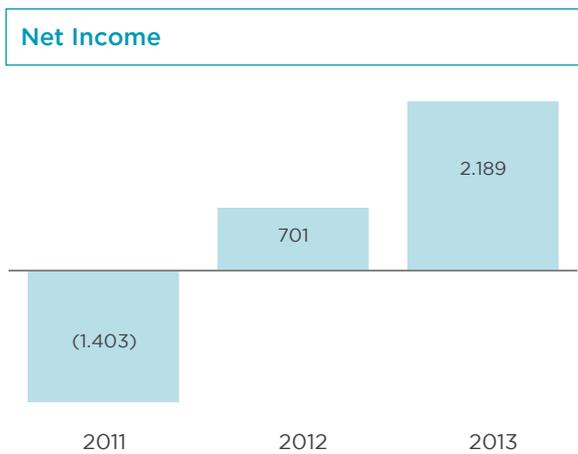
(thousands of Euros)



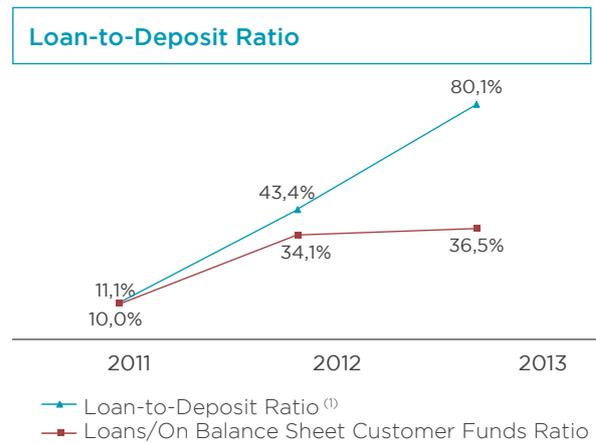
(thousands of Euros)



(thousands of Euros)

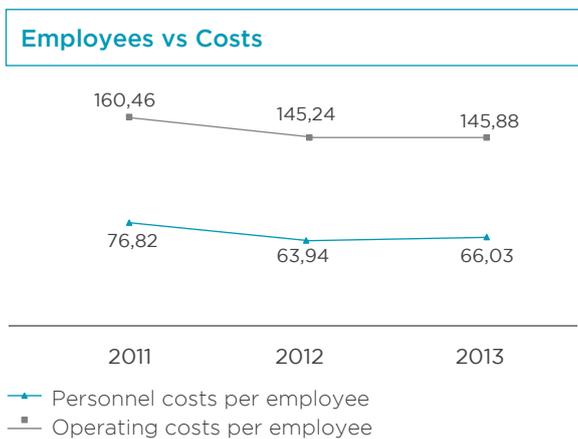


(thousands of Euros)

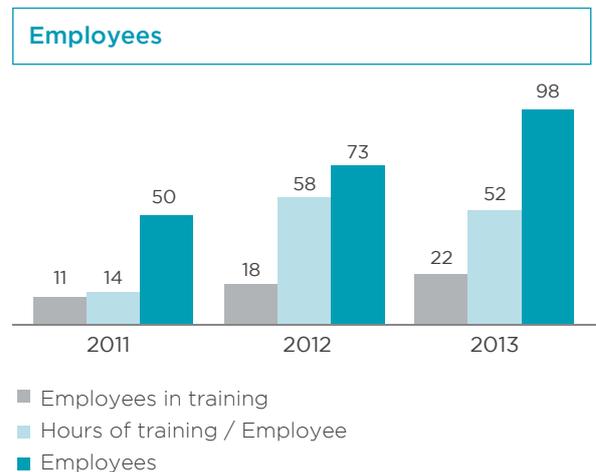


⁽¹⁾ Calculated in accordance to Banco de Portugal Instruction 23/2011

(thousands of Euros)



(thousands of Euros)



ACTIVITY SUMMARY

After having completed the fourth year of activity, ATLANTICO Europa closed 2013 with a net income of EUR 2,189 thousand, demonstrating the strategic consistency of its positioning as an international Bank of Angolan financial group.

The progressive enlargement of the target Client segments was embodied in the sustained growth of the number of Clients, captured resources and operating income. The prudence in management which characterises ATLANTICO Europa continued to be reflected in the maintenance of conservative levels of the main indicators of financial stability relative to the market.

In a dynamic alignment with key strategic partners, ATLANTICO Europa recurrently reinforced its support to and promotion of economic and business relations between Angola and its international counterparts through monitoring and support of trade and financial flows. This was reflected in the investment banking transactions, which once again positioned Angolan economy as a major investor in the Portuguese business sector.

In 2013, ATLANTICO Europa continued to broaden its range of products and services offer, not only in terms of saving solutions, but also credit products to selected sectors and entities, subject to a rigorous process of internal analysis. This evolution was decisive to achieve new particularly relevant Client segments in terms of number and dimension, such as, respectively, affluent and institutional Client segments.

2013 was also a year focused on the efficiency of operations, to which the launch of the transaction platform ATLANTICO Net contributed, among other technological developments adopted.

ATLANTICO Europa invests and will continue to invest permanently in the training of young professionals through internal training and programmes that support the attainment of academic degrees. In 2013, new training programs for junior, middle and senior employees were launched, once again, in particular the Phi leaders program, especially aimed at training the Bank's current and future leaders.

2014 was recognized as yet another challenging year, based on the expected improvement in the Portuguese and European macroeconomic and financial scenario, which, if this occurs, should be reflected in intensified competitiveness in the sector, as a result of greater propensity to risk-taking. In this context, rigour and prudence will become key attributes to ensure the profitability of operations, characteristics that have always been essential for the performance of ATLANTICO Europa.

We also highlight and acknowledge the support given by ATLANTICO Europa's shareholders, Clients, employees and other stakeholders, for the confidence shown in the institution, without whom it would be impossible to build a strategy of value creation and sustainable growth.

HIGHLIGHTS

- Approach of prioritising Clients with activity in Angola or relations with the country, also supporting Angolan investors in their path towards internationalisation;

- Development of projects by multi-geographical teams with local knowledge of the Angolan market;

- Continued value creation for the Client and contribution to increase awareness of Angola in the world;

- Two-digit growth of the main financial indicators that characterised ATLANTICO Europa's activity in 2013, combined with internal control processes, compliance and rigorous risk management, visible in the almost non-existing levels of non-performing credit.

- Constitution of an alternative investment fund management company in Luxembourg, Atlantico Asset Management;

- Reinforcement of the operational structure through the implementation of the Navision system;

- Launch of the Mortgage loans product;

- 34% growth of the ATLANTICO Europa team in relation to 2012 and conduct of 71 training actions, totalling 5,130 hours of training, representing an average of 52 hours of training per employee.

- Holding of the first ATLANTICO MEETINGS event in Washington D.C., during the week of the IMF/World Bank annual meetings, dedicated to the subject: 'Angola: Achievements and Perspectives". This event was attended by the Governor of Banco Nacional de Angola, Dr. José Lima Massano, a former head economist of Goldman Sachs, and the creator of the BRIC acronym, Jim O'Neill, among other speakers, as well as important representatives of various financial, government and para-government institutions, from several regions of the world.

INITIATIVES

JANUARY

- Beginning of the internal training actions for employees under training.
- Inauguration of the NO FLY ZONE exhibition - Angolan contemporary art exposition at Museu Berardo, CCB.

APRIL

- Launch of ATLANTICO Net, an online transaction platform.
- Sponsorship of the ICC's annual international event - Trade Finance Conference held in Lisbon.

MAY

- Launch of the new institutional site.
- Participation in the annual meetings of the African Development Bank.
- Sponsorship of the Graduates' Gala of the Angolan Students Association in Portugal.
- Sponsorship of the Global Corporations Conference, 2013.
- Organisation of the event 'Doing business in Namibia', held in Cascais.

JUNE

- Sponsoring of the charity event Rock 'n' Law.

SEPTEMBER

- Participation in SWIFT's annual event - Sibos, in Dubai.

OCTOBER

- Holding of the ATLANTICO MEETINGS in Washington DC.
- Launch of the website www.weknowangola.com

DECEMBER

- ATLANTICO Europa held a promotion initiative at Portela Airport, with a brand awareness action aimed at the private segments.

MACROECONOMIC FRAMEWORK

2013 was a positive year for the development of the world's economy, marked by the return to synchronised growth of the main economies (USA, China, Japan, Eurozone and United Kingdom). According to the World Bank, the world's economy grew by 2.4% in 2013, with a very significant contribution of the developed economies; their increased activity mitigated the effects of the capital outflows experienced in the emerging economies following the increased rates in the USA, due to the expected gradual reduction of the Quantitative Easing (QE) program. The recovery of developed economies further strengthened emerging economies, which recorded growth of 4.8% for the year. This was particularly evident in sub-Saharan Africa, with growth of 6%, the second highest at a worldwide level.

In annual terms, the economy of the USA grew by 2.6% in 2013. The consolidation of its upturn led the Federal Reserve to begin reducing the QE program, which has contributed to keeping interest rates at extremely low levels since the 2008 crisis. However, the gradual normalization of the USA's monetary policy represented a very positive signal, since it reflected the confidence of the authorities and investors in the economy's sustained growth.

In the Eurozone, the economy recorded a modest recovery of 0.5%, after 6 consecutive quarters of declining GDP. The gradual reduction of fiscal austerity and the improvement of the competitive position of some peripheral economies were decisive for the positive growth of GDP. The improved competitiveness of Spain, Greece, Portugal and Ireland revealed positive effects of internal deflation which followed the decline in prices and reduction of labour costs. However, this increased productivity continues to be accompanied by high unemployment in all of these countries, leading to weak internal demand.

In terms of monetary policy, the European Central Bank (ECB) surprised the markets with a cut in interest rates, reducing the reference rate to 0.25% in November, the lowest value ever. Inflation continued to fall, warning of the possible risk of deflation in the Eurozone.

The Portuguese economy continued its important process of adjustment of the imbalances accumulated over the last decades. The country's growth, driven by investment and exports, showed a 1.4% contraction of GDP in 2013.

Credit to economy continued to diminish at a moderate rate, reflecting the continued deleveraging process and retraction of demand. In this context, the robust growth of exports should be highlighted. Despite the austerity, the current trade balance recovered significantly, shifting from a deficit to a surplus in 2013. The adjustment level also had a major impact on the budget deficit, which decreased to 4.5%. In the labour market, employment recorded an improvement, with unemployment rate falling from around 17% to levels close to 15%.

In Japan, 2013 was marked by the implementation of expansionary monetary and fiscal policy, the results of which are already visible: the Bank of Japan's balance sheet has increased in volume dramatically, the trend of deflation reversed to become inflation during the year, the stock market was driven to new peaks and credit concession from banks to economy increased.

During 2013, China and other export-driven emerging markets were not able to escape the effects of the slowdown in world trade. The dampening of growth of countries such as Brazil and India also reflected this reality, revealing the difficulty of conversion from a growth model based on exports, to a model based on domestic demand.

In 2013, Angolan GDP recorded growth of 7.4%. The non-oil sector contributed decisively to this growth, greatly supported by the public investment program.

The average level of oil production stayed at 1.75 million barrels per day (Mb/day) in 2013. This, together with the evolution of crude oil prices in international markets, enabled a gradual increase of Net International Reserves (NIR). As a result, Banco Nacional de Angola (BNA) was able to raise the volume of foreign currency sale to the market in order to meet the needs of imported goods and services for internal consumption as well as for investment purposes associated to the process of economic diversification.

The acceleration of the GDP growth rate was accompanied by the financial sector, with deposits having increased by around 17.5%, in particular deposits in national currency, which accounted for 62% of the total volume in December 2013. Credit in the system also increased significantly, with the stock standing at around 4100 billion AKZ at the end of 2013.

Economic expansion continued to be accompanied by lower inflationary pressures. Thus, the average year-on-year inflation rate in Angola receded to 7.69% in December.

Private investment also showed growth, derived from projects and investments (submitted to the ANIP) which increased by 330% in 2013 relative to 2012.

The average reference rate of the Kwanza in relation to USD stood at 97.62 Kwanzas at the end of December, recording a slight decline of 1.9%.

Still referring to exchange rates, the entry in force of the third stage of the New Exchange Regime for the Oil Sector marked July 2013. With the implementation of this regime, BNA stopped being the only supplier of foreign currency in the market, and commercial banks are now able to buy foreign currency from oil companies.

FINANCIAL MARKETS

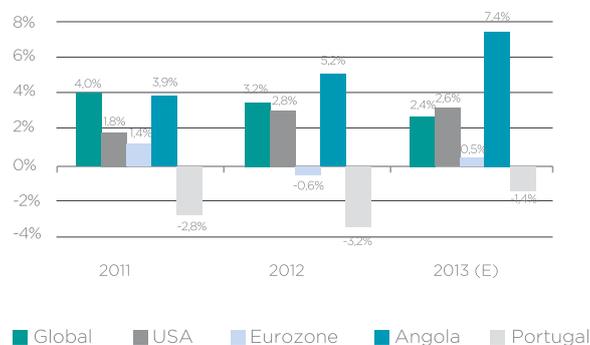
In spite of a volatile beginning, 2013 was fairly positive for most stock markets. Market risk appetite increased and the world index Morgan Stanley Capital International (MSCI) - World ended the year with a gain of 24.1%.

In Europe, performance was very positive and uniform, around 20%. The good performance of European markets was not unrelated to the gradual recovery of the peripheral countries. The Irish, Spanish and Portuguese markets, swept along by the same trend of confidence, recovered by 33.6%, 21.4% and 15.9%, respectively.

Concerning the emerging markets, MSCI Emerging Markets recorded a loss of 5% for the year. In the BRIC, only India and Russia recorded a positive performance (9% and 2%, respectively).

The reference interest rates of the main economic blocks remained almost unchanged during 2013, with the exception of the unexpected cut of 0.25% by the ECB.

GDP Evolution (Annual)



Source: IMF/World Bank/Bloomberg

In Angola, interest rates continued to show a downward trend, in line with the greater easing in terms of monetary policy, which led to a new reduction in BNA's reference rate from 10.25% to 9.25%. This easing was also reflected in the level of mandatory minimum reserves in national currency, which lowered to 12.5% (and maintained at 15% in foreign currency). The process of reduction of interest rates of public debt securities issued by the BNA continued, contributing to stimulate credit concession to the economy.

2013 was an extremely volatile year for the foreign currency market. In general terms, the USD showed a positive performance during the year, with a slight appreciation of 0.3%. The Rand continued to reflect the national macroeconomic outlook, having by 19.2% against the USD. The Brazilian Real also closed the year with a depreciation of 13.2% against the US Dollar.

In 2013, the Thompson Reuters/Jefferies CRB index recorded a loss of 5%, due to lower demand and higher supply.

2013 was the worst year since 1981 for gold and silver which lost 28% and 26% in prices, respectively, respectively. For agricultural commodities, harvests reached new maximums, leading to strong declines in the most important prices. Regarding heavy metals, the 8% decrease in the price of copper reflected the slowdown of the Chinese economy combined with increased world production.

For energy commodities, demand remained stable during the year, although supply was fairly volatile. West Texas Intermediate (WTI) oil recorded a 7% gain, while Brent only achieved a slight increase. The 26% gain in Natural Gas was explained by the harsh winter in the USA, which reduced reserves and led the prices in this market to reach their highest values since 2011.

BUSINESS AREAS

INVESTMENT BANKING

In today's world, it is necessary to identify opportunities, leverage alternative solutions and accumulate value. In order to respond to these challenges, Investment Banking, represented by a multidisciplinary team, pursued its mission to create distinction and recognition through differentiated service among its stakeholders.

The Investment Banking team's commitment and clear-cut objectives has positioned ATLANTICO Europa as a platform for the movement of international capital, in line with its defined continuous expansion of activity and positioning. 2013 was an important year for ATLANTICO Europa's Investment Banking, in view of the relevance of the operations closed, its reputation and recognition in the geographical markets in which it operates.

In organisational terms, the Navision system was implemented which is an indispensable tool for validation of the invoicing goals and relevant conclusions on Investment Banking performance.

In 2013, due to the effort of commercial development aimed at attracting mandates in different sectors of activity and service specialisation (Corporate Finance, Structured Finance and Capital Markets), ATLANTICO Europa participated in several advisory processes and played a crucial role in the acquisition of a position of corporate control of the operating entity of the civil construction group belonging to Grupo Soares da Costa, SGPS, S.A.



SOARES DA COSTA

**Acquisition finance
of a stake in Soares da Costa
Construção, SGPS**

Amount not disclosed



ATLANTICO

Structuring, arrangement
and underwriting

2014

ATLANTICO - STRUCTURED FINANCE



SOARES DA COSTA

**Acquisition of a controlling
stake of 66,67% in Soares da
Costa Construção, SGPS**

EUR 70.000.000



ATLANTICO

Financial Adviser

2013

ATLANTICO - CORPORATE FINANCE

ASSET MANAGEMENT

In 2013, ATLANTICO Europa constituted an alternative investment fund management company in Luxembourg, Atlantico Asset Management, initially entrusted with the management of the Atlantico Investment Strategies and Angola Growth Fund, which are being prepared to be launched in the market.

This company is regulated by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg, where it has its head office. The business model underlying the investment fund management activities is based on a rigorous process of investment combined with strict risk management.

The company's governance model is in line with best practices, composed of a Board of Directors, an Investment Committee, Advisory Committee, Internal Control and a local management team.

Atlantico Asset Management was constituted to manage all kinds of alternative investment funds. Yet, it is focused on the management of: i) Taylor-made funds; ii) Family Offices; iii) Real Estate; iv) Hedge Funds; v) Real Assets; v); and vi) Private Equity.

The structure is optimized to manage assets outside or within Angola, namely for Family Offices and Taylor-made funds.

RELATION BANKING

ATLANTICO Europa was able to significantly increase its Client base in the Corporate segment in 2013, an essential factor for the growth of the Bank's activity and generation of recurrent margin.

In terms of the credit portfolio, ATLANTICO Europa's strategy and policy for credit concession continued to be based on rigour, prudence and selectivity, giving priority to good risk operations, involving counterparties with solid ratings, with adequate collateral and clearly potential cross-selling opportunities. In spite of the conservatism and selectivity criteria, the credit volume showed considerable growth, almost doubling in comparison to the figure achieved in 2012.

The recognition of the value added and differentiating value proposition of ATLANTICO Europa Private Banking led to the strong and sustained growth of the funds under management, which increased by over 60%. In 2013, Private Banking focused on designing solutions especially for Angolan clients with economic interests abroad, and individuals and companies of other nationalities with effective economic interests in Angola. The consolidation of service levels and the demand for investment and financing solutions designed according to each client's characteristics, enabled ATLANTICO Europa to also expand and diversify its base of Private clients, both resident and non-resident.

The Centro Atlantico Sede Lisboa, inaugurated in November 2012, became a business convergence centre, where specialised managers, dedicated and with knowledge of the Angolan reality are committed to Relation Banking, providing access to a vast range of products and services, prioritising convenience and excellence in all the operations.

In 2013, the creation of a Middle Office structure exclusive of the affluent segment was equally determinant in reinforcing the existing operational security, further consolidating the simplification and profitability of processes and the upholding of high standards.

As a consequence, the affluent segment almost tripled its number of Clients, doubling the volume of funds. This was also due to the variety of the range of investment products, namely deposits and structured products. On the other hand, we highlight the significant increase in the volume of loans granted, to which the launch of ATLANTICO Europa Mortgage Loan product contributed.

2013 was characterised by the significant increase of the institutional Clients' portfolio, as a result of the favourable macroeconomic circumstances, the greater diversity of products and services offered, the increase in the range of relations and the commercial effort targeted at this segment.

The stronger drive of the supply of trade finance services by ATLANTICO Europa led to a considerable increase in the base of institutional Clients for international trade products.

The contribution of the expansion of ATLANTICO Europa's range of products and services, namely in the area of investment consulting and treasury services, led to the creation of new tools to support commercial activity in this market segment.

It should also be noted that ATLANTICO Europa's favourable strategic positioning relative to Angola risk, enables it to occupy a market niche under strong expansion and, consequently, to stimulate its related commercial activity.

INSTITUTIONAL BANKING

The Investor Relations Division aims to support ATLANTICO Europa's relationship with all its counterparties and other institutional investors.

In 2013, the activity of investor relations developed along two distinct lines.

On the one hand, ATLANTICO Europa continued its process of diversification of the universe of counterpart relations, based on geographic markets of interest and needs in terms of client products.

On the other hand, commercial activity with institutional Clients continued to grow, with a substantial increase of trade finance and treasury management services.

In 2013, the Board maintained its prospection activities, aimed at promoting ATLANTICO Europa in its different geographical areas as well as the Angolan economy among relevant investors.

Capitalising on the growing range of products and services offered by ATLANTICO Europa, under its current strategy of approaching Clients and in the increasing range of relations, the institutional Clients segment, mainly composed by financial institutions, gained critical mass at ATLANTICO Europa.

CONTROL FUNCTIONS

The progress of activity in the different aspects of ATLANTICO Europa's business was strongly reflected in terms of the Bank's relevant areas of control and support.

ATLANTICO Europa constantly strives to comply with international best practices and regulatory requirements applicable to the banking and financial sector and the services it provides, being driven by premises such as Rigour, Confidentiality, Safety in Operations and Innovation.

Internal control, compliance, risk management and monitoring for the purpose of internal auditing are assumed as priorities at ATLANTICO Europa, and their support to the growth of the business areas and areas of support is critical to the sustainability of the institution in the long run.

Naturally, control initiatives are duly dimensioned, both in terms of depth and sophistication level, to the Bank's own activities.

During 2013, there was significant growth of these two aspects at ATLANTICO Europa, which led to a natural resizing of the control unit shares, as presented in each of the following sections.

RISK MANAGEMENT

Since ATLANTICO Europa is under a process of growth of its business, risk management is a central pillar in the implementation of the Bank's vision and strategy.

At ATLANTICO Europa, the Board of Directors is responsible for the risk management function, with the Risk Division being entrusted with an advisory role and with the operational implementation of the Bank's risk management system.

This risk management system is based on a series of integrated policies and processes, which include procedures, limits, controls and systems in order to continuously and permanently identify, assess, monitor, control and report the relevant risks for the activity developed in the Bank.

Thus the objectives of the Risk Division are primarily to: monitor the adequacy and effectiveness of risk management in the different activities; promote the necessary measures for improvement and evolution; evaluate and monitor all relevant risks and control their placement within the limits set by the Bank; periodically validate the models and methodologies used for risk assessment; ensure the quality of their basic information; and correctly document the processes associated to their area of intervention.

In this context, the Risk Division's activity includes, among others, the following initiatives:

- Assurance of the timely identification of risks, with particular focus on changes to risk profile arising from new products and geographic markets or significant changes in the pattern of behaviour of different risk factors and exposures in the portfolio;
- Risk assessment based on quantitative and qualitative analyses, using reliable sources of information and robust and consistent methods of calculation;

- Regular stress tests, in order to assess the robustness and resilience of the Bank in adverse economic contexts;
- Risk monitoring and reporting by setting prudent limits and warning indicators for the Institution's main risks, incorporating this information in periodic information management reports, and by designing and implementing business continuity plans for information systems, physical infrastructures and human resources.

In 2013, the Bank's risk profile remained aligned with that defined in the preceding year, with an increasing diversification of investments in terms of maturity and counterparties, thereby decreasing the concentration risk of the balance sheet.

To assure due acceptance and monitoring of risk, two committees hold regular meetings at ATLANTICO Europa: the Credit Committee and the ALCO Committee, which promote the analysis and monitoring of the main exposures and assure conscious and informed decision-making on the acceptance of new exposures to risk for the Bank.

The governance model for risk management remained unchanged from the previous year relative to both the responsibilities and powers, and the types of interaction with other structural units, internal and external.

However, there was an improvement in the level of formalisation of risk management policies and processes in order to adjust them to the changes envisaged for subsequent years, aligning them with the established strategic objectives.

The number of employees of the Risk Division was also reinforced so as to endow it with sufficient human resources to pursue its goals.

For 2014, ATLANTICO Europa plans to continue to reinforce the level of formalisation of risk management processes and strengthen the existing tools for identification, assessment, monitoring and reporting.

Considering the strategy for business evolution, the Bank understands the critical need to assure that its risk management system is defined transversely, based on a risk profile that incorporates the new risk factors to which it will be exposed, and covering appropriate methodologies and tools for modelling and quantifying impacts on the institution's solvency and liquidity levels, in a consolidated manner.

In this context, the Bank will invest in the improvement of methodologies and tools for risk management, foreseeing, among others, initiatives to assure their correct alignment with the new Basel III requirements, also regarding regulatory reporting (COREP and FINEP), and initiatives to strengthen its monitoring mechanisms and quantification of liquidity and operating risk.

AUDITING

During 2013, ATLANTICO Europa continued to develop review programs focused primarily on the sustainability of the Bank's growth.

During this year, the monitoring process included control actions and assessments developed with a view to assuring the efficiency and suitability of the internal control system to the Bank's structure and business, namely through the identification of system deficiencies, both from the perspective of its design and in terms of implementation and/or use. However, the auditing plan for this financial year was duly directed at the risk of activities and systems, with deficiencies having been identified by internal audits, as well as the consequent recommendations, opportunely recorded, documented and reported.

Key importance was given to the processes and procedures associated to tasks and core areas, as well as areas where the concentration level for the different types of risk is higher. New processes arising from the entry of new products and systems in ATLANTICO Europa were also addressed.

During 2013, the control routines were implemented with the required frequency, in the areas which are systematically controlled.

ATLANTICO Europa conducted various audit activities throughout the year in a gradual and continuous way through transversal analyses or, in certain processes, only at critical control points, both in the business areas and operational support.

During 2013, the Internal Audit Office contributed positively to improve the operational efficiency and effectiveness of control activities associated to internal procedures.

At the end of 2013, ATLANTICO Europa reassessed the main risks, assuring the suitability of the plan for 2014 to the results of this assessment.

COMPLIANCE

In 2013, the Compliance Office focused on the continuous review of internal policies and rules, in the context of the changes implemented by GAFI and relevant changes in the national legal system which the future fourth Directive should dictate.

Thus, continuity was given to the careful monitoring of Clients and knowledge of their activities, as well as operations and control regarding the prevention of money laundering and the fight against the financing of terrorism.

As one of the pillars of the internal control system, the Compliance Office acted in observance of the "better regulation" principles and pursuant to Banco de Portugal Notice no. 5/2008, towards the detection of possible situations of risk and aimed at making the Bank's internal control system more robust and more integrated in its operation.

The training of our employees is a priority and key factor for the continuity of the instituted rules and standards. For this reason, the Bank has invested strongly in the training of all its employees, from those recently recruited to the ones with more years of service, aimed at their continuous updating and the proliferation of important changes for the Bank's activity.

ACCOUNTING AND MANAGEMENT CONTROL

2013 was marked by the splitting of the Accounting and Management Control Division into two units (Accounting and Management Control) aimed at ensuring a more efficient response to all of ATLANTICO Europa's current and future challenges.

Throughout the year, there was a consolidation of the IT tools implemented in 2012, with a view to their optimisation and greater efficiency in their different deliveries.

SUPPORT AREAS

FINANCIAL MARKETS

2013 was a challenging year, presenting very dynamic international and domestic macroeconomic scenarios.

The Financial Markets Division developed its business plan throughout the year, contributing to increase the Client operations which were carried out, and the management of liabilities and the Bank's own portfolio.

The institution's liquidity management continued to prefer a conservative attitude, maintaining a very comfortable liquidity position throughout the year.

With active participation and greater investment in the Sovereign Fixed Income and short-term Corporate market, in line with the Bank's risk policy, the Financial Markets Division was able to accomplish its proposed yield objectives and thus contribute to the Bank's performance in 2013.

OPERATIONS

At the level of the Bank's operational activity, 2013 was marked by the continued focus on the search for improvement of efficiency and process automation, particularly in the Corresponding and Trade Finance business lines.

Transaction operations also started to be offered on the ATLANTICO Net channel, enabling Clients greater autonomy and more convenience in the execution of their more traditional banking operations.

At the level of payment systems, particular note should also be made about the end of the use of the TEIS subsystem and the migration of this type of payments to SEPA credit transfers, aligning this practice with the guidelines of Banco de Portugal and other European authorities on this matter.

We also highlight the strong growth of credit activity (with an annual growth rate above 100% in terms of number of operations) and transaction activity of payments made by Clients (with an annual growth rate above 50% in terms of numbers of transactions). These figures reflect the increased number of Clients in 2013 and their growing commercial and operational interaction with the Bank.

INFORMATION SYSTEMS

Throughout the year, the Bank continued to invest in its technological platform so as to reinforce the systems that support operational and commercial functions, and continued to fine-tune its communications channels with Clients.

Hence, in 2013, the Bank launched a new internet banking platform, ATLANTICO NET, which expanded the interaction capacity of Clients with the Bank through remote channels. At the same time, the Bank reformulated its institutional site available at www.atlantico.eu, reinforcing its visibility and information for all stakeholders and the public in general.

Regarding internal systems, a series of new modules and functionalities was launched to increase automation and operational security levels.

PRODUCTS AND RESEARCH

2013 was a year of strong growth for the Products and Research Office with a significant increase in the range of products and services offered by the Bank to its Clients.

In addition to the expansion of the products and service portfolio, the year was also marked by various campaigns to attract and stimulate Clients.

We highlight the campaigns publicising credit cards and campaigns to attract Clients and funds, namely those based on promotional term deposits (such as DP Valor Crescente, DP Mais Valor and DP Net). Particular note should also be made on the launch of new activities at ATLANTICO NET, ATLANTICO Europa's home-banking service, which began to enable a series of new transactions, such as national and international transfers, deposit subscription, foreign-exchange operations and cheque requisition.

On the Corporate side, we highlight the development of tailor-made solutions for Corporate Clients such as Valor ATLANTICO.

In the capital market, private and affluent activity continued to be enhanced through the offer of tailor-made structured products, constructed on various underlying assets, such as specific shares, baskets of shares or commodities.

Concerning Research activity, in 2013, the number of regularly published items increased to six (Daily Analysis, Weekly Analysis, Angola in 30 days, Corporate Newsletter, Private Newsletter and Oil and Gas Newsletter), reaching an increasing number of readers.

BRAND AND COMMUNICATIONS

In 2013, the Brand and Communications Division continued to contribute to the brand's stronger reputation and excellent communications with Clients.

An example of this was the development and launch of the new ATLANTICO Europa website and the implementation of a home-banking service to better serve the Clients' portfolio and thus accompany the market's evolution.

Alongside these major projects, the Atlantico Brand Division was present at Portela Airport, seeking to be closer to its Clients, with an offer based on relations, a differentiation factor for the institution.

The definition of new approach strategies to the market concerning communication, assuring the implementation of product and service campaigns, corporate events and the marketing planning for ATLANTICO Europa, were the major responsibilities in a year marked by the reinforcement of the values and culture of the ATLANTICO Brand.

LEGAL

The Legal Office is an area of consultancy for the members of the board and offers support to the Bank's activity, guided by principles of objectivity, rigour, clarity of discourse, timeliness in response, collaboration and teamwork.

In 2013, the Legal Office developed a number of initiatives of relevance to the institution's activity, in particular the production of a variety of information on changes in the regulatory environment and other topics of interest and the regular dissemination of a legal newsletter.

The Legal Office played a notable role in the internal training of employees, both in the ministration of a series of training actions on various topics of financial activity, and in the integration in the team of young managers for On-the-Job training.

HUMAN CAPITAL

ATLANTICO Europa was born under the motto 'Different through People', believing that only a solid team, qualified, innovative and with cultural diversity can ensure an excellent service to its Clients and be recognised as a reference in the financial system.

The ATLANTICO Europa team has recorded growth every year. As at 31 December 2013, the team was composed of 98 employees, corresponding to a growth of 34% compared to 2012.

This organic growth reflects the focus on the creation of job opportunities and the strengthening of teams with qualified and skilled professionals who are capable of meeting their own challenges and market requirements.

With an average age of 35 years old, the ATLANTICO Europa team is the result of strong investment in the potential of young talent, a commitment that is deeply rooted in the principles and culture of the institution.

As a global and multicultural institution, the ATLANTICO Europa team is composed of 11 nationalities, with professionals representing 4 continents who contribute to enriching organisational knowledge on markets, adopting innovative and differentiating approaches with Clients.

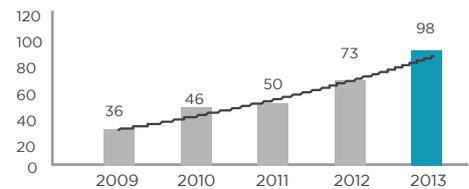
ATLANTICO Europa believes that knowledge is the only unfailing asset that generates sustainable development. As such, in 2013, 24 new internships were promoted, under the 'Initiation to Banking Program', a cycle of training and integrated internship which boosts the capacity of young people, especially from Angola, recently graduated, for subsequent integration in the labour market in Angola. 80% of the young people who joined this program are currently members of the staff of ATLANTICO in Angola.

With this program, among other initiatives, ATLANTICO Europa honours its commitment to being a strategic partner in the training and development of future leaders of the Angolan financial system.

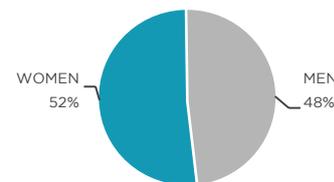
In 2013, 71 training actions were carried out, totalling 5,130 hours of training, representing an average of 52 hours of training per employee.

This investment reflects the importance of Human Capital and knowledge creation. In 2013, ATLANTICO Europa maintained its focus on the training and development of employees, implementing training programs on technical and behavioural skills, anticipating needs and creating value and sustainability for the Institution.

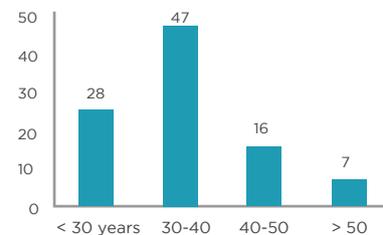
Staff Evolution



Staff by Gender

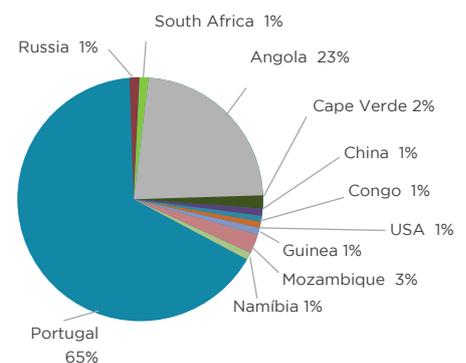


Staff by Age



Source: Human Capital

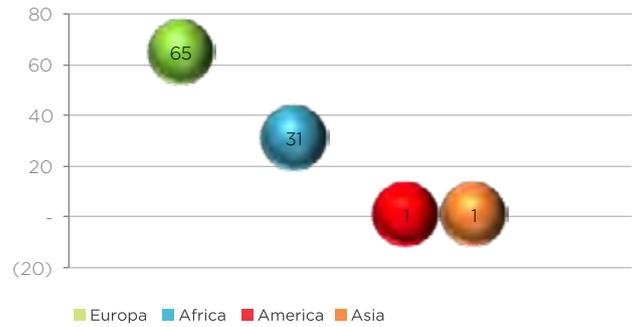
Staff by Nationality



ATLANTICO Europa stands for a meritocracy culture. Thus, the implemented evaluation system combines the assessment of competence and objectives, involving and aligning employees with the organisational culture and strategy, as well as identifying the contribution of teams for corporative results. This meritocracy culture is accompanied by a compensation system that recognises and positively differentiates performance.

Today, we have the basis to sustain and boost the development of employees, reflected in the effectiveness and quality of the services rendered. ATLANTICO Europa continues to promote initiatives with an impact on the development of its employees in the long run, through new tools, approaches and challenges to knowledge.

Staff by Nationality



FINANCIAL ANALYSIS

2013 was a year of strong growth of activity for ATLANTICO Europa, which was characterised by:

- positive net income, amounting to EUR 2,189 thousand;
- doubling of the number of clients;
- growth of the credit portfolio with prudence in view of the economic constraints in Portugal, essentially focused on the operations related to Angola;
- doubling of Trade Finance operations with Corporate and Institutional clients;
- investment in the technical capacity building of young staff;
- reduction of the cost-to-income ratio.

MAIN INDICATORS

(thousands of Euros)

	2011	2012	2013	Change	% Change 13/12
Total Net Assets	298.808	326.182	427.300	101.118	31,0%
Turnover	302.859	237.691	409.386	171.696	72,2%
Loans and advances to customers	25.017	49.786	74.218	24.433	49,1%
Deposits from On Balance	251.312	146.098	203.199	57.102	39,1%
Deposits from Off Balance	25.722	35.841	98.107	62.266	173,7%
Guarantees	808	808	4.553	3.745	463,7%
Documentary credit	-	5.158	29.309	24.151	468,2%
Turnover per Employee	6.057	3.256	4.177	921	28,3%
Loan-to-Deposit Ratio ⁽¹⁾	11,1%	43,4%	80,1%		
Net credit/Customer Resources Ratio	10,0%	34,08%	36,52%		
Overdue Loans/Loans to Customers	0,0%	0,43%	0,14%		
Provisions/Loans to Customer Ratio	1,7%	1,6%	3,4%		
Operating Income	6.725	12.200	19.719	7.519	61,6%
Of which:					
Net interest income	2.774	6.449	8.646	2.197	34,1%
Banking Op. and Interm. Commissions	1.179	816	1.263	447	54,7%
Investment Banking Commissions	2.557	3.285	3.293	8	0,2%
Gains and losses from Financial Operations	216	1.650	6.517	4.867	>1000%
Operating income per Employee	135	167	201	34	20,4%
Net Income for the year	(1.403)	701	2.189	1.487	212,2%
Cost-to-Income	114,1%	81,5%	71,5%		
Net Position	45.927	48.450	50.085	1.635	3,4%
Tier 1 Capital	45.215	44.435	46.050	1.615	3,6%
Capital Requirements	9.799	10.837	14.293	3.456	31,9%
RWA	122.488	135.465	178.667	43.202	31,9%
Solvency Ratio	36,9%	32,8%	25,8%		
Core Tier 1 Ratio	36,9%	32,8%	25,8%		
Return on Assets (ROA)	-0,5%	0,2%	0,5%		
Return on Equity (ROE)	-3,1%	1,5%	4,7%		
Number of Clients	446	732	1.443	711	97,1%
Number of Employees	50	73	98	25	34,2%

(1) Calculated in accordance with Banco de Portugal Instruction 23/2011

INCOME STATEMENT ANALYSIS

ATLANTICO Europa ended 2013 with positive earnings before tax of EUR 3,698 thousand, corresponding to an improvement of 196% compared to the value for 2012.

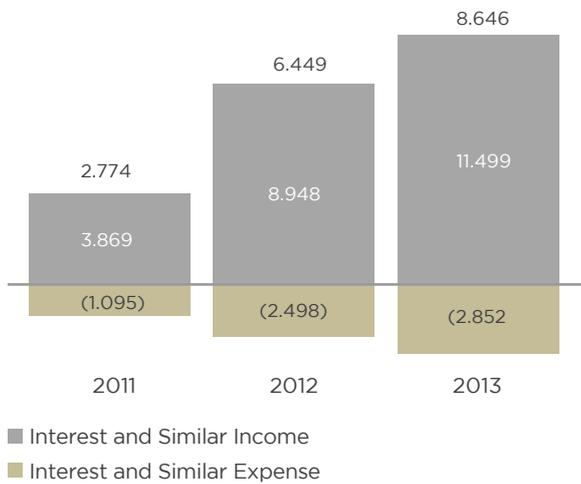
A brief description of the different items of the Income Statement is given below.

(thousands of Euros)

Income Statement	2010	2011	2012	2013	Change	YoY
Interest and Similar Income	673	3.869	8.948	11.499	2.551	29%
Interest and Similar Expense	(304)	(1.095)	(2.498)	(2.852)	(354)	14%
Net interest income	369	2.774	6.449	8.646	2.197	34%
as % of Operating Income	7,1%	41,2%	52,9%	43,8%		
Commissions received	136	1.282	928	1.398	470	51%
Commissions paid	(71)	(104)	(112)	(151)	(38)	34%
Net income from financial assets	0	1.396	(13)	3.806	3.819	>1000%
Net gains from foreign exchange	109	(1.180)	1.663	2.712	1.049	63%
Other operating income and expense	4.682	2.557	3.285	3.308	23	1%
Operating Income	5.225	6.725	12.200	19.719	7.520	62%
Personnel Costs	(3.397)	(3.841)	(4.667)	(6.471)	(1.804)	39%
Other operating costs	(3.398)	(3.831)	(5.200)	(7.173)	(1.973)	38%
Depreciation	(341)	(351)	(736)	(653)	83	-11%
Overheads	(7.136)	(8.023)	(10.603)	(14.297)	(3.694)	35%
Operating Profit	(1.911)	(1.298)	1.597	5.422	3.826	240%
Provisions for Credit Risk	(18)	(378)	(347)	(1.724)	(1.377)	397%
Net Income Before Tax	(1.930)	(1.676)	1.250	3.698	2.448	196%
Taxes for the Period	435	273	(549)	(1.509)	(960)	175%
Current	(102)	(87)	(300)	(670)	(370)	123%
Deferred	538	360	(249)	(839)	(590)	237%
Net Income for the Year	(1.494)	(1.403)	701	2.189	1.488	212%

(thousands of Euros)

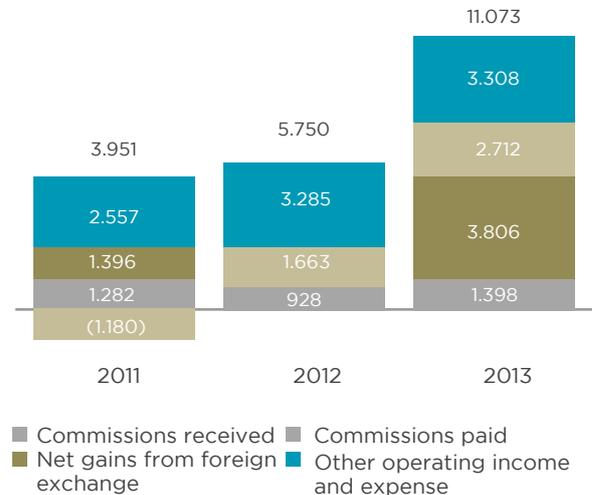
Net Interest Income



Net Interest Income has shown continuous growth since 2011, reflecting the active liquidity management policy and increased loans granted, while maintaining risk patterns. In 2013, net interest income increased by 34% year-on-year, accounting for 43.8% of operating income.

(thousands of Euros)

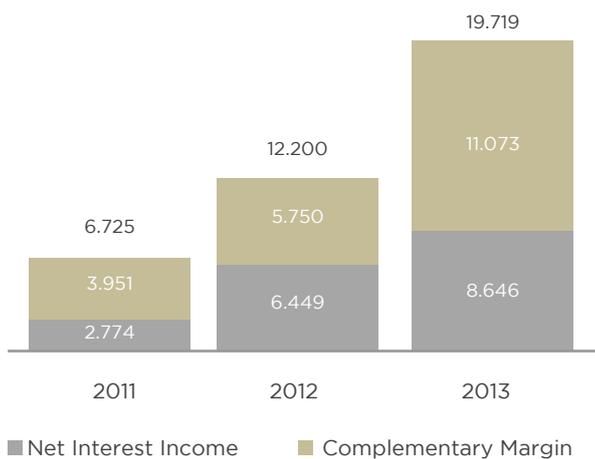
Complementary Margin



The Complementary Margin increased by 93% compared to 2012, reflecting the greater activity of the Bank's own portfolio and banking activity.

(thousands of Euros)

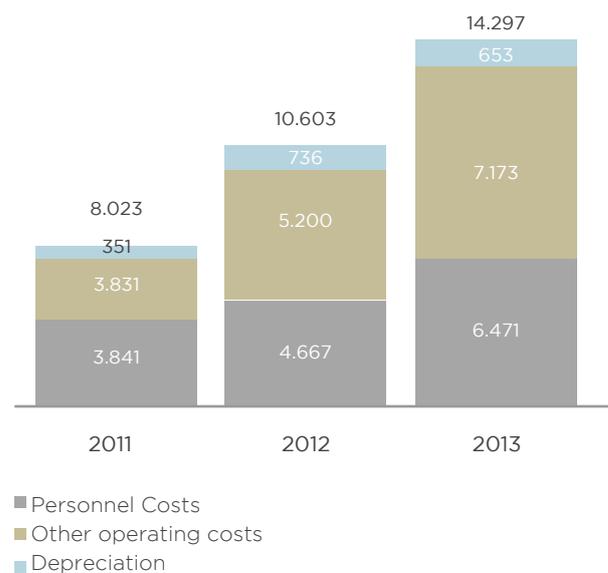
Operating Income



Operating income increased by 62% against 2012.

(thousands of Euros)

Overheads

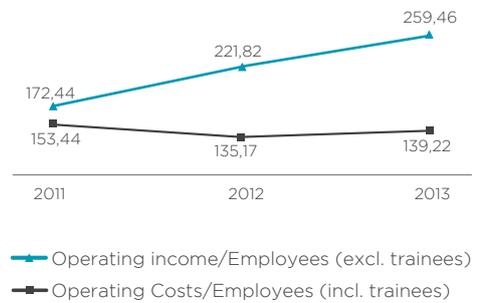


Overheads increased by 35%, primarily due to:

- Other Operating Costs, which increased by 38% due to the significant investments in technology and internal control.
- Amortisation and Depreciation, which decreased by 11%, reflecting the write-off of works carried out at the facilities prior to 2012.
- Personnel costs, which increased by 39%, as a result of the continued strengthening of the Bank's team and the training programs for young professionals started in 2013. The average cost per Employee increased by 3% in relation to 2012.

(thousands of Euros)

Operating Income and Operating Costs vs Employees



BALANCE SHEET ANALYSIS

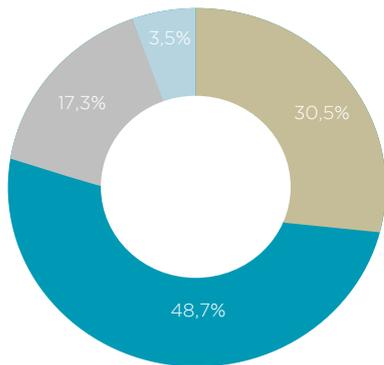
ATLANTICO Europa ended 2013 with total net assets of EUR 427,300 million and a turnover of EUR 409,386 million, representing an increase of 72.2% year-on-year.

(thousands of Euros)

Balance Sheet	2010	2011	2012	2013	Change	YoY
Assets						
Deposits	1.605	145	228	182	(46)	-20%
Deposits at Central Banks	855	2.947	5.844	11.970	6.126	105%
Loans and advances to credit institutions	33.846	105.319	68.831	118.111	49.280	72%
Loans and advances to customers (net)	12.594	24.745	49.410	74.009	24.599	50%
Financial assets held for trading	-	1.315	-	78	78	n.a.
Available-for-sale financial assets	4.961	-	189.140	208.016	18.876	10%
Held-to-maturity investments	9.932	154.819	-	-	-	n.a.
Intangible Assets	572	712	527	448	(79)	-15%
Other tangible assets	897	849	4.467	4.670	203	5%
Investments in subsidiaries, associates	50	55	315	1.074	759	241%
Income tax assets	855	1.225	988	387	(601)	-61%
Other assets	2.009	6.675	6.431	8.356	1.925	30%
Total Assets	68.177	298.808	326.181	427.300	101.119	31%
Liabilities						
Deposits from Central Banks	-	-	127.033	166.278	39.245	31%
Deposits from customers	25.398	224.842	88.312	95.992	7.680	9%
Deposits from credit institutions	21.730	26.470	58.549	108.490	49.941	85%
Financial liabilities at fair value through profit or loss	-	-	827	226	(601)	-73%
Provisions for credit risks	59	165	302	1.630	1.328	439%
Income tax liabilities	102	72	832	1.001	169	20%
Other Liabilities	1.569	1.332	1.876	3.598	1.722	92%
Total Liabilities	48.857	252.881	277.731	377.215	99.484	36%
Net Position						
Equity	18.000	50.000	50.000	50.000	-	0%
Other equity instruments	4.000	-	-	-	-	n.a.
Revaluation reserves	(11)	-	1.822	1.268	(554)	-30%
Free reserves	(1.175)	(2.670)	(4.073)	(3.371)	701	-17%
Net income	(1.495)	(1.403)	701	2.189	1.487	212%
Total Shareholders' Equity	19.320	45.927	48.450	50.085	1.635	3%
Total Liabilities and Shareholders' Equity	68.177	298.808	326.181	427.300	101.119	31%
Off Balance Sheet	13.079	25.722	35.841	98.107	62.266	174%
Guarantees	150	808	808	4.553	3.745	464%

ATLANTICO Europa ended 2013 with total net assets of EUR 427,300 million. In this difficult economic scenario, the Bank chose a more active liquidity management policy, maintaining the institution's moderate risk standards.

ASSETS



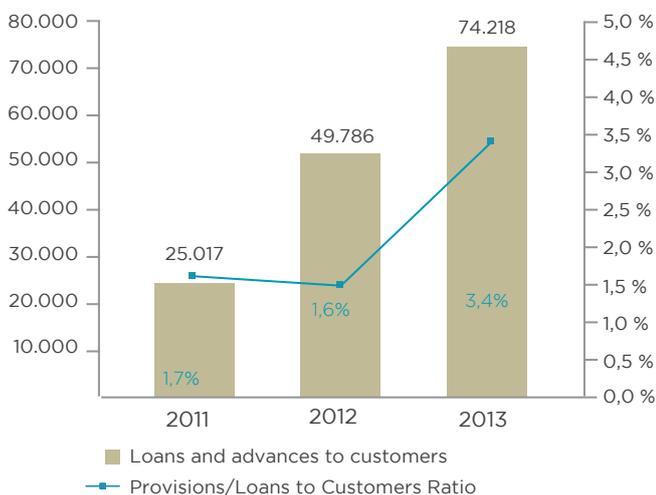
■ Deposits at other credit institutions ■ Loans and advances to customers
■ Financial assets ■ Holdings, fixed assets and other

At the end of 2013, the Loans and advances to customers represented 17.3% of Total Assets, with 48.7% of the Assets invested in Financial Assets and 30% in Deposits at other financial institutions.

LOANS AND ADVANCES TO CUSTOMERS

The Credit Portfolio (net of provisions and impairment) grew by 50% in 2013, to stand at EUR 74,009 million.

LOANS AND ADVANCES TO CUSTOMERS AND PROVISIONS/LOANS TO CUSTOMERS RATIO

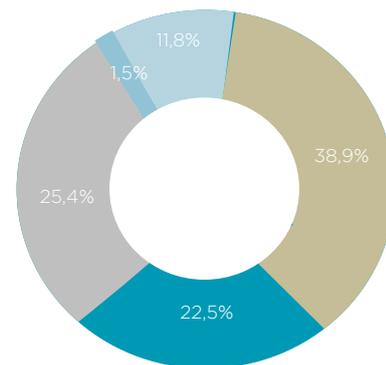


At the end of 2013, overdue loans amounted to 0.14% of the credit granted. The existing provisions are essentially intended to cover General Credit Risks and Country Risk regarding loans which are not fully collateralised and amount to 3.4% of loans and advances to customers.

DEPOSITS FROM CLIENTS AND CREDIT INSTITUTIONS

In late 2013, Deposits from Central Banks represented 38.9% and Deposits from Other Credit Institutions and Deposits from Customers accounted for 47.8% of total Liabilities and Equity.

LIABILITIES AND EQUITY



■ Deposits from Central Banks ■ Other Liabilities
■ Deposits from Financial Institutions ■ Equity
■ Deposits from Customers

PRODUCTIVITY AND EFFICIENCY

The cost-to-income ratio decreased by 10 p.p., continuing the downward trend initiated in 2010.

The average "Operating Costs / Average Net Assets" indicator showed a slight increase in 2013.

The value of assets per employee decreased by 2%.

	(thousands of Euros)		
	2011	2012	2013
Cost-to-Income	114,1%	81,5%	71,5%
Operating Costs /Average Net Assets	2,7%	3,3%	3,3%
Total Assets per Employee	5.976	4.468	4.362

EQUITY

At the end of 2013, ATLANTICO Europa's Equity amounted to EUR 50,085 thousands, corresponding to an increase of 3.4% compared to December 2012.

The main factors that contributed to this development are:

With positive impact:

- The positive net income for 2013 of EUR 2,189 thousands;

With negative impact:

- The negative change in the portfolio of available-for-sale financial assets.

(thousands of Euros)

Equity Evolution	2011	2012	2013
Equity at the beginning of the year	19.320	45.927	48.450
Equity	32.000	-	-
Other Equity Instruments	(4.000)	-	-
Revaluation reserves	11	1.822	(554)
Free Reserves	-	-	-
Net Income	(1.403)	701	2.189
Equity at the end of the year	45.927	48.450	50.085

CAPITAL RATIOS

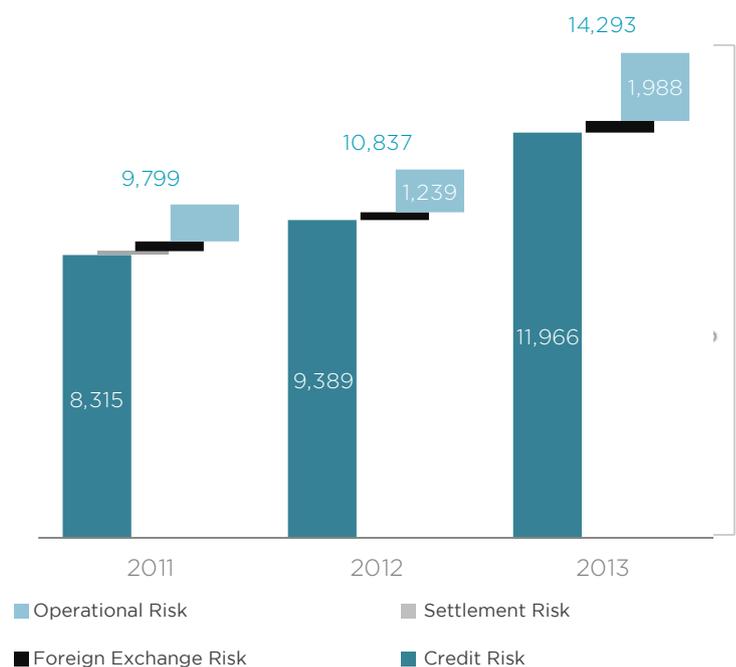
At the end of 2013, the capital ratio amounted to 25.8%, representing a decrease of 7 p.p. compared to 2012. However, these ratio and evolution levels are characteristic of a financial institution at the beginning of its activity, when loan-to-deposit ratios are still very low.

The negative progression of the capital ratio reflects the increase in own fund requirements.

At the end of 2013, core capital amounted to EUR 46.050 million, corresponding to an increase of 3.6% against December 2012. This increase was due to the reduction of deferred tax assets and the inclusion of the positive net income for 2012.

CAPITAL REQUIREMENTS

(thousands of Euros)



CAPITAL REQUIREMENTS RATIO

According to the regulation of Banco de Portugal

(thousands of Euros)

Regulatory Capital	2011	2012	2013
Share Capital	50.000	50.000	50.000
To add:			
Other Equity-like Instruments	0	0	0
	0	0	0
To subtract:			
Previous year results	(2.670)	(4.073)	(3.371)
Current year interim results	(1.403)	-	-
Intangible assets	(712)	(527)	(448)
Deferred tax on assets not accepted for tax purpose	-	(965)	(131)
	(4.785)	(5.565)	(3.950)
Tier 1 Capital	45.215	44.435	46.050
Ancillary Own Funds - Upper Tier 2	-	-	-
Total Capital	45.215	44.435	46.050
Total Requirements	9.799	10.837	14.293
Risk-Weighted Assets	122.488	133.465	178.667
Capital Requirement Ratio	36,9%	32,8%	25,8%
Tier I	36,9%	32,8%	25,8%
Tier II	0,0%	0,0%	0,0%

STATEMENT ON THE REMUNERATION POLICY OF BANCO PRIVADO ATLÂNTICO – EUROPA, S.A.

I. INTRODUCTION

1. Pursuant to article 2.º, no. 1 of Law no. 28/2009, of 19 June, it is the duty of the board or, when existent, the remuneration committee of the credit institution to annually submit to the appraisal and approval of the General Meeting a statement on the remuneration policy for members of its management and supervisory bodies (hereinafter referred to as “Statement”), including the information foreseen in this diploma, as well as the information established in article 16.º of Banco de Portugal Notice no. 10/2011.

2. For this purpose, this Statement has been prepared in accordance with these diplomas and with the principles laid down in the European Commission recommendation of 30 April 2009, relative to remuneration policies in the financial service sector and guidelines on remuneration policies and practices published by the Committee of European Banking Supervisors (CEBS) subsequently endorsed by the European Banking Authority (EBA).

3. In this context, in compliance with these provisions, under the reinforcement of transparency in the process of establishing remunerations, the Board of Directors of Banco Privado Atlântico - Europa, SA (hereinafter referred to as “ATLANTICO Europa” or the “Bank”) submits the present Statement for the approval of the Annual General Meeting of Shareholders.

II. STATUTORY RULES

1. Article 35 of the Bank’s Articles of Association establishes that the remuneration of members of the corporate bodies is determined by a remuneration committee composed of three shareholders elected at the General Meeting.

2. The same article of the Bank’s Articles of Association states that the remuneration of the members of the Board of Directors may consist of a fixed part and a variable part, reflected in a share not exceeding 10% of the annual net income. The fixed remuneration received by the members of the Board may be different among them.

3. According to Bank’s Articles of Association, the remuneration committee is also responsible for determining the conditions of attribution of retirement pension to executive directors.

4. It should be noted that all the shares representing the share capital of ATLANTICO Europa are currently concentrated in the sphere of a single shareholder and accordingly, the Remuneration Committee has not been constituted and is not in operation.

III. INFORMATION ON THE REMUNERATION POLICY

ATLANTICO Europa’s Remuneration Policy reflects the firm commitment of this institution to converge with the best and latest national and international corporate governance practices and trends in the financial sector, directed at the creation of value in the long term, supporting the implementation of a strategy of sustained growth and enabling the convergence of the interests of board members with corporate interests. The achievement of this objective, as shall be detailed below, is based on certain key aspects that are legally recognised as suitable for such purposes, such as:

- The attribution of a fixed component representing the significant portion of the overall remuneration;
- The subjection of the attribution of the variable remuneration component to the prior process of performance assessment, in a multiannual context, pursuant to predetermined and measurable assessment criteria;
- The deferral of a proportion of variable remuneration for a period of time taking into account the economic cycle of the Bank and its business risks;
- The subordination of the payment of variable remuneration, including the deferred portion, to the continued sustainability of the Bank's financial situation.

IV. INFORMATION ON THE REMUNERATION POLICY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND SUPERVISORY BODIES UNDER ARTICLE 16 OF BANCO DE PORTUGAL NOTICE 10/2011

1. GENERAL PRINCIPLES

Process of definition of the remuneration policy: The preparation of the Remuneration Policy is the result of a participatory process, thus including people with functional independence and appropriate technical capacity, from the human capital area (Human Capital Office), the legal support area (Legal Office) and the units responsible for the internal control functions, as well as external experts. After the preparation of the Remuneration Policy was finalised, it was submitted to the approval of the Board of Directors, regarding the remuneration of Employees, and to the approval of the General Meeting, regarding the remuneration of the members of the administration and supervisory bodies.

Elements comprising the variable component: In view of the provisions in subparagraph r) of no. 24 of the Annex to Decree-Law no. 104/2007 of 3 April, amended by Decree-Law no. 88/2011 – which determines the payment of at least 50% (fifty percent) of the variable remuneration through shares, equivalent instruments or other equity instruments – and the fact that ATLANTICO Europa does not have, in portfolio, and is not the issuer, to date, of instruments of such a nature, namely because of its size and level of activity, and considering the principles of appropriateness and proportionality, any variable remuneration which may be granted in the future to the executive directors is based on their participation in the institution's profit, within the limits set by the Bank's Articles of Association. This is intended to assure reconciliation of the objective interests of the executive directors with the long-term interests of the institution. However, by decision of the competent corporate body, ATLANTICO Europa reserves the right to be able to make up part of the variable remuneration in shares or financial instruments issued by the Institution, subject to terms to be regulated in due time, as applicable. Regarding the deferred payment of the variable remuneration established in point 24 of the Annex to Decree-Law no. 104/2007 of 3 April, amended by Decree-Law no. 88/2011 of 20 July, this will take place in relation to 2013, taking effect on the variable remuneration to be attributed in 2014.

2. REMUNERATION OF THE EXECUTIVE MEMBERS OF THE BOARD

(a) The institution's competent bodies to carry out the assessment of individual performance
The assessment of individual performance of the executive directors is made by the General Meeting.

(b) Predetermined criteria for the assessment of individual performance underlying the right to a variable remuneration component

The attribution of the variable remuneration for executive directors will be based, among other factors established herein, on the following assessment criteria set out in the Performance Assessment Policy attached to the present Statement and of which it is an integral part:

- Achievement of individual and institutional objectives related to the Bank's operations;
- Dedication, quality, work ability, business knowledge and contribution to the image and reputation of the Institution;
- Real growth of the Institution;
- Actual wealth created for shareholders;
- Implementation of measures to protect the interests of clients and investors;
- Long-term sustainability of the institution;
- Extent of the risks assumed;
- Compliance with the rules applicable to the Institution's activity;

(c) The relative importance of fixed and variable components of remuneration, as well as the maximum limits for each component

The fixed remuneration component is paid on the basis of 14 months/year, according to the Bank's competitive position compared to the universe of national reference companies with similar characteristics. The fixed annual remuneration of all Executive Directors represents 70% of the total annual remuneration.

The variable component of the remuneration shall comply with the limits established annually by the Bank's General Meeting, and it should not represent a ratio greater than 30% (thirty percent) of total remuneration. The sum of the variable remuneration that will be attributed each year, to all the executive members of the board, may not exceed 10% (ten percent) of the distributable profit for the year, except in certain justified situations recognised by the General Meeting, taking into account all types of current and future risks.

(d) Information on deferred payment of the variable component of the remuneration, indicating the deferral period.

A proportion of 40% (forty percent) of the variable remuneration will be deferred for a period of three (3) years in relation to its date of attribution. This deferral scheme applies from 2012 onwards, hence influencing the variable remuneration to be attributed as of 2013.

(e) The payment mode for variable remuneration is subject to the continued positive performance of the institution during the deferral period.

Variable remuneration, including the deferred portion, is paid only if it is sustainable in view of the Bank's overall financial position and when suitably justified in view of the performance of the institution, the structural unit involved and the director in question, taking into account all types of current and future risks, the cost of own funds and necessary liquidity.

Similarly, if there is a reversal in the Institution's performance, or if it is negative, the variable remuneration may be reduced, taking into account both current remuneration and reductions in the disbursement of previously earned amounts, namely through exacerbation or recovery, without prejudice to the application of national general principles of contract and labour law.

(f) The criteria on which the variable remuneration in shares is based, as well as the maintenance, by the executive members of the board, of shares of the institution to which they have had access, and information on the possible conclusion of contracts relative to such shares, namely hedging or risk transfer contracts, their limits and their proportion to the value of total annual remuneration.

There are no plans to attribute shares to the executive members of the management body as a form of variable remuneration. However, board members are already holders, indirectly, of Bank shares, which were acquired at the time of its incorporation.

(g) The criteria underlying the allocation of variable remuneration in options and indication of the deferral period

and the exercise price.

Not applicable.

(h) Main parameters and basis for any annual bonus scheme and any other non-cash benefits.

The attribution of a variable remuneration component to executive directors is based on the results of the performance assessment, to be conducted under the terms described above, in a multiannual context of 3 years, depending on the accumulated annual assessment of the performance of the executive directors, taking into account all types of current and future risks, as well as the cost of own funds and necessary liquidity.

(i) Compensation paid as profit sharing or bonus payments and the reasons why such bonuses or profit sharing were granted.

Variable remuneration is paid as a performance bonus and is justified by the outcome of the performance assessment pursuant to the Performance Assessment Policy.

(j) Compensations and indemnities paid or payable to members of the board due to the termination of their duties during the year.

During 2013, the Executive Committee member Isménio Coelho Macedo ended his duties (term of office ended on 24 April 2013), and likewise the director Baptista Muhongo Sumbe (resigned on 31 March 2013). No compensation or indemnity was paid or is payable as a result of these terminations of duties.

(k) Legal instruments referred to in article 10.

Neither contracts with directors nor the articles of the Bank's Articles of Association include any provision for the payment of any compensation or indemnity in the event of dismissal of a member of the board or in case of termination of the contract by agreement, whenever this results from an inadequate performance of duties. This, combined with the legal provisions for the dismissal of directors, enables aligning the Bank's practices with compliance with the concerns set out in this article.

(l) Amounts paid in any way by other companies in a control or group relationship with the institution.

No payments were made to executive directors by other companies in a control or group relationship.

(m) The main characteristics of supplementary pension or early retirement schemes, indicating whether they were subject to scrutiny by the general meeting.

No supplementary pension or early retirement regimes have been established.

(n) The estimated value of relevant non-cash benefits considered as remuneration not covered by the preceding subparagraphs.

The executive directors are covered under the insurance taken out by the Bank for its employees. Whenever warranted, subject to detailed analysis, specific benefits can be assigned to directors who are displaced from their country of origin.

(o) Existence of mechanisms to prevent the use by members of the board of remuneration or liability insurance, or any other hedging mechanisms to undermine the risk alignment effects embedded in their remuneration arrangements.

At the beginning of each term of office or whenever a new director takes up office, this director vows to refrain from entering into contracts, either with the company or with third parties, whose object or desired effect is mitigation of the risk inherent to the variation of the remuneration established by the company. The current directors have not entered into such contracts.

3. REMUNERATION OF THE NON-EXECUTIVE MEMBERS OF THE BOARD

Unless otherwise determined by the General Meeting, the non-executive members of the Board of Directors will not have any remuneration, fixed or variable, due to the performance of their duties.

In the case of termination for fair cause or termination of the administration contract due to inadequate performance of duties, there shall be no payment of any remuneration or indemnity, including payments related to the duration of a period of notice or non-competition clause.

4. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BODY

Unless otherwise determined by the General Meeting, the members of the Audit Board will not have any remuneration, fixed or variable, due to the performance of their duties.

5. REMUNERATION OF THE EMPLOYEES

(a) The institution's competent bodies to carry out the assessment of individual performance

The assessment of the performance of individual employees and directors (hereinafter the "Employees") is conducted by the Board of Directors.

(b) Predetermined criteria for the assessment of individual performance underlying the right to a variable remuneration component

The attribution of the variable remuneration for Employees will be based on the assessment criteria set out in the Performance Assessment Policy for each professional category.

(c) The relative importance of fixed and variable components of remuneration, as well as the maximum limits for each component

The fixed remuneration component is structured by levels, taking into account the complexity and degree of responsibility associated to each position, and is determined by the Board of Directors based on wage levels paid in the market.

The variable remuneration component cannot exceed 5 monthly salaries of the fixed remuneration, and is determined according to the employee's performance assessment, taking into account all types of current and future risks and the cost of own funds and necessary liquidity.

(d) The payment mode for variable remuneration is subject to the continued positive performance of the institution during the deferral period.

Variable remuneration, including the deferred portion, is paid only if it is sustainable in view of the financial position of the Bank as a whole and, thus, well justified according to the performance of the institution, concerned unit of structure and the Employee in question, taking into account all types of current and future risks, the cost of equity and liquidity required.

Similarly, if there is a reversal in the Institution's performance, or if it is negative, the variable remuneration may be reduced, taking into account both current remuneration and reductions in the disbursement of previously earned amounts, namely through exacerbation or recovery, without prejudice to the application of national general principles of contract and labour law.

(e) Criteria underlying the allocation of variable remuneration in options and indication of the deferral period and the exercise price.

Not applicable.

(f) The main parameters and basis for any annual bonus scheme and any other non-cash benefits.

The attribution of a variable remuneration component to Employees is determined based on the outcome of the performance assessment, conducted under the terms described above, made in a multiannual context of 3 years, depending on the accumulated annual assessment of the performance of the Employees, taking into account all types of current and future risks, as well as the cost of own funds and necessary liquidity.

Specifically concerning Employees who perform control duties, the assessment of their performance will solely be based on the performance of this Employee and his/her organic unit, not being influenced by the evaluation of the financial performance of the business area in which their control duties are developed, and taking into account the achievement of specific objectives associated to their duties established in the Assessment Policy. This includes compliance with legal obligations to which ATLANTICO Europa is subject, risk management and internal audit, in accordance with Banco de Portugal Notice no. 5/2008, adjustable to all types of risks, present or future and given the cost of own funds and necessary liquidity, as well as the corporate objectives accomplished by the Institution.

Lisbon, 28 March 2014

The Board of Directors of ATLANTICO Europa

QUANTITATIVE INFORMATION REGARDING REMUNERATIONS

Information drawn up in compliance with article 17 of Banco de Portugal Notice no.r 10/2011, regarding remuneration paid by the institution during 2013.

I. MEMBERS OF THE BOARD OF DIRECTORS

1. The annual amount of the fixed and variable components of the remuneration and number of beneficiaries

(in Euros)

Beneficiaries	Variable remuneration	Fixed remuneration
Carlos José da Silva	n.a.	n.a.
Baptista Muhongo Sumbe	n.a.	n.a.
André Navarro	n.a.	175.450
Graça Proença de Carvalho	n.a.	159.500
Augusto Baptista	n.a.	159.500
Isménio Coelho Macedo ⁽¹⁾	n.a.	40.000
Total	n.a.	534.450

(1) Ceased duties on 24/04/2013.

2. The amounts and variable remuneration types, differentiated by cash remuneration, shares, share-linked instruments and other types

Not applicable, since the members of the board did not receive variable remuneration.

3. Amount of unpaid deferred remuneration, differentiated by invested and non-invested components

This deferral of remuneration rule was applied from 2012 onwards, and is thus reflected in the variable remuneration to be attributed as of 2013. However, this point is not applicable, since the members of the board have not received variable remuneration.

4. Annual amounts of deferred compensation due, paid or subject to reductions arising from adjustments based on the performance of individual employees

Not applicable. In 2013, the rule of partial deferral for variable remuneration was applied for the first time.

5. Number of new recruitment contracts made in the year in reference

In 2013, no new directors were recruited.

II. MEMBERS OF THE AUDIT BOARD

The members of the Audit Board did not earn any remuneration, fixed or variable, relation to the performance of their duties.

III. EMPLOYEES

The information below concerns all the Bank's employees holding positions of Coordinating Directors, Directors, Deputy Directors, Assistant Directors and employees performing internal control duties.

1. Annual amount of the fixed and variable components for remuneration and number of beneficiaries

(in Euros)

Number of beneficiaries	Variable remuneration	Fixed remuneration
22	239.715,01	1.775.678,82

2. Amounts and variable remuneration types, differentiated by cash remuneration, shares, share-linked instruments and other types

Overall amount of variable cash remuneration: Euro 239,715.01

There was no remuneration in the form of shares, share-linked instruments and other types.

3. Amount of unpaid deferred remuneration, differentiated by invested and non-invested components

This deferral of remuneration rule was applied from 2012 onwards, that is, reflecting over the variable remuneration to be attributed as of 2013.

In 2013, the deferred payment of remuneration stood at EUR 155,124.50.

4. Annual amounts of deferred compensation due, paid or subject to reductions arising from adjustments based on the performance of individual employees

This deferral of remuneration rule was applied from 2012 onwards, and is thus reflected in the variable remuneration to be attributed as of 2013. In 2013, there was no payment of deferred remuneration relative to previous financial years.

5. Number of new recruitment contracts made in the year in reference

In 2013, 4 employees were recruited.

6. Amounts paid or payable annually due relative to the early termination of labour contracts with employees, number of beneficiaries of such payments, as well as the highest pay-out awarded to an employee

In 2013, the amount of EUR 58,313.53 was paid relative to the early termination of 2 work contracts. 2 employees benefited from these payments, with the highest being EUR 46,340.91.

IV. AGGREGATE QUANTITATIVE INFORMATION, DETAILED BY AREA OF ACTIVITY, REGARDING THE REMUNERATION OF EMPLOYEES

(in Euros)

Area of Activity	Total amount paid
Relation Banking	679.375,47
Institutional Banking	104.286,67
Investment Banking	246.570,88
Control Functions	620.491,55
Support areas	2.416.642,94

CORPORATE BODIES 2013

BOARD OF DIRECTORS

Chairman

Carlos José da Silva (reappointed on 24/04/2013)

Deputy Chairman

Baptista Muhongo Sumbe (resigned on 31/12/2013)

Chief Executive Officer

André Navarro (reappointed on 24/04/2013, resigned on 24/03/2014)

Executive Directors

Augusto Baptista (reappointed on 24/03/2013)

Graça Proença de Carvalho (reappointed on 24/04/2013)

Isménio Coelho Macedo (ceased duties on 24/04/2013)

AUDIT BOARD

Chairman

Mário Jorge Carvalho de Almeida (reappointed on 24/04/2013)

Permanent Members

Fernando Augusto de Sousa Ferreira Pinto (appointed on 24/04/2013)

Maria Cândida de Carvalho Peixoto (appointed on 24/04/2013)

Mário Jorge de Faria da Cruz (ceased duties on 24/04/2013)

Alternate Member

João Maria Francisco Wanassi (appointed on 24/04/2013)

STATUTORY AUDITOR

Auditor

KPMG & ASSOCIADOS, SROC, S.A., represented by Vítor Manuel da Cunha Ribeirinho
(appointed on 25/09/2013)

DELOITTE & ASSOCIADOS, SROC, S.A.
(resigned on 09/12/2013)

Alternate

Miguel Pinto Douradinha Afonso (appointed on 25/09/2013)

Carlos Luís Oliveira de Melo Loureiro (resigned on 12/09/2013)

GENERAL MEETING

Chairman

Paulo Manuel da Conceição Marques (reappointed on 24/04/2013)

Deputy Chairman

António Assis de Almeida (reappointed on 24/04/2013)

Secretary

Rute Susana Martins dos Santos (reappointed on 24/04/2013, resigned on 13/03/2014)

COMPANY SECRETARY

Permanent

Rute Susana Martins dos Santos (resigned on 13/03/2014)

Alternate

Manuel Maria Cota Dias da Silveira Botelho

CORPORATE BODIES AS AT 28 MARCH 2014

BOARD OF DIRECTORS

Chairman

Carlos José da Silva

Chief Executive Officer

Diogo Cunha (appointed on 28/03/2014)

Executive Directors

Augusto Baptista

Graça Proença de Carvalho

AUDIT BOARD

Chairman

Mário Jorge Carvalho de Almeida

Permanent Members

Fernando Augusto de Sousa Ferreira Pinto

Maria Cândida de Carvalho Peixoto

Vogal Suplente

João Maria Francisco Wanassi

STATUTORY AUDITOR

Auditor

KPMG & ASSOCIADOS, SROC, S.A., represented by Vítor Manuel da Cunha Ribeirinho

Alternate

Miguel Pinto Douradinha Afonso

GENERAL MEETING

Chairman

Paulo Manuel da Conceição Marques

Deputy Chairman

António Assis de Almeida

Secretary

Manuel Maria Cota Dias da Silveira Botelho (appointed on 25/03/2014)

COMPANY SECRETARY

Permanent

Manuel Maria Cota Dias da Silveira Botelho (appointed on 28/03/2014)

Alternate

Sandra Maria Martins Osório (appointed on 28/03/2014)

PROPOSED APPROPRIATION OF NET INCOME

For the financial year between 1 January 2013 and 31 December 2013, Banco Privado Atlântico Europa achieved a positive net income of EUR 2,188,542.61.

The Board of Directors of Banco Privado Atlântico proposes:

1. That 10% of the net income, in the amount of EUR 218,854.26, should be allocated to “Legal reserves”.
2. That 90% of the net income, in the amount of EUR 1,969,688.35, should be allocated to “Retained Earnings”.

Lisbon, 28 March 2014

The Board of Directors



FINANCIAL STATEMENTS AS AT 31 DECEMBER 2013

(Amounts in Euros, unless stated otherwise)

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Note added for Translation

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with the Adjusted Accounting Standards issued by the Bank of Portugal, some of which may not conform to or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

BANCO PRIVADO ATLANTICO - EUROPA S.A.

Balance Sheet as at 31 December 2013 and 2012

(Amounts in Euros)

Assets	Notes	2013			2012
		Gross assets	Provisions, impairments and depreciation	Net assets	
Deposits at Central Banks	3.1	12.151.878	-	12.151.878	6.071.742
Deposits at other credit institutions	3.2	31.558.462	-	31.558.462	3.661.496
Financial assets held for trading	3.3	77.680	-	77.680	-
Available-for-sale financial assets	3.4	208.015.640	-	208.015.640	189.140.410
Loans and advances to credit institutions	3.5	86.583.533	(30.876)	86.552.657	65.169.473
Loans and advances to customers	3.6 e 3.15	74.737.538	(728.773)	74.008.765	49.410.443
Other tangible assets	3.7	5.380.282	(710.081)	4.670.201	4.467.310
Intangible assets	3.8	1.553.576	(1.106.062)	447.514	527.148
Investments in subsidiaries, associates and joint ventures	3.9	1.074.383	-	1.074.383	315.000
Current tax assets	3.10	261.362	-	261.362	22.936
Deferred tax assets	3.10	125.810	-	125.810	964.946
Other assets	3.11	8.473.532	(117.873)	8.355.659	6.430.905
Total Assets		429.993.676	(2.693.665)	427.300.011	326.181.809

Liabilities and Equity	Notes	2013	2012
Deposits from Central Banks	3.12	166.277.860	127.032.583
Financial liabilities held for trading	3.3	255.872	826.821
Deposits from credit institutions	3.13	108.489.723	58.548.873
Deposits from customers	3.14	95.992.296	88.312.168
Provisions	3.15	1.630.377	302.310
Current tax liabilities	3.16	519.717	175.111
Deferred tax liabilities	3.16	480.934	656.799
Other liabilities	3.17	3.598.254	1.876.937
Total liabilities		377.215.033	277.731.602
Equity	3.19	50.000.000	50.000.000
Revaluation reserves	3.20	1.267.916	1.821.688
Other reserves and retained earning	3.20	(3.371.481)	(4.072.565)
Net income	3.20	2.188.543	701.084
Total Equity		50.084.978	48.450.207
Liabilities + Equity		427.300.011	326.181.809

The attached notes are part of these financial statements.

Chartered Accountant

Board of Directors

BANCO PRIVADO ATLANTICO - EUROPA S.A.

Income Statement as at 31 December 2013 and 2012

(Amounts in Euros)

	Notes	2013	2012
Interest and Similar Income		11.498.752	8.947.607
Interest and Similar Expense		(2.852.308)	(2.498.421)
Net interest income	3.21	8.646.444	6.449.186
Fees and commissions income	3.22	1.398.172	928.587
Fees and commissions expense	3.22	(150.606)	(112.221)
Net gains from assets and liabilities at fair value through profit or loss	3.23	(2.124.604)	(826.821)
Net gains from available-for-sale financial assets held to maturity	3.23	5.930.284	813.434
Net gains from foreign exchange differences	3.23	2.711.883	1.662.938
Other operating income and expense	3.24	3.307.551	3.284.934
Operating Income		19.719.124	12.200.037
Personnel costs	3.25	(6.470.972)	(4.667.393)
General administrative expenses	3.26	(7.173.047)	(5.199.853)
Depreciation and amortisation	3.7 e 3.8	(652.659)	(735.513)
Overheads		(14.296.678)	(10.602.759)
Write-down relating to customer lending and receivables from other debtors (net of refunds and write-offs)	3.15	(1.724.435)	(347.105)
Earnings before Tax		3.698.011	1.250.173
Taxes			
Current	3.27	(670.332)	(300.379)
Deffered	3.27	(839.136)	(248.710)
Net income for the year		2.188.543	701.084
Earnings per share		0,0438	0,0140

The attached notes are part of these financial statements.

Chartered Accountant

Board of Directors

BANCO PRIVADO ATLANTICO - EUROPA S.A.

Statement of Comprehensive Income as at 31 December 2013 and 2012

(Amounts in Euros)

	2013	2012
Net Income for the Year	2.188.543	701.084
Items that may be reclassified to the Income Statement		
Revaluation of the available-for-sale financial assets	1.748.850	2.478.487
Fiscal Impact	(480.934)	(656.799)
Income not Recognised in the Income Statement	1.267.916	1.821.688
Comprehensive Income for the Year	3.456.459	2.522.772

The attached notes are part of these financial statements.

Chartered Accountant

Board of Directors

BANCO PRIVADO ATLANTICO - EUROPA S.A.

Cash Flow Statement as at 31 December 2013 and 2012

(Amounts in Euros)

	2013	2012
Cash Flows from Operating Activities:		
Interest, commissions and similar income received	13.469.616	9.876.194
Interest, commissions and similar expense paid	(3.317.931)	(2.610.642)
Payments to employees and suppliers	(11.933.379)	(11.273.847)
Other payments / (receipts) from operating activities	9.070.137	1.761.392
Operating income before changes in operating assets	7.288.443	(2.246.903)
(Increase) / decrease in operating assets:		
Loans and advances to credit institutions	(21.419.467)	35.946.887
Loans and advances to customers	(24.432.673)	(24.953.740)
Other assets	(2.438.548)	3.448.171
	(48.290.688)	14.441.318
(Increase) / decrease in operating liabilities:		
Deposits from Central Banks	39.255.529	127.000.000
Deposits from other credit institutions	49.933.792	31.963.022
Deposits from customers	7.991.951	(136.774.875)
Other liabilities	(428.884)	6.814.076
	96.752.388	29.002.223
Net cash from operating activities	55.750.143	41.196.638
Cash flows investing activities:		
(Acquisition) and sale of tangible and intangible assets	(427.499)	(4.176.995)
(Acquisition) and sale of available-for-sale financial assets	(20.586.159)	(34.321.351)
(Acquisition) and sale of investments in subsidiaries, associates and joint ventures	(759.383)	(260.000)
Net cash from investing activities	(21.773.041)	(38.758.346)
Net increase (decrease) in cash and cash equivalents	33.977.102	2.438.292
Cash and cash equivalents at the beginning of the year	9.733.238	7.294.946
Cash and cash equivalents at the end of the year (notes 3.1 and 3.2)	43.710.340	9.733.238

The attached notes are part of these financial statements.

Chartered Accountant

Board of Directors

BANCO PRIVADO ATLANTICO - EUROPA S.A.

Statement of Changes in Shareholders' Equity as at 31 December 2013 and 2012

(Amounts in Euros)

	Share capital	Other capital instruments	Revaluation reserves	Other reserves and retained earnings	Net income for the year	Total
Balances as at 31 December 2011	50.000.000	-	-	(2.669.609)	(1.402.956)	45.927.435
Profit allocation for 2011						
Transfer to retained earnings	-	-	-	(1.402.956)	1.402.956	-
Comprehensive income for the year	-	-	1.821.688	-	701.084	2.522.772
Balances as at 31 December 2012	50.000.000	-	1.821.688	(4.072.565)	701.084	48.450.207
Profit allocation for 2012						
Transfer to other results	-	-	-	70.108	(70.108)	-
Transfer to retained earnings	-	-	-	630.976	(630.976)	-
Comprehensive income for the year	-	-	(553.772)	-	2.188.543	1.634.771
Balances as at 31 December 2013	50.000.000	-	1.267.916	(3.371.481)	2.188.543	50.084.978

The attached notes are part of these financial statements.

Chartered Accountant

Board of Directors

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NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2013

(Amounts in Euros, unless stated otherwise)



NOTES TO THE FINANCIAL STATEMENTS

1. INTRODUCTORY NOTE

Banco Privado Atlântico - Europa, SA (the “Bank”, “ATLANTICO Europa”; “Institution”) is a limited liability company, with head office in Lisbon, incorporated on 22 June 2009, having started its activity in August 2009. The incorporation of the Bank was authorised by “Banco de Portugal” on 20 June 2009. The financial statements presented herein reflect the results of the Bank’s operations for the financial years ended on 31 December 2013 and 2012.

The Bank’s corporate object is the exercise of banking activity.

The financial statements as at 31 December 2013, were approved by the Board of Directors on 20 March 2014.

The Bank’s financial statements as at 31 December 2013 are pending approval by the General Meeting of Shareholders. However, the Board of Directors believes that these financial statements will be approved without significant changes.

All amounts in these Notes are expressed in Euro (rounded to the nearest unit), unless stated otherwise.

2. ACCOUNTING POLICIES

2.1 BASIS OF PRESENTATION

The Bank’s financial statements have been prepared under the assumption of ongoing operations, based on the accounting records and ledgers kept in accordance with the principles established in the Adjusted Accounting Standards (NCA), pursuant to Notice n.º. 1/2005, of 21 February, and Instructions n.º. 23/2004 and 9/2005 issued by Banco de Portugal, following the competence entrusted by n.º. 3 of article 115 of the Legal Framework for Credit Institutions and Financial Companies, approved by Decree-Law n.º. 298/92, of 31 December.

The NCAs generally correspond to the International Financial Reporting Standards (IFRS) as endorsed by the European Union in accordance with Regulation (EC) n.º. 1606/2002 of the European Parliament and Council of 19 July and in conformity with Banco de Portugal Notice n.º. 1/2005, of 21 February. However, pursuant to Notice n.º. 1/2005. However, there are exceptions with impact on the financial statements of Banco Privado Atlântico - Europa, SA, as follows:

- Valuation of loans and advances to customers and receivables from other debtors (Credit and accounts receivable) - the loans are recorded at nominal value and cannot be reclassified to other categories and, as such, recorded at fair value;
- Provisioning of credit and accounts receivable - minimum provisioning levels are defined pursuant to the provisions of Notice n.º. 3/95, as amended by Notice n.º. 8/03 of 30 June and by Notice n.º. 3/2005, of 21 February (Note 2.3. a), all issued by Banco de Portugal. This scheme also covers liabilities represented by banker’s acceptance, guarantees and other instruments of similar nature;
- Tangible assets are mandatorily maintained at acquisition cost, hence it is not possible to record them at fair value, as permitted IAS 16 - Fixed tangible assets. As an exception, the recording of legally authorised revaluation is permitted, in which case the arising capital gains are recorded under “Revaluation reserves” .

The Bank adopted the IFRS and interpretations of mandatory application for the financial years started on or after 1 January 2013, as is stated in Note 2.16.

The accounting policies were consistently applied in the preparation of the financial statements of the previous period.

2.2 CONVERSION OF BALANCES AND TRANSACTIONS IN FOREIGN CURRENCY (IAS 21)

The Bank's accounts are prepared in accordance with the currency used in the economic environment in which it operates (referred to as "functional currency"), namely the Euro.

Transactions in foreign currency are recorded based on the reference exchange rate at the date of the transaction. At each reporting date, the monetary assets and liabilities denominated in foreign currencies are converted into Euros based on the exchange rate in force.

Exchange rate differences arising from foreign currency conversion are reflected through profit or loss for the year, except for those derived from non-monetary financial instruments classified as available for sale, which are recorded under a specific equity item until their divestment.

2.3. FINANCIAL INSTRUMENTS

a) Loans and advances to credit institutions, loans and advances to customers, receivables from other debtors and provisions

As described in Note 2.1., these assets are recorded in accordance with the provisions of Banco de Portugal Notice nº. 1/2005. Therefore, they are recorded at nominal value, and the gains thereof, including interest and commissions are recognised over the period of the operations in accordance with the effective rate, when involving operations producing income during periods above one month. Whenever applicable, the commissions and costs attributable to the contracting of operations underlying assets included in this category are also accrued over the term of the loans.

Pursuant to Notices nº. 3/95 of 30 June, 2/99 of 15 January, 7/2000 of 27 October, 8/2003 of 30 January, all of the Banco de Portugal, as well as other provisicrédito ons issued by this entity, the Bank provides the following provisions for credit risks:

i) Provision for overdue loans and interest

Intended to cover the risks of recovery of loans granted that have overdue and unpaid payments of principal or interest. The provisioned percentages of overdue loans and interest depend on the type of guarantees and are an increasing function of the time elapsed since the entry into default.

ii) Provision for doubtful debt

Intended to cover the risk of realisation of loans with overdue and unpaid payments of principal or interest, or which have been assigned to clients who have other overdue liabilities. The following are considered doubtful debt:

- Payments falling due of the same credit operation where there is, regarding overdue payments of principal and interest, at least one of the following conditions:

- Over 25% of the outstanding principal, plus interest;

- Being in default for more than:

- Six months, for operations whose term is less than five years;

Twelve months, for operations whose term is five years or more, but less than ten years;
Twenty-four months, for operations whose term is ten years or more.

- Loans in these conditions are considered overdue only for the purpose of provisioning, and are provisioned based on the rates applicable to the overdue credit of these operations.
- Non-performing loans of the same client are also considered doubtful debt if the non-performing loans and interest of all this client's operations exceed 25% of total credit, plus overdue interest. In these conditions, the loans are provisioned based on half the rate applicable to the overdue credit.

iii) Provision for general credit risks

This is recorded as a liability under the item "Provisions", and is intended to meet existing potential risks in any credit granted and guarantees and sureties issued.

This provision is constituted pursuant to Notices nº. 3/95 of 30 June, 2/99 of 15 January and 8/2003 of 30 January. This provision is calculated by applying the following general percentages to the total outstanding credit, including guarantees and sureties issued:

- 1.5% for consumer credit and credit operations to individuals, the purpose of which cannot be determined;
- 0.5% for credit backed by a real estate mortgage or real estate leasing transactions, in both cases when the property is for the borrower's residence;
- 1% for all other credit granted. Under the terms of the legislation in force, the reinforcement of this provision is not accepted as tax deductible cost.

iv) Provision for country risk

Aims to cover the risk of realisation of financial and off-balance sheet assets granted to residents of countries considered at risk, regardless of the instrument used or the nature of the counterparty, except for:

- Those domiciled in a branch established in that country, expressed and payable in the currency of that country, to the extent in which they are covered by funds denominated in that currency;
- Financial investments;
- Operations with branches of credit institutions of a country considered at risk, provided these operations are established in Member States of the European Union;
- Those backed by entities indicated in nº. 1 of article 15 of Notice nº. 3/95, provided that the guarantee covers the transfer risk;
- Short-term foreign trade financing operations, meeting the conditions set by Banco de Portugal.

Provision requirements are determined through application of the percentages established by Banco de Portugal, which classifies countries and territories according to risk groups, pursuant to Notice 3/95 of 30 June, Instruction nº. 94 / 96, of 17 June, and the Circular Letter under reference 7/12/DSBDR of 7 March 2012.

Since this is a specific provision, it is classified in the different accounting items under which assets that meet the definition of country risk are recorded.

Provision requirements are determined through application of the percentages established by Banco de Portugal, which classifies countries and territories according to risk groups, pursuant to Notice 3/95 of 30 June, Instruction nº. 94 / 96, of 17 June, and the Circular Letter under reference 7/12/DSBDR of 7 March 2012.

Since this is a specific provision, it is classified in the different accounting items under which assets that meet the definition of country risk are recorded.

b) Available-for-sale financial assets (IAS 39)

This item includes:

- Fixed yield securities which have not been classified in the trading or credit portfolios;
- Variable yield securities available for sale; and
- Supplies and additional paid-in capital in companies the shares of which are classified as available-for-sale financial assets .

Assets classified as available for sale are measured at fair value, except for equity instruments not listed on active markets and the fair value of which cannot be measured or estimated reliably, which are still recorded at cost, net of provisions. Furthermore, in the case of commercial paper operations, in the absence of market prices, these are valued based on the daily recognition of the interest inherent to the operation.

Gains or losses arising from changes in fair value are recognised directly in the equity item under “Revaluation reserves”. At the time of sale, or if impairment is determined, the accumulated variations in fair value are transferred to income or costs for the year.

Accrued interest on bonds and other fixed yield securities and the difference between the acquisition cost and the nominal value (premium or discount) are recorded as income, in accordance with the effective interest rate method. Income from variable yield securities (dividends in the case of shares) is recognised as income, on the date when they are assigned or received. According to this criterion, the prepaid dividends are recorded as income for the year when their distribution is decided.

IAS 39 identifies some events that are considered as evidence of impairment of available-for-sale financial assets , namely:

- Significant financial difficulties of the issuer;
- Breach of contract by the issuer in terms of repayment of principal or payment of interest;
- Probability of bankruptcy of the issuer;
- Disappearance of an active market for the financial asset due to financial difficulties of the issuer.

In addition to the signs of impairment related to debt instruments mentioned above, the following specific signs regarding equity instruments are also considered:

- Significant changes with an adverse effect in the technological, market, economic or legal environment in which the issuer operates, indicating that the cost of investment might not be fully recovered;
- A significant or prolonged decline in the market value of the financial asset below its acquisition cost.

As at the date of preparation of the financial statements, the Bank assesses the existence of situations of objective evidence of impairment which indicate that the cost of investments may not be recoverable in the medium term, considering the market situation and the available information about the issuers.

In the case of objective evidence of impairment, the accumulated loss in the fair value revaluation reserve is removed from equity and recognised through profit or loss.

Impairment losses recognised for fixed yield securities are reversed through profit or loss, if there is an increase in the fair value of the security arising from an event occurring after the determination of the impairment. Impairment losses related to variable yield securities cannot be reversed. In the case of securities for which impairment has been recognised, subsequent negative changes in fair value are always recognised through profit or loss.

Exchange rate differences on non-monetary assets (equity instruments) classified under the available for sale portfolio

are recorded in the revaluation reserve for currency differences. Exchange rate differences on other securities are recorded through profit or loss.

c) Financial assets held to maturity (IAS 39)

This item includes non-derivative financial assets with fixed or determinable payments and maturities that ATLANTICO Europa intends and has the ability to hold to maturity.

These investments are valued at amortised cost, based on the effective interest rate method and are subject to impairment tests.

Impairment losses recognised for financial investments held to maturity are recorded through profit or loss for the year.

If, in a subsequent period, the amount of impairment loss decreases and this decrease can be objectively related to an event occurring after the impairment was recognised, this is reversed against profit or loss for the year.

During 2012, ATLANTICO Europa divested some securities included in this category prior to their maturity, and, according to IAS 39, can no longer record them in this category. Thus, at time of divestment, the securities classified as held to maturity were reclassified to the item "Available-for-sale financial assets", being, for 2 years, unable to classify financial assets under the category "Financial assets held up to maturity".

d) Financial assets held for trading and at fair value through profit or loss and trading financial liabilities (IAS 39)

This category essentially includes securities purchased with the aim of realising gains from short-term fluctuations in market prices. Derivative financial instruments are also included in this category, except those that meet the requirements for hedge accounting.

Financial assets ranked in this category are recorded at fair value, with gains and losses arising from subsequent valuation reflected through profit or loss for the year, under the item "Net gains from financial assets and liabilities at fair value through profit or loss". Interest is recognised in the respective items of "Interest and similar income".

e) Other financial liabilities (IAS 39)

Financial liabilities are recognised on the contract date at their fair value plus any costs directly attributable to the transaction.

This category includes deposits from central banks, deposits from other credit institutions, deposits from customers and liabilities incurred for payments of provision of services.

These financial liabilities are measured at amortised cost using the method of effective interest rate.

f) Derivatives and hedge accounting

The Bank performs operations with derivatives as part of its activities, with the aim of satisfying the needs of its clients and reducing its exposure to fluctuations in foreign exchange rates, interest rates and quotations.

Derivative financial instruments are recorded at fair value on the transaction date and subsequent measurement dates. Furthermore, they are reflected in off-balance sheet items at their notional value.

Trading derivatives

Trading derivatives are all derivatives that are not associated to effective hedging relationships in accordance with Standard IAS 39, including:

- Derivatives contracted to hedge risk in assets or liabilities at fair value through profit or loss, thus making the use of hedge accounting unnecessary;
- Derivatives contracted to hedge the risk that are not effective hedges under Standard IAS 39;
- Derivatives contracted for the purpose of trading;
- Derivatives embedded in financial instruments. These instruments are treated separately whenever the risks and economic benefits of the derivative are not related to those of the main instrument and provided that the entire instrument is not stated at fair value through profit or loss.

Trading derivatives are recorded at fair value, with the earnings recognised through income and costs for the year under the item "Net gains from financial assets and liabilities at fair value through profit or loss". Positive and negative fair value is recognised in the Balance sheet under "Financial assets held for trading" and "Financial liabilities held for trading", respectively.

Hedge accounting

i) Hedge accounting

Classification as hedging derivatives and the use of the concept of hedge accounting, as described below, is subject to compliance with the rules set out in IAS 39.

For all hedging relationships, the Bank prepares, at the beginning of the operation, formal documentation which includes the following aspects:

- Risk management objectives and strategy associated to the performance of the hedge operation, according to the risk hedging policies defined by the Bank;
- Description of hedged risk(s);
- Identification and description of the hedged and hedging financial instruments;
- Method of assessment of hedge effectiveness and frequency of its realisation.

ii) Fair value hedging

The fair value variations of derivatives classified and qualified as fair value hedging are recorded under income and costs for the year, as well as fair value variations of the hedged elements. These valuations are recognised in the items where these assets and liabilities are recorded. When the hedging relation no longer meets the requirements defined in the standard, the accumulated values of fair value variations up to the date of discontinuation of the hedge, are amortised through profit or loss for the remaining period of the hedged item.

iii) Cash flow hedging

Fair value variations of derivatives that are classified and qualified as cash flow hedges are recognised under equity to the effective portion. The fair value variations of the ineffective portion of hedging relations are recognised under costs or income. The accumulated values in equity are reclassified to profit or loss for the periods when the hedged item affects profit or loss.

When the hedging relation no longer meets the hedge accounting requirements it is discontinued prospectively, with the fair value variations of the derivative being recorded under net worth:

- deferred over the remaining deadline of the hedged item; or
- recognised in costs or gains, if the hedged instrument has been extinguished.

In the case of the discontinuation of a hedged relation of a future transaction, the fair value variations of the derivative recorded in equity remain recognised there until the future transaction is recognised through profit or loss.

iv) Hedging effectiveness

Tests for hedge effectiveness are conducted periodically and documented by comparing the change in fair value of the hedging instrument and the hedged item (at the portion attributable to the hedged risk). In order to enable the use of hedge accounting in accordance with Standard IAS 39, this relationship is expected to be in a range between 80% and 125%. Furthermore, prospective effectiveness tests are also conducted, in order to demonstrate the expectation of the future effectiveness of the hedge.

Valuations of hedged items are recognised under the items where these assets and liabilities are recorded.

g) Fair value (IFRS 13)

As mentioned above, financial assets classified in the categories of Financial assets at fair value through profit or loss and available for sale financial assets are recorded at fair value.

The fair value of a financial instrument is the price for which an ordered sale transaction of an assets or transfer of a liability would be concluded between market participants at the reporting date.

The fair value of securities is determined based on the following criteria:

- Closing market price as at the reporting date, for instruments traded in active markets, and
- Bid prices disclosed through the media specialising in financial information, namely Bloomberg.

The fair value of derivatives is determined based on the following criteria:

- Based on market prices obtained from active stock markets;
- Based on models incorporating valuation techniques accepted in the market, including discounted cash flow and option valuation models.

2.4. OTHER TANGIBLE ASSETS (IAS 16, NOTICE N°. 1/2005 AND IAS 17)

Other tangible assets are stated at acquisition cost minus accumulated amortisation and impairment losses. Costs related to repair, maintenance and other expenses associated to their use are recognised as costs in the year under item "General administrative expenses".

Amortisations are calculated based on the straight line method and recorded in costs for the year on a systematic basis over the estimated useful life of the asset, which corresponds to the period over which the asset is expected to be available for use, placed within the following ranges:

	Years of useful life
Leasehold expense	20
Furniture and office supplies	8
Machinery and tools	5-10
IT equipment	3-4
Interior facilities	8-10
Transport equipment	4
Safety equipment	8-10

Whenever the net book value of tangible assets exceeds its recoverable amount, under Standard IAS 36 – “Impairment of Assets”, an impairment loss is recognised, duly stated through profit or loss for the year. Impairment losses can be reversed, also with impact on profit or loss for the year, if, in subsequent periods, there is an increase in the recoverable amount of the asset.

2.5. INTANGIBLE ASSETS (IAS 38)

This item essentially consists of costs related to the acquisition, development or preparation for use of software used in the development of the Bank’s activities. Intangible assets are recorded at acquisition cost, minus accumulated amortisation and impairment losses.

Amortisations are recorded as costs on a systematic basis over the estimated useful lives of the assets, which on average correspond to a period of 3 years.

Expenses related to software maintenance are recognised as expenses for the year when they are incurred.

2.6. INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND ENTITIES UNDER JOINT CONTROL (IAS 28 AND IAS 31)

This item includes financial holdings in companies in which the Bank has effective control over their current management, so as to obtain economic benefits from their activities, called “subsidiaries”. Control is usually defined as entitlement to over 50% of the share capital or voting rights.

These assets are recorded at acquisition cost and are subject to periodic impairment tests.

Dividends are recorded as income for the year that their distribution is decided by the subsidiaries.

2.7. TAXES ON PROFITS (IAS 12)

Total taxes on profits recorded through profit or loss include current taxes and deferred taxes.

Current tax is calculated based on the net income for the year calculated for tax purposes, which differs from the book value profit or loss due to adjustments to taxable profit derived from costs or gains which are not relevant for tax purposes or which are only considered in other periods.

Deferred taxes correspond to the impact of tax recoverable/payable in future periods, arising from deductible or taxable temporary differences between the book value of assets and liabilities and their tax base, used in ascertaining taxable profit.

Deferred tax liabilities are usually recorded for all the taxable temporary differences, while deferred tax assets are only recognised up to the amount to which it is probable that there will be future taxable profits enabling the use of the corresponding deductible tax differences or tax losses.

Deferred taxes are calculated using the tax rates expected to be in force at the date of reversal of temporary differences, which correspond to the approved or substantively approved rates as at the reporting date.

Pursuant to article 14 of the Local Finance Law, municipalities can establish a yearly local state surcharge up to a maximum of 1.5% of taxable profit subject to and not exempt from corporate income tax (IRC).

The State surcharge must be paid by all taxpayers who assess taxable income subject to and not exempt from IRC exceeding EUR 1,500,000. In 2012, the State surcharge was established at 3% of the value of taxable profit over EUR 1,500,000 and up to 10,000,000 and at 5% of taxable profit exceeding EUR 10,000,000. In 2013, the State surcharge was stipulated at 3% of the value of taxable profit over EUR 1,500,000 and up to 7,500,000 and at 5% of taxable profit exceeding EUR 7,500,000.

Moreover, with the publication of Law n.º 55-A/2010 of 31 December, the Bank was henceforth covered by the banking sector contribution scheme. The contribution on the banking sector is incident on:

a) Liabilities assessed and approved by the taxpayers deducted from Tier I core capital, Tier II supplementary capital and deposits covered by the Deposit Guarantee Fund. The assessed liabilities are deducted of:- Elementos que segundo as normas de contabilidade aplicáveis sejam reconhecidos como capitais próprios;

- Elements that according to the applicable accounting standards are recognised as equity;
- Liabilities related to the recognition of the liabilities of defined benefit plans;
- Liabilities for provisions;
- Liabilities arising from the revaluation of derivative financial instruments;
- Revenue with deferred income, without taking into account those relative to borrowing operations and
- Liabilities for assets not derecognised in securitization operations.

b) The notional value of off-balance sheet derivatives ascertained by taxpayers, with the exception of hedging derivatives or the risk position of which is mutually compensated.

The applicable rates on the basis of incidence defined by points a) and b) above are currently 0.07% and 0.00030%, respectively, of the recorded value.

Income taxes (current or deferred) are reflected through profit or loss for the year except in cases where their original transactions have been recognised in other equity items. In these cases, the corresponding tax is also reflected against equity, and does not affect the profit or loss for the year.

2.8. EMPLOYEE BENEFITS (IAS 19)

Liabilities related to employee benefits are recognised in accordance with the principles established by IAS 19 - Employee Benefits.

ATLANTICO Europa did not subscribe to the Collective Bargaining Agreement in place for the banking sector, with its employees being covered by General Social Security Scheme. Therefore, on 31 December 2013, the Bank has no liabilities due to pension supplements, for retirement or other long-term benefits to be attributed to its employees.

Short-term benefits, including productivity bonuses awarded to employees for their performance, are reflected in "Personnel costs" for the respective financial year, according to the principle of accrual.

2.9. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised when there is an obligation (legal or constructive) arising from past events where the future expenditure of resources is probable, and this can be determined reliably. The amount of the provision corresponds to the best estimate of the value to be disbursed in order to settle the liability, as at the reporting date.

When the future expenditure of resources is not likely, it is considered a contingent liability. Contingent liabilities are merely stated, unless there is a remote chance of their materialisation.

Provisions are derecognised when used or when the liability is no longer observed.

2.10. RECOGNITION OF COSTS AND INCOME

Costs and income are recognised in the period to which they refer, regardless of when paid or received, according to the principle of accrual accounting.

Interest is recognised based on the effective interest rate method, which enables calculation of the amortised cost and allocation of interest over the period of the operations. The effective interest rate used is the rate which, used to discount the estimated future cash flows associated to the financial instrument, enables its present value to be equivalent to the value of the financial instrument upon its initial recognition.

2.11. COMMISSIONS

Commissions received relative to credit operations and other financial instruments, namely those charged at the beginning of operations, are recognised as income over the period of operation.

Commissions for services rendered are usually recognised as income over the period when the service is rendered or once only, when arising from single actions.

2.12. OTHER OPERATING INCOME AND REVENUE

Operating results and revenue essentially include services rendered, namely from support in the structuring and assembly of financing operations under subcontracting.

Income associated to these services is recognised in the income statement under the item "Other operating earnings" over the period of service, or at once, if dealing with single acts.

2.13. DEPOSIT AMOUNTS

Deposit amounts received, namely from clients, are recorded at fair value in off-balance sheet items.

2.14. CASH AND CASH EQUIVALENTS

For the preparation of the statements of cash flows, the Bank considers as "cash and cash equivalents" the total of the items "Cash and deposits at Central Banks" and "Deposits at other credit institutions".

2.15. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT ASPECTS OF MOST RELEVANCE IN THE APPLICATION OF ACCOUNTING POLICIES

In applying the accounting policies described above, the Bank's Board of Directors needed to make estimates. The estimates with the greatest impact on the Bank's financial statements are detailed below.

The accounting standards enable, in some situations, alternative accounting treatments and the reported results can be different if different treatments were adopted. The Board of Directors believes that the adopted criteria are the most appropriate and that the financial statements present the Bank's financial position correctly in all the materially relevant aspects.

Determination of Income Tax

Income tax (current and deferred) is determined by the Bank based on the rules established by the tax framework in force. However, in some cases, the tax legislation may not be sufficiently clear and objective and might lead to different interpretations. In these cases, the amounts recorded arise from the best understanding of the Bank's responsible bodies regarding the correct framework for its operations, which might be challenged by the Tax Authorities.

Furthermore, deferred tax assets are recorded based on projections of future results prepared by the Bank's Board of Directors. However, actual results could differ from these estimates.

Determination of Impairment Losses in Financial Assets

Regarding provisions for loans and advances to customers, accounts receivable and guarantees and sureties issued, the Bank complies with the minimum limits defined by Banco de Portugal. However, whenever deemed necessary, these provisions are supplemented in order to reflect the Bank's estimate of the risk of uncollectible amounts associated to clients.

This assessment is made on a case-by-case basis by the Bank based on specific knowledge of the reality of its clients and the guarantees associated to the operations in question.

2.16. ADOPTION OF NEW STANDARDS (IAS / IFRS) OR REVISION OF STANDARDS ALREADY ISSUED

The following standards, interpretations, amendments and revisions endorsed by the European Union and which are mandatory for financial years beginning on or after 1 January 2013, were first adopted in the year ended on 31 December 2013:

IFRS 13 - MEASUREMENT AT FAIR VALUE - IFRS 13 provides guidance regarding the measurement of fair value, replacing provisions that had been dispersed in several IFRS. It defines fair value as the price for which an ordered sale transaction of an assets or transfer of a liability would be concluded between market participants at the reporting date. The standard was applied prospectively by the Bank, which did not have significant impacts on the measurement of its assets and liabilities.

IAS 1 - PRESENTATION OF FINANCIAL STATEMENTS (PRESENTATION OF OTHER COMPREHENSIVE INCOME ITEMS) - The changes to IAS 1 only had an impact on the presentation of the Comprehensive Income Statement in separating items that can be reclassified to the income statement and items that will not be reclassified to the income statement.

IAS 12 - AMENDMENT (RECOVERY OF DEFERRED TAX ASSETS) - This amendment provides a presumption that the recovery of investment properties measured at fair value in accordance with IAS 40 will occur through the sale. The standard is applicable to financial years beginning on or after 1 January 2013.

IAS 19 - AMENDMENT (DEFINED BENEFIT PENSION PLANS) (2011) - This amendment introduces some changes related to the reporting of defined benefit plans, including: (i) actuarial gains/losses are henceforth recognised in full under reserves (the corridor method is no longer permitted), (ii) a single interest rate is henceforth applicable

to the plan's liabilities and assets. Difference between the actual return on fund assets and the single interest rate is recorded as actuarial gains /actuarial, (iii) the expenses recorded through profit or loss only correspond to the current service cost and net interest costs. The standard is applicable to financial years beginning on or after 1 January 2013.

IFRS 7 - AMENDMENT (2011) - This amendment requires additional disclosures regarding financial instruments, including information related to those subject to netting agreements and of similar nature. The standard is applicable to financial years beginning on or after 1 January 2013.

The aforesaid changes to the standards did not have significant impacts on the presented financial statements. The following standards, interpretations, amendments and revisions, which are mandatory in future financial years have been, at the date of approval of these financial statements, adopted by the European Union:

IFRS 10 - CONSOLIDATED FINANCIAL STATEMENTS - This standard establishes requirements relative to the presentation of consolidated financial statements by the parent company, replacing IAS 27 - Consolidated and Separate Financial Statements and SIC 12 - Consolidation - Special Purpose Entities. This standard introduces a new control effect that implies the assessment of power, exposure to variability in returns and the connection between both. An investor controls an investment when it is exposed (or has rights) to the variability in the returns from its involvement with the investment and can possess them through the power held over the investment (actual control). The standard is applicable to financial years beginning on or after 1 January 2014.

IFRS 11 - JOINT ARRANGEMENTS - This standard replaces IAS 31 - Joint Ventures and SIC 13 - Jointly Controlled Entities - Non-Monetary Contributions by Venturers and eliminates the possibility of using the proportionate consolidation method in accounting for interests in joint ventures. The standard is applicable to financial years beginning on or after 1 January 2014.

IFRS 12 - DISCLOSURES OF HOLDINGS IN OTHER ENTITIES - This standard establishes a new series of disclosures relative to holdings in subsidiaries, joint arrangements, associates and unconsolidated entities. The standard is applicable to financial years beginning on or after 1 January 2014.

IAS 27 - SEPARATE FINANCIAL STATEMENTS (2011) - This amendment restricts the scope of IAS 27 to separate financial statements. The standard is applicable to financial years beginning on or after 1 January 2014.

IAS 28 - INVESTMENTS IN ASSOCIATES AND JOINTLY CONTROLLED ENTITIES (2011) - This amendment ensures consistency between IAS 28 - Investments in Associates and the adopted new standards, especially IFRS 11 - Joint Arrangements. The standard is applicable to financial years beginning on or after 1 January 2014.

IAS 32 - AMENDMENT (2011) - This amendment clarifies certain aspects of the standard due to the diversity in the application of compensation requirements. The standard is applicable to financial years beginning on or after 1 January 2014.

The Bank did not decide on the early application of any of these standards or interpretations in the financial statements for the year ended on 31 December 2013.

Furthermore, as at the date of approval of these financial statements, the following standards, interpretations, amendments and revisions had also been issued, which are of mandatory applicable in future financial years, but have not yet been adopted by the European Union:

IFRS 9 – Financial instruments (issued in 2009 and amended in 2010 and 2013) - IFRS 9 (2009) introduced new requirements for the classification and measurement of financial assets. IFRS 9 (2010) introduced additional requirements relative to financial liabilities. IFRS 9 (2013) introduced the hedging methodology. The IASB currently has a project underway aimed at limited changes in the classification and measurement presented in IFRS 9 and new requirements to deal with the impairment of financial assets.

IFRS 9 (2009) requirements represent a significant change of the current requirements foreseen in IAS 39, regarding financial assets. The standard has two main categories for the measurement of financial assets: amortised cost and fair value.

IFRS 9 (2010) introduces a new requirement applicable to financial liabilities optionally stated at fair value, henceforth imposing separation of the change of fair value component that is attributable to the entity's credit risk and its presentation under Other Comprehensive Income, instead of through profit or loss.

IFRS 9 (2013) introduced new requirements for hedge accounting aligning it closer to risk management. The date when IFRS 9 becomes effective has not yet been established, although this will be stipulated when the ongoing phases are completed.

The Bank is performing an assessment of the impact of the adoption of the aforesaid standards and interpretations on the preparation of the financial statements.

3. NOTES

3.1. CASH AND DEPOSITS AT CENTRAL BANKS

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Cash	181.652	227.869
Demand Deposits at Banco de Portugal	11.970.226	5.843.873
	12.151.878	6.071.742

The item DEMAND DEPOSITS AT BANCO DE PORTUGAL includes deposits constituted in order to comply with the requirements of the Minimum Reserve System of the European System of Central Banks (ESCB). These deposits are remunerated and correspond to 1% (2% until 18 January 2012) of the deposits and debt securities with maturity of up to two years, excluding deposits and debt securities of institutions subject to the minimum reserve system of the European System of Central Banks.

3.2. DEPOSITS AT OTHER CREDIT INSTITUTIONS

As at 31 December 2013 and 2012, this item breaks down as follows:

Deposits at Domestic Credit Institutions	2013	2012
Demand deposits	10.192.056	1.677.863
Other deposits	16.676	33.498
	10.208.732	1.711.361

Deposits at Credit Institutions Abroad	2013	2012
Demand deposits	21.349.730	1.950.135
	21.349.730	1.950.135
	31.558.462	3.661.496

3.3. ASSETS AND FINANCIAL LIABILITIES HELD FOR TRADING

As at 31 December 2013 and 2012, the items "FINANCIAL ASSETS HELD FOR TRADING" and "FINANCIAL LIABILITIES HELD FOR TRADING", refer to the positive and negative revaluation of derivatives, respectively.

As at 31 December 2013 and 2012, the aforesaid operations are valued according to the criteria described in Note 2.3. f). On this date, the notional amount and the book value of derivative financial instruments breaks down as follows:

	2013			2012		
	Notional amount ⁽¹⁾	Balance sheet value Assets	Liabilities	Notional amount ⁽¹⁾	Balance sheet value Assets	Liabilities
Over-the-counter market (OTC)						
Foreign exchange swaps	52.228.954	44.642	(194.680)	-	-	-
Currency forwards	-	-	-	64.175.383	-	(826.821)
Foreign-exchange options						
Purchase	4.517.732	33.038	-	-	-	-
Sale ⁽²⁾	4.252.732	-	(31.192)	-	-	-
	8.670.464	33.038	(31.192)	-	-	-
	60.899.418	77.680	(225.872)	64.175.383	-	(826.821)

(1) For swaps and forwards actual values were considered

(2) Equivalent to embedded derivatives in deposits from customers

The distribution of operations with derivative financial instruments as at 31 December 2013 and 2012 by residual maturity is detailed as follows:

	2013				2012			
	<= 3 months	> 3 months <= 6 months	> 6 months <= 1 year	Total	<= 3 months	> 3 months <= 6 months	> 6 months <= 1 year	Total
Over-the-counter market (OTC)								
Foreign exchange swaps	50.828.954	1.400.000	-	52.228.954	-	-	-	64.175.383
Currency forwards	-	-	-	-	64.175.383	-	-	-
Foreign-exchange options								
Purchase	-	-	4.417.732	4.417.732	-	-	-	-
Sale ⁽²⁾	-	-	4.252.732	4.252.732	-	-	-	-
	-	-	8.679.464	8.670.464	-	-	-	-
	50.828.954	1.400.000	8.670.464	60.899.418	64.175.383	-	-	64.175.383

As at 31 December 2013 and 2012, all the operations of derivative financial instruments were contracted with financial institutions, with the exception of embedded derivatives.

3.4. AVAILABLE-FOR-SALE FINANCIAL ASSETS

As at 31 December 2013, this item breaks down as follows:

	Acquisition cost	Interest	Balance sheet value/ Fair value	Gains (Note 3.20)	Losses (Note 3.20)
Debt Instruments					
Bonds issued by national public bodies	91.400	759	101.609	2.714	-
Bonds issued by foreign public bodies	155.247.250	1.001.539	157.486.540	1.755.679	(129.697)
Bonds and commercial paper issued by other national bodies					
Non-subordinated debt	35.318.064	46.338	24.814.403	-	-
Bonds issued by other foreign bodies					
Non-subordinated debt	25.126.482	632.333	25.613.088	209.603	(89.449)
	215.783.196	1.680.969	208.015.640	1.967.996	(219.146)

As at 31 December 2012, this item breaks down as follows:

	Acquisition cost	Interest	Balance sheet value/ Fair value	Gains (Note 3.20)	Losses (Note 3.20)
Debt Instruments					
Bonds issued by national public bodies	9.610.792	417.084	10.083.579	55.703	-
Bonds issued by foreign public bodies	121.372.400	1.526.119	124.851.571	1.953.052	-
Bonds and commercial paper issued by other national bodies					
Non-subordinated debt	36.667.424	263.288	36.933.578	5.742	(2.876)
Bonds issued by other foreign bodies					
Non-subordinated debt	16.349.456	455.360	17.271.628	466.866	-
	184.000.072	2.661.851	189.140.410	2.481.363	(2.876)

As at 31 December 2013 and 2012, according to the analysis carried out by the Bank, no impaired securities were identified.

3.5. LOANS AND ADVANCES TO CREDIT INSTITUTIONS

As at 31 December 2013 and 2012, this item breaks down as follows:

Loans and Advances to other Portuguese Credit Institutions	2013	2012
Short-term loans and advances	86.107.790	62.596.014
Interest receivable	3.952	9.135
	86.111.742	62.605.149

Loans and Advances to Credit Institutions Abroad	2013	2012
Short-term loans and advances	362.555	2.564.256
Other loans and advances	109.062	-
Interest receivable	174	68
	471.791	2.564.324
Impairment on country risk (Note 3.15)	(30.876)	-
	440.915	2.564.324
	86.552.657	65.169.473

The LOANS AND ADVANCES TO OTHER CREDIT INSTITUTIONS (excluding interest receivable), in force as at 31 December 2013 and 2012, had a residual maturity period with the following structure:

	2013	2012
Up to three months	85.879.407	62.096.014
Six to twelve months	700.000	500.000
	86.579.407	62.596.014

As at 31 December 2013, term loans and advances were remunerated at an average interest rate of 0.44%.

3.6. LOANS AND ADVANCES TO CUSTOMERS

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Loans and Advances		
Portugal		
Companies		
Overdrafts on demand deposits	223	9
Credit cards	9.001	-
Collateralized current account	17.414.235	14.256.218
Other purposes	20.888.822	20.206.977
Private individuals		
Overdrafts on demand deposits	3	164
Credit cards	19.436	9.239
Collateralized current account	510.000	489.372
Other purposes	858.836	254.583
Abroad		
Companies		
Overdrafts on demand deposits	1.844	23
Credit cards	(520)	1.380
Collateralized current account	1.000.000	-
Other purposes	26.196.325	7.917.521
Private individuals		
Overdrafts on demand deposits	32.286	-
Credit cards	80.226	34.084
Other purposes	7.104.765	6.403.290
Overdue loans and interest	102.982	212.931
	74.218.464	49.785.791
Interest and commissions associated with amortized cost		
Interest receivable	932.003	424.769
Commissions receivable	47.172	7.735
Deferred income	(460.101)	(326.697)
	519.074	105.807
Impairments (Note 3.15)		
For credit and interest overdue	(37.378)	(21.015)
For country risk	(691.395)	(460.140)
	(728.773)	(481.155)
	74.008.765	49.410.443

As at 31 December 2013 and 2012, approximately EUR 17,316 million and EUR 10,750 million of loans and advances granted to clients, respectively, were collateralized with pledged term deposits at the Bank.

As at 31 December 2013 and 2012, the item OVERDUE LOANS AND INTEREST showed the following seniority:

31 December 2013

Period	Loans and advances			Provisions for overdue loans
	Overdue	Non-performing	Total	
Up to 30 days	31.538	991.424	1.022.962	315
From 30 to 60 days	30.764	985.565	1.016.329	19.452
From 61 to 180 dias	25.560	365	25.925	6.259
From 181 to 365 dias	15.120	-	15.120	11.352
	102.982	1.977.354	2.080.336	37.378

31 December 2012

Period	Loans and advances			Provisions for overdue loans
	Overdue	Non-performing	Total	
Up to 30 days	3.086	450.000	453.086	31
From 30 to 60 days	209.845	4.547.522	4.757.367	20.984
	212.931	4.997.522	5.210.453	21.015

The movement in provisions and impairments for the years ended on 31 December 2013 and 2012 is presented in Note 3.15.

As at 31 December 2013 and 2012, the five largest clients accounted for approximately 48% and 55% of the total credit portfolio, respectively.

As at 31 December 2013 and 2012, the residual maturities for LOANS AND ADVANCES TO CUSTOMERS (excluding overdue loans and interest, interest and commissions related to amortised cost) show the following structure:

	2013	2012
Up to three months	21.982.034	4.444.151
From three months to one year	14.895.136	24.168.753
From one year to five years	6.073.867	20.959.956
More than five years	31.164.445	-
	74.115.482	49.572.860

As at 31 December 2013 and 2012, the portfolio of LOANS AND ADVANCES TO CUSTOMERS, by sector of activity is broken down as follows:

31 December 2013

	Loans and Advances to Customers ¹				Guarantees issued	
	Value	Overdue Loans	Total	%	Value	%
Residents						
Private individuals	1.388.286	42.796	1.431.082	1,9	-	-
Real estate activity	9.214.576	-	9.214.576	12,4	-	-
Wholesale and Retail; Repair of motor vehicles and motorcycles	8.234.819	31.538	8.266.357	11,1	-	-
Construction	10.151.548	-	10.151.548	13,7	-	-
Information and Communication Activities	6.400.000	-	6.400.000	8,6	-	-
Consulting, scientific, technical and similar activities	1.739.511	-	1.739.511	2,3	-	-
Manufacturing	80.000	-	80.000	0,1	-	-
Human health and social work activities	200.000	-	200.000	0,3	-	-
Financial and insurance activities	238.294	-	238.294	0,3	-	-
Administrative and support services activities	1.690.977	-	1.690.977	2,3	2.731.280	60,0
Electricity, gas and water production and supply	362.555	-	362.555	0,5	-	-
Non-resident						
Private individuals	7.217.276	28.648	7.245.924	9,8	-	-
Real estate activity	17.783.339	-	17.783.339	24,0	631.756	13,9
Consulting, scientific, technical and similar activities	8.300.281	-	8.300.281	11,2	31.347	0,7
Financial and insurance activities	1.000.000	-	1.000.000	1,3	-	-
Wholesale and Retail; Repair of motor vehicles and motorcycles	114.020	-	114.020	0,2	535.066	11,8
Construction	-	-	-	-	608.875	13,4
Human health and social work activities	-	-	-	-	14.400	0,3
Total Loans and Advances	74.115.482	102.982	74.218.464	100,0	4.552.724	100,0

31 December 2012

	Loans and Advances to Customers ¹				Guarantees issued	
	Value	Overdue Loans	Total	%	Value	%
Residents						
Private individuals	753.358	-	753.358	1,5	-	-
Real estate activities	12.492.331	-	12.492.331	25,1	-	-
Construction	7.907.099	-	7.907.099	15,9	-	-
Business services	5.873.787	-	5.873.787	11,8	-	-
Food industries	589.986	3.085	593.071	1,2	478.960	56,3
Recreational, cultural and sporting activities	4.600.000	-	4.600.000	9,2	-	-
Agriculture, forestry, hunting and fishing industries	-	-	-	-	131.670	16,3
Human health and social work activities	3.000.000	-	3.000.000	6,0	-	-
Non-residents						
Private individuals	6.437.374	-	6.437.374	12,9	-	-
Real estate activities	4.547.540	209.846	4.757.386	9,6	-	-
Business services	3.370.005	-	3.370.005	6,8	-	-
Financial activities	-	-	-	-	197.059	24,4
Food industries	1.380	-	1.380	-	-	-
Total Loans and Advances	49.572.860	212.931	49.785.791	100,0	807.689	100,0

(1) Excludes interest receivable and commissions relating to amortised cost

3.7 OTHER TANGIBLE ASSETS

The movement in the item of OTHER TANGIBLE ASSETS for the year ended on 31 December 2013 was as follows:

	Gross value				Balances as at 31.12.13
	Balances as at 31.12.12	Acquisitions	Disposals and write-offs	Transfers	
Real Estate					
Leasehold expense	3.893.020	420.702	(234.447)	-	4.079.275
Equipment					
Furniture and office supplies	875.072	73.733	(12.260)	-	936.545
Machinery & tools	81.070	1.096	-	-	82.166
IT equipment	5.094	22.232	-	-	27.326
Interior facilities	13.023	14.928	-	3.762	31.713
Transport equipment	266.355	-	(141.355)	-	125.000
Safety equipment	28.682	71.237	(3.468)	517	96.968
Other equipment	-	1.289	-	-	1.289
	1.269.296	184.515	(157.083)	4.279	1.301.007
	5.162.316	605.217	(391.530)	4.279	5.380.282
Tangible assets under construction	517	3.762	-	(4.279)	-
	5.162.833	608.979	(391.530)	-	5.380.282

	Depreciation and amortisation				Net Value		
	Balances as at 31.12.12	Depreciation and amortization	Disposals and write-offs	Transfers	Balances as at 31.12.13	Balances as at 31.12.12	Balances as at 31.12.13
Real Estate							
Leasehold expense	295.424	201.398	(234.447)	-	262.375	3.597.596	3.816.900
Equipment							
Furniture and office supplies	239.792	105.398	(1.898)	-	343.202	635.280	593.343
Machinery & tools	7.786	9.009	-	-	16.795	73.284	65.371
IT equipment	4.378	5.137	-	-	9.515	716	17.811
Interior facilities	4.613	3.159	-	-	7.772	8.410	23.941
Transport equipment	137.607	42.882	(120.594)	-	59.895	128.748	65.105
Safety equipment	5.923	6.097	(1.662)	-	10.358	22.759	86.610
Other equipment	-	169	-	-	169	-	1.120
	400.099	171.761	(124.154)	-	447.706	869.197	853.301
	695.523	373.159	(358.601)	-	710.081	4.466.793	4.670.201
Tangible assets under construction	-	-	-	-	-	517	-
	695.523	373.159	(358.601)	-	710.081	4.467.310	4.670.201

For the year ended on 31 December 2013, the acquisitions recorded under the items of LEASEHOLD EXPENSE AND FURNITURE AND OFFICE SUPPLIES essentially correspond to works carried out at the Bank's head office building and the purchase of its furnishing.

The movement in the item of OTHER TANGIBLE ASSETS for the year ended on 31 December 2012 was as follows:

	Gross value				
	Balances as at 31.12.11	Acquisitions	Disposals and write-offs	Transfers	Balances as at 31.12.12
Real Estate					
Leasehold expense	234.448	3.344.487	-	314.085	3.893.020
	234.448	3.344.487	-	314.085	3.893.020
Equipment					
Furniture and office supplies	447.710	434.707	(7.345)	-	875.072
Machinery & tools	8.540	72.530	-	-	81.070
IT equipment	5.094	-	-	-	5.094
Interior facilities	13.023	-	-	-	13.023
Transport equipment	141.355	125.000	-	-	266.355
Safety equipment	12.264	16.418	-	-	28.682
	627.986	648.655	(7.345)	-	1.269.296
	862.434	3.993.142	(7.345)	314.085	5.162.316
Tangible assets in progress	314.085	517	-	(314.085)	517
	1.176.519	3.993.659	(7.345)	-	5.162.833

	Depreciation and amortisation				Net Value	
	Balances as at 31.12.11	Depreciation and amortization	Disposals and write-offs	Transfers	Balances as at 31.12.11	Balances as at 31.12.12
Real Estate						
Leasehold expense	52.776	242.648	-	-	295.424	3.597.596
	52.776	242.648	-	-	295.424	3.597.596
Equipment						
Furniture and office supplies	185.570	60.651	(6.429)	-	239.792	635.280
Machinery & tools	5.056	2.730	-	-	7.786	73.284
IT equipment	3.304	1.074	-	-	4.378	716
Interior facilities	2.985	1.628	-	-	4.613	8.410
Transport equipment	73.623	63.984	-	-	137.607	128.748
Safety equipment	4.078	1.845	-	-	5.923	22.759
	274.616	131.912	(6.429)	-	400.099	869.197
	327.392	374.560	(6.429)	-	695.523	4.466.793
Tangible assets in progress	-	-	-	-	-	517
	327.392	374.560	(6.429)	-	695.523	4.467.310

For the year ended on 31 December 2012, the acquisitions recorded under the items of LEASEHOLD EXPENSE AND FURNITURE AND OFFICE SUPPLIES essentially correspond to works carried out at the Bank's head office building and the purchase of its furnishing.

3.8 INTANGIBLE ASSETS

The movement in the items of INTANGIBLE ASSETS for the year ended on 31 December 2013 was as follows:

	Gross value					Balances as at 31.12.13
	Balances as at 31.12.12	Acquisitions	Disposals and write-offs	Transfers		
Intangible Assets						
Software	1.183.176	126.710	-	-	-	1.309.886
Other intangible assets	170.500	-	-	-	-	170.500
	1.353.676	126.710	-	-	-	1.480.386
Intangible assets in progress	-	73.190	-	-	-	73.190
	1.353.676	199.900	-	-	-	1.553.576

	Depreciation and amortisation					Balances as at 31.12.13
	Balances as at 31.12.12	Depreciation and amortization	Disposals and write-offs	Transfers	Regularisations	
Intangible Assets						
Software	754.428	279.500	-	-	34	1.033.962
Other intangible assets	72.100	-	-	-	-	72.100
	826.528	279.500	-	-	34	1.106.062
Intangible assets in progress	-	-	-	-	-	-
	826.528	279.500	-	-	34	1.106.062

	Net Value	
	Balances as at 31.12.12	Balances as at 31.12.13
Intangible Assets		
Software	428.748	275.924
Other intangible assets	98.400	98.400
	527.148	374.324
Intangible assets in progress	-	73.190
	527.148	447.513

For the year ended on 31 December 2013, the acquisitions recorded under INTANGIBLE ASSETS mainly refer to the investment the Bank is making in its information systems.

The movement in the items of INTANGIBLE ASSETS for the year ended on 31 December 2012 was as follows:

	Gross value				
	Balances as at 31.12.11	Acquisitions	Disposals and write-offs	Transfers	Balances as at 31.12.12
Intangible Assets					
Software	1.105.585	77.591	-	-	1.183.176
Other intangible assets	72.100	98.400	-	-	170.500
	1.177.685	175.991	-	-	1.353.676
Intangible assets in progress	-	-	-	-	-
	1.177.685	175.991	-	-	1.353.676

	Depreciation and amortisation					
	Balances as at 31.12.11	Depreciation and amortization	Disposals and write-offs	Transfers	Regularisations	Balances as at 31.12.12
Intangible Assets						
Software	393.475	360.953	-	-	-	754.428
Other intangible assets	72.100	-	-	-	-	72.100
	465.575	360.953	-	-	-	826.528
Intangible assets in progress	-	-	-	-	-	-
	465.575	360.953	-	-	-	826.528

	Net Value	
	Balances as at 31.12.11	Balances as at 31.12.12
Intangible Assets		
Software	712.110	428.748
Other intangible assets	-	98.400
	712.110	527.148
Intangible assets in progress	-	-
	712.110	527.148

For the year ended on 31 December 2012, the acquisitions recorded under INTANGIBLE ASSETS mainly refer to the investment the Bank is making in its information systems and to the acquisition of the ATLÂNTICO brand.

3.9 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND ENTITIES UNDER JOINT CONTROL

As at 31 December 2013 and 2012, the investment in subsidiaries registered at acquisition cost, correspond to:

	Effective holding (%)		Acquisition cost	
	2013	2012	2013	2012
Atlântico Europa Capital Lux Co	100	100	1.074.383	315.000
			1.074.383	315.000

Atlântico Europa Capital Lux Co, was incorporated on 30 July 2010, and is in its initial phase of activity. The increase in 2013 under the item INVESTMENTS IN SUBSIDIARIES represents shareholders' loans paid into this subsidiary.

As at 31 December 2012, the main financial data of the subsidiary are as follows:

Entity	Head Office	Assets	Profit/(Loss)	Share Capital
Atlântico Europa Capital Lux Co	Luxembourg	299.064	(13.254)	22.854

3.10 TAX ASSETS

As at 31 December 2013 and 2012, these items are broken down as follows:

	2013	2012
Current tax assets		
Income tax receivable	139.347	-
Other	122.015	22.936
	261.362	22.936
Deferred tax assets		
For tax losses	125.810	964.946
	125.810	964.946
	387.172	987.882

The details and movement of the item DEFERRED TAX ASSETS are presented in Note 3.27.

3.11 OTHER ASSETS

As at 31 December 2013 and 2012, this item breaks down as follows:

(Amounts in Euros)

	2013	2012
Debtors and other investments		
Collateral	561.500	617.361
Other sundry debtors	7.593.785	5.528.292
	8.155.285	6.145.653
Impairments (Note 3.15)		
Debtors and other investments	(117.873)	-
	8.037.412	6.145.653
Other income receivable		
From banking services	37.511	-
	37.511	-
Expenses with deferred charges		
Rent	116.196	114.778
Insurance	112.584	95.425
Other	35.898	75.049
	264.678	285.252
Other operations pending settlement		
Borrowing operations pending settlement	16.058	-
	16.058	-
	8.355.659	6.430.905

As at 31 December 2013, the balance of the provisions item for "DEBTORS AND OTHER INVESTMENTS" refers to a provision constituted for the full amount receivable from a Client for financial advisory services rendered.

As at 31 December 2013 and 2012, the balance of the item OTHER SUNDRY DEBTORS can be summarised as follows:

	2013	2012
Other sundry debtors		
Related entities:		
Banco Privado Atlántico	4.324.297	3.892.507
Atlántico Europa SGPS	390.749	302.799
Atlántico Europa Capital	21.822	17.410
Other		
Prepayments for financial investments to be undertaken	718.367	668.911
Accounts receivable for financial advisory services	2.016.361	500.938
Other sundry debtors	122.189	145.727
	7.593.785	5.528.292

3.12 DEPOSITS FROM CENTRAL BANKS

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Deposits from Banco de Portugal		
Deposits	130.000.000	127.000.000
Interest payable	12.361	32.583
	130.012.361	127.032.583
Deposits from other Central Banks		
Deposits	36.255.529	-
Interest payable	9.970	-
	36.265.499	-
	166.277.860	127.032.583

The deposits maintained at Banco de Portugal, in the context of funding from the European Central Bank, are backed by the pledge of securities the nominal value of which reaches approximately EUR 115,000,000 and EUR 127,000,000 as at 31 December 2013 and 2012, respectively.

As at 31 December 2013 and 2012, the total of DEPOSITS FROM CENTRAL BANKS presented residual maturity periods of less than 3 months.

3.13 DEPOSITS FROM OTHER CREDIT INSTITUTIONS

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Deposits from domestic credit institutions		
Terms deposits and other funds	13.885.207	3.823.050
Interest Payable	34.542	1.600
	13.919.749	3.824.650
Deposits from credit institutions abroad		
Terms deposits and other funds	94.382.080	54.510.445
Interest Payable	187.894	213.778
	94.569.974	54.724.223
	108.489.723	58.548.873

As at 31 December 2013 and 2012, the residual maturity of DEPOSITS FROM OTHER CREDIT INSTITUTIONS (excluding interest payable), showed the following structure:

	2013	2012
Up to three months	56.454.103	28.409.507
From three months to one year	43.218.184	26.347.713
From one year to five years	3.400.000	3.576.275
Over five years	5.195.000	-
	108.267.287	58.333.495

As at 31 December 2013 and 2012, TERM DEPOSITS were remunerated at the average interest rate of 2.06% and 1.72%, respectively.

As at 31 December 2013 and 2012, the item DEPOSITS FROM OTHER CREDIT INSTITUTIONS includes balances with related parts of the value of EUR 41,883,778 and EUR 11,126,287, respectively.

3.14. DEPOSITS FROM CUSTOMERS

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Demand deposits	40.137.358	30.919.730
Term deposits	54.794.645	56.844.407
Sale operations with repurchase agreement	724.482	-
Cheque and payment orders	99.603	-
Interest payable	236.208	548.031
	95.992.296	88.312.168

As at 31 December 2013 and 2012, the residual maturity of Deposits from Customers (excluding interest payable), showed the following structure:

	2013	2012
Up to three months	71.195.665	63.469.712
From three months to one year	22.665.669	23.971.292
From one year to five years	1.894.754	323.133,0
Over five years	95.756.088	87.764.137

As at 31 December 2013, TERM DEPOSITS were remunerated at the average interest rate of 1.94%.

As at 31 December 2013 and 2012, approximately 37% and 52% of total Customer deposits were concentrated in five clients.

3.15 PROVISIONS AND IMPAIRMENTS

The movement in PROVISIONS and IMPAIRMENTS for the year ended on 31 December 2013 was as follows:

	Balances as at 31.12.12	Reinforcement	Restitutions and annulments	Transfers	Other movements	Balances as at 31.12.13
Loans and advances						
General Credit Risks	302.310	539.819	(50.140)	-	-	791.989
Off-balance sheet op. risk	-	842.991	(4.603)	-	-	838.388
	302.310	1.382.810	(54.743)	-	-	1.630.377
Impairments						
Country Risk	460.140	296.844	(65.588)	-	(1)	691.395
Loans and advances to customers	-	30.876	-	-	-	30.876
Loans and advances to credit institutions	21.015	39.367	(23.004)	-	-	37.378
Overdue loans and interest	-	117.873	-	-	-	117.873
Debtors and other investments	481.155	484.960	(88.592)	-	(1)	877.522
	783.465	1.867.770	(143.335)	-	(1)	2.507.899

The movement in PROVISIONS and IMPAIRMENTS for the year ended on 31 December 2012 was as follows:

	Balances as at 31.12.11	Reinforcement	Restitutions and annulments	Transfers	Other movements	Balances as at 31.12.12
Provisions						
Loans and advances						
General Credit Risk	164.733	392.829	(255.252)	-	-	302.310
	164.733	392.829	(255.252)	-	-	302.310
Impairments						
Country Risk	271.626	356.912	(168.399)	-	1	460.140
Overdue loans and interest	-	21.015	-	-	-	21.015
	271.626	377.927	(168.399)	-	1	481.155
	436.359	770.756	(423.651)	-	1	783.465

3.16 TAX LIABILITIES

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Current tax liabilities		
Estimate of tax payable	429.832	102.800
Autonomous taxation	89.885	72.311
	519.717	175.111
Deferred tax liabilities		
From temporary differences	480.934	656.799
	1.000.651	831.910

3.17 OTHER LIABILITIES

As at 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Creditors and other funds		
General Government		
VAT payable	81.534	50.466
Withholding of tax at a source	141.879	124.287
Contribution to Social Security	109.434	79.281
Charges on third parties	333	333
Sundry creditors		
Suppliers - current account	1.365.761	207.884
	1.698.941	462.251
Expenses payable		
Personnel costs	1.530.804	944.350
General administrative expenses	218.504	-
	1.749.308	944.350
Other accruals & deferrals		-
Lending operations pending settlement	150.005	470.336
	150.055	470.336
	3.598.254	1.876.937

As at 31 December 2013, the balance of the item EXPENSES PAYABLE - FOR PERSONNEL COSTS includes EUR 155,125 corresponding to part of the bonus from the financial year of 2012, whose payment will be deferred during 3 years, pursuant to the remunerations policy.

As at 31 December 2013, the item SUNDRY CREDITORS - Suppliers - current account, includes a balance of EUR 833,877 with Banco Privado Atlantico, S.A.

3.18. OFF-BALANCE SHEET ACCOUNTS

As at 31 December 2013 and 2012, this item breaks down as follows:

(m Euros)

	2013	2012
Guarantees issued and other contingent liabilities		
Guarantees and commitments issued	4.552.724	807.689
Documentary credit	29.309.253	5.158.476
	33.861.977	5.966.165
Guarantees received	91.240.927	44.097.519
Third Parties Commitments		
Irrevocable credit lines	8.578.377	2.271.314
	8.578.377	2.271.314
Liabilities for services provided		
For deposits and custody facilities	98.106.650	35.841.053
	98.106.650	35.841.053
Third Party Services		
Customer portfolio securities	98.106.650	35.841.053
Own portfolio securities	215.783.196	184.000.072
	313.889.846	219.841.125
Foreign exchange operations and derivatives		
Over-the-counter market (OTC)		
Foreign exchange swaps		
Purchase	52.228.954	-
Sale	52.386.556	-
	104.615.510	-
Foreign exchange spots		
Purchase	10.000.435	10.680.815
Sale	9.998.717	10.679.466
	19.999.152	21.360.281
Currency forwards		
Purchase	-	64.175.383
Sale	-	65.000.000
	-	129.175.383
Foreign-exchange options		
Purchase	4.417.732	-
	124.614.662	150.535.664

As at 31 December 2013, the Bank had an unused intraday credit facility with Banco de Portugal to the amount of EUR 1,000,000.

3.19 EQUITY AND OTHER EQUITY INSTRUMENTS

As at 31 December 2013 and 2012, the Bank's shareholding structure is as follows:

Entity	2013			2012		
	Shares	Amount	%	Shares	Amount	%
Atlântico Europa SGPS S.A.	50.000.000	50.000.000	100%	50.000.000	50.000.000	100%
	50.000.000	50.000.000	100%	50.000.000	50.000.000	100%

As at 31 December 2013 and 2012, the Bank's share capital is represented by 50,000,000 shares with a nominal value of 1 Euro, fully subscribed and paid-up.

3.20. REVALUATION RESERVES, OTHER RESERVES AND RETAINED EARNINGS

As at 31 December 2013 and 2012, these items were broken down as follows:

	2013	2012
Revaluation reserves	1.267.916	1.821.688
Other reserves - legal reserve	70.108	-
Retained earnings	(3.441.589)	(4.072.565)
	(2.103.565)	(2.250.877)

As deliberated at the General Meeting of 24 April 2013, the net income for 2012, in the amount of EUR 701,084 was applied as follows:

- EUR 70,108, corresponding to 10% of the net income was allocated to the item "Legal reserves";
- EUR 630,976, corresponding to 90% of the net income was allocated to the item "Retained Earnings".

Pursuant to the legislation, the Bank should allocate a fraction of at least 10% of its net income each year to the constitution of a legal reserve, up to a limit equal to the value of the share capital or the sum of the free reserves and retained earnings, if higher. The legal reserve is not available for distribution except in the event of the Bank's liquidation and can only be used to increase the share capital or absorb losses, after depletion of all other reserves.

Revaluation reserves

As at 31 December 2013 and 2012, the details of the item “Revaluation reserves” are as follows:

	2013	2012
Revaluation reserves		
Reserves from appreciation at fair value of available-for-sale financial assets (Note 3.4)		
Debt instruments		
Securities	1.748.850	2.478.487
	1.748.850	2.478.487
Fair value reserve (deferred taxes)		
Reserves from appreciation at fair value of available-for-sale financial assets		
Deferred tax assets (Note 3.10)	(480.934)	-
Deferred tax liabilities (Note 3.16)	-	(656.799)
	(480.934)	(656.799)
	1.267.916	1.821.688

3.21 NET INTEREST INCOME

For the years ended on 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Interest and Similar Income		
Deposits at central banks	10.671	27.872
Deposits at other credit institutions	11.203	-
Loans and advances to credit institutions	414.727	1.035.778
Loans and advances to customers	4.172.058	2.507.076
Financial assets and liabilities at fair value through profit or loss	-	2.208
Available-for-sale financial assets	6.890.093	2.174.583
Held-to-maturity financial assets	-	3.200.090
	11.498.752	8.947.607
Interest and similar expense		
Deposits from Central banks	(184.829)	(394.835)
Deposits from other credit institutions	(1.781.249)	(649.698)
Deposits from customers	(885.990)	(1.453.821)
Deposits	(240)	(67)
	(2.852.308)	(2.498.421)
Net interest income	8.646.444	6.449.186

3.22 REVENUE AND COSTS RELATED TO SERVICES AND COMMISSIONS

For the years ended on 31 December 2013 and 2012, these items were as follows:

	2013	2012
Commissions received		
Guarantees issued	400.243	105.046
Services rendered		
Value transfer	96.915	50.516
Credit operations	447.772	322.439
Deposits and custody facilities	116.428	37.245
Annuities	600	-
Transactions on behalf of third parties	118.465	358.511
Other commissions received	217.749	54.830
	1.398.172	928.587
Commissions paid		
Third party commitments	(4.267)	-
Third party banking services	(29.527)	(28.712)
Other commissions paid	(116.812)	(83.509)
	(150.606)	(112.221)
	1.247.566	816.366

For the years ended on 31 December 2013 and 2012, the item COMMISSIONS RECEIVED - FOR TRANSACTIONS ON BEHALF OF THIRD PARTIES mainly refers to fees charged for advisory services in assembling and structuring of the acquisition of an equity stake.

For the years ended on 31 December 2013 and 2012, the item COMMISSIONS RECEIVED - FOR CREDIT OPERATIONS includes the amounts of EUR 374,200 and EUR 214,191, respectively, referring to fees charged for credit opening.

3.23 NET INCOME FROM FINANCIAL OPERATIONS

For the years ended on 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Gains and losses on financial operations		
Gains and losses on foreign exchange differences	2.711.883	1.662.938
Gains and losses on financial assets at fair value through profit or loss	(2.124.604)	(826.821)
Gains and losses on available-for-sale financial assets	5.930.284	584.434
Gains and losses on held-to-maturity financial assets	-	265.000
	6.517.563	1.649.551

3.24 OTHER OPERATING INCOME

For the years ended on 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Other operating income		
Gains on financial assets	1.013	-
Other operating income	4.429.134	3.333.842
	4.430.147	3.333.842
Other operating expense		
Contributions to the Deposit Guarantee Fund	(34.244)	(41.958)
Fees and donations	(6.070)	(2.720)
Losses on financial assets	(24.676)	-
Indirect taxes	(40.686)	(6.196)
Other operating expenses	(1.016.920)	(34)
	(1.122.596)	(50.908)
	3.307.551	3.284.934

For the years ended on 31 December 2013 and 2012, the balance for the item OTHER OPERATING INCOME mainly refers to the remuneration received by the Bank for the services rendered under a subcontract to Banco Privado Atlântico (Angola), S.A. for the structuring, assembly and implementation of operations in the area of Investment Banking.

As at 31 December 2013, the balance for item "OTHER OPERATING EXPENSES" essentially refers to a service provided by Privado Atlântico (Angola) S.A.

3.25 PERSONNEL COSTS

For the years ended on 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
Remuneration of management and supervisory bodies	534.450	604.693
Compensation of employees	4.690.096	3.166.400
Obligatory social charges	990.292	722.797
Other personnel costs	256.134	173.503
	6.470.972	4.667.393

As at 31 December 2013 and 2012, the number of permanent staff at the Bank, distributed by the respective professional categories, was as follows:

	2013	2012
Board Members	3	4
Senior management	20	17
Technical and administrative personnel	75	52
	98	73

3.26 GENERAL ADMINISTRATIVE EXPENSES

For the years ended on 31 December 2013 and 2012, this item breaks down as follows:

	2013	2012
General administrative expenses		
Suppliers		
Water, energy and fuel	84.746	43.851
Items of regular consumption	47.094	78.946
Publications	30.196	7.366
Hygiene and cleaning materials	2.086	2.540
Other suppliers and third party services	43.115	35.419
Services		
Consulting	1.783.854	1.633.769
Rentals and leases	1.742.388	1.073.046
Communications	996.742	873.906
Travel, hotel and representation costs	929.743	667.573
Publicity and publishing	423.858	63.406
Security, surveillance and cleaning	234.612	98.513
Information	209.372	221.026
Maintenance and Repair	138.377	46.292
SIBS	82.436	87.616
Training	77.854	32.321
External audit	62.839	84.500
IT	48.329	5.838
Insurance	28.923	34.855
Legal services, litigation and notaries	24.267	17.379
Temporary manpower	11.742	-
Transportation	-	3.303
Studies and Consultations	-	1.599
Other third parties services	170.474	86.789
	7.173.047	5.199.853

The balance for the item RENTALS AND LEASES includes the rents for the property leasing contract of the Bank's head office. The annual rent currently stands at around EUR 1,320,000, updated according to inflation level. This contract was concluded in September 2012 for an initial period of 20 years, renewable for equal or successive periods of two years if not denounced by the parties, which can be cancelled as of the 10th year.

The total fees invoiced and to be invoiced by the Statutory Accountant for 2013 amounted to EUR 62,839, are detailed as follows:

	2013
Statutory audit of annual accounts	29.705
Other compliance & assurance services	33.134
	62.839

3.27 INCOME TAX

Current tax is calculated based on the year's taxable profit, which differs from the book value profit or loss due to adjustments derived from costs or gains which are not relevant to tax purposes or are only considered in other accounting periods. The main situations that generate these adjustments refer to Provisions, namely: (i) under article 35-A of the IRC Code, provisions for specific risk and country risk with regarding loans backed by real rights over immovable property are not accepted as tax deductible cost for the year, and (ii) pursuant to the provisions of article 34 of the IRC Code, provisions for general credit risks are not considered tax deductible.

The expenditure related to income tax, recorded through profit or loss, in 2013 and 2012 is presented below.

	2013	2012
Current taxes for the year		
Estimate of tax payable	(429.832)	(102.800)
Autonomous taxation	(89.884)	(72.311)
Contribution to the banking sector	(128.209)	(98.793)
Corrections to the previous periods	(22.407)	(26.475)
	(670.332)	(300.379)
Deferred taxes		
Recognised and reportable tax losses (used)	(828.196)	(248.710)
Change in income tax rate	(10.940)	-
	(839.136)	(248.710)
	1.509.468	(549.089)

The reconciliation between the nominal and effective tax rate for 2013 and 2012 can be summarised as follows:

	2013		2012	
	Tax rate	Amount	Tax rate	Amount
Net income before tax	-	3.698.011	-	1.250.173
Tax calculated at the nominal rate	26,50%	979.973	26,50%	331.296
Impairments and provisions for loans	5,17%	191.313	4,13%	51.687
Contribution to the banking sector	3,47%	128.209	7,90%	98.533
State Surtax	2,37%	87.511	-	-
Autonomous taxation	2,43%	89.884	5,78%	72.311
Corrections to the previous periods	0,68%	25.088	2,90%	36.219
Current tax from previous periods	0,61%	22.407	2,12%	26.475
Depreciation not accepted for tax purposes	0,57%	20.909	1,07%	13.340
Effect of deferred tax rate changes	0,30%	10.940	-	-
Other nontaxable income and expenses	0,35%	13.060	1,40%	17.501
Tax benefits (net job creation)	-1,62%	(59.826)	-7,88%	(98.533)
	40,82%	1.509.468	43,92%	549.089

According to current legislation, tax declarations are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except for years when tax losses are carried forward, when the expiry period is six years. Thus, the Bank's tax returns for 2009 to 2013 may still be subject to review and the tax base might be subject to possible corrections.

The recoverability of deferred tax assets is supported by a business plan prepared by the Board of Directors, according to which the Bank will generate sufficient taxable income to recover all of the deferred tax assets through tax losses within the legally defined periods.

As at 31 December 2013, the tax losses carried forward generated by the Bank which gave rise to DEFERRED TAX ASSETS can be usable as follows:

Reporting year	Limit of utilisation year	Tax losses	Deferred tax assets	Amount used	Amount to use
2009	2015	(1.264.156)	316.039	(316.039)	-
2010	2014	(2.151.472)	537.868	(537.868)	-
2011	2015	(1.438.996)	359.749	(233.939)	125.810
			1.213.656	(1.087.846)	125.810

The tax losses carried forward can be used in the four subsequent financial years (six years for tax losses generated prior to 2010). However, the deduction of tax losses in each year cannot exceed 75% (70% from 2014 onwards) of its taxable profit, and the remainder may be used by the end of the carry-forward period.

4. RELATED ENTITIES (IAS 24)

BALANCES WITH RELATED ENTITIES

Pursuant to IAS 24, the following entities are considered as Bank's related entities, Atlântico Europa SGPS, S.A. and its subsidiaries, Banco Privado Atlântico (Angola), S.A. and the members of the Bank's Corporate Bodies, defined below:

BOARD OF DIRECTORS

Carlos José da Silva
 Baptista Muhongo Sumbe (resigned on 31/12/2013)
 André Navarro (resigned on 24/03/2014)
 Diogo Baptista Russo Pereira da Cunha (appointed on 12/02/2014)
 Augusto Costa Ramiro Baptista
 Maria da Graça Ferreira Proença de Carvalho
 Isménio Macedo (in office until 23/04/2013)

AUDIT BOARD

Mário Jorge Carvalho de Almeida
 Fernando Augusto de Sousa Ferreira Pinto (appointed on 24/04/2013)
 Maria Cândida de Carvalho Peixoto (appointed on 24/04/2013)
 João Maria Francisco Wanassi (in office until 23/04/2013, alternate since 24/04/2013)
 Mário Jorge de Faria da Cruz (in office until 23/04/2013)
 Nuno Pedro da Silva do Carmo Vaz (alternate until 23/04/2013, not holding any office as of 24/04/2013)

As at 31 December 2013, the balance sheet and comprehensive income statement include the following balances with related entities:

31 December 2013

	BPA S.A.	Atlântico Europa SGPS, S.A.	Atlântico Europa Capital SGPS, S.A.	Atlântico Europa Capital LUX, S.A.R.L	Corporate bodies	Total
Assets						
Loans and advances to costumers (Note 3.6)	-	-	-	-	1.264	1.264
Investments in subsidiaries, associates and joint ventures	-	-	-	1.074.383	-	1.074.383
Other assets (Note 3.11)	4.324.297	390.749	21.822	-	10.308	4.747.176
	4.324.297	390.749	21.822	1.074.383	11.572	5.822.823
Liabilities						
Deposits from other credit institutions (Note 3.13)	41.883.788	-	-	-	-	41.883.788
Deposits from customers (Note 3.14)	-	-	-	31.143	1.883.054	1.914.197
Other Liabilities (Note 3.17)	833.877	-	-	31.143	-	833.877
	42.717.665	-	-	-	1.883.054	44.631.862
Equity						
Equity (Note 3.19)	- 50.000.000	-	-	-	-	- 50.000.000
	- 50.000.000	-	-	-	-	- 50.000.000
Income						
Interest and similar income (Note 3.21)	6.680	-	-	-	296	6.976
Fee and commission income (Note 3.22)	144.863	-	-	290	3.358	148.511
Other operating income and expense (Note 3.24)	2.845.771	-	-	-	-	2.845.771
	2.997.314	-	-	290	3.654	3.001.258
Expenses						
Interest and similar expense (Note 3.21)	214.014	-	-	-	-	214.014
Personnel costs (Note 3.25)	-	-	-	-	534.450	534.450
Other operating income and expense (Note 3.24)	1.002.654	-	-	-	-	1.002.654
	1.216.668	-	-	-	534.450	1.751.118
Off-balance sheet						
Documentary credit (Note 3.18)	20.378.029	-	-	-	-	20.378.029
Deposit and custody facilities (Note 3.18)	-	-	-	-	1.630.317	1.630.317
	20.378.029	-	-	-	1.630.317	22.008.346

As at 31 December 2012, the balance sheet and comprehensive income statement include the following balances with related entities:

31 December 2012

	BPA S.A.	Atlântico Europa SGPS, S.A.	Atlântico Europa Capital SGPS, S.A.	Atlântico Europa Capital LUX, S.A.R.L	Corporate bodies	Total
Assets						
Loans and advances to credit institutions (Note 3.4)	2.564.324	-	-	-	-	2.564.324
Loans and advances to costumers (Note 3.6)	-	-	-	-	17.311	17.311
Investments in subsidiaries, associates and joint ventures	-	-	-	315.000	-	315.000
Other assets (Note 3.11)	3.892.507	302.799	17.410	-	60.102	4.272.818
	6.456.831	302.799	17.410	315.000	77.413	7.169.453
Liabilities						
Deposits from other credit institutions (Note 3.13)	11.286.127	-	-	-	-	11.286.127
Deposits from customers (Note 3.14)	-	-	-	-	3.079.986	3.079.986
	11.286.127	-	-	-	3.079.986	14.366.113
Equity						
Equity (Note 3.19)	-	50.000.000	-	-	-	50.000.000
	-	50.000.000	-	-	-	50.000.000
Income						
Interest and similar income (Note 3.21)	27.233	-	-	-	882	28.115
Fee and commission income (Note 3.22)	48.413	-	-	-	3.462	51.875
Net gains from foreign exchange differences (Note 3.24)	53.766	-	-	-	9.154	62.920
Other operating income and expense (Note 3.24)	2.853.583	-	-	-	-	2.853.583
	2.982.995	-	-	-	13.498	2.996.493
Expenses						
Interest and similar expense (Note 3.21)	302.380	-	-	-	55.981	358.361
Personnel costs (Note 3.25)	-	-	-	-	604.693	604.693
	302.380	-	-	-	660.674	963.054
Off-balance sheet						
Guarantees and sureties issued (Note 3.18)	197.059	-	-	-	-	197.059
Documentary credit (Note 3.18)	2.144.156	-	-	-	-	2.144.156
Deposit and custody facilities (Note 3.18)	-	-	-	-	969.760	969.760
	2.341.215	-	-	-	969.760	3.310.975

As at 31 December 2013 and 2012, the remunerations paid to members of the corporate bodies are detailed in the Management Report.

Transactions with related entities are generally made on the basis of market values at the respective date.

5. DISCLOSURES REGARDING FINANCIAL INSTRUMENTS

POLICIES FOR MANAGING THE FINANCIAL RISKS INHERENT TO THE BANK'S BUSINESS

Financial risk management accompanies the Bank's value chain, based on the prior establishment of a risk profile approved by its Board of Directors which establishes exposure limits and tolerance levels, taking into account the defined strategy and regulations in force, supporting and directing a first level of risk management for the commercial areas.

This first level of risk management is then complemented, in the acceptance of the risk, by the activities of the Risk Division which, independently and assuring good practices of separation of duties, analyses the different exposures, considering their inherent risk, and assesses the potential impacts on the Bank's liquidity and solvency levels.

Complementarily, there is permanent and systematic monitoring of the business, identifying internal and external risk factors that may prove significant and measuring the potential negative effects that these could cause to the Bank's balance sheet.

In seeking to comply with the reporting requirements identified in terms of the principles of IFRS 7 relative to financial instruments, the Bank then proceeds with a more detailed description of the main risks of its financial activities: credit risk, liquidity risk and market risk, disclosing how these are managed and monitored. This disclosure is also accompanied by a specific sub-chapter on the fair value measurement of the Bank's balance sheet.

CREDIT RISK

Credit risk represents the possibility of losses in the Bank's asset values as a result of breach of contractual obligations due to the insolvency or inability of natural or legal persons to honour established commitments.

The Bank has internal processes that enable the identification, assessment, monitoring and continuous control of credit risk, covering the different risk factors that are significant to the institution's business, assuring effective risk management at the individual level, by operation, and in terms of the overall credit portfolio.

This approach to managing credit risk has proved adequate, since there is no history of default on operations with the Bank. Only specific and materially irrelevant situations of overdue credit have occurred, which are quickly settled through coordinated action in identifying these situations and resolving them together with clients.

CREDIT QUALITY OF FINANCIAL ASSETS WITHOUT DEFAULT OR IMPAIRMENT

The credit risk assessment process accompanies different parts of the Bank's value chain, starting with the commercial areas, through careful analysis of the client and the operation in view of the lending policy and risk profile defined for the Bank, which is periodically reviewed and updated.

If the operation is feasible and the level of risk is deemed appropriate, a proposal is developed and is submitted for consideration of the Risk Division, which then issues an independent opinion, duly substantiated on the evaluation criteria established and formalised in its operational policy and manuals. Based on the identified elements, the final decision regarding the approval of operations is carried out by the Credit Committee.

The subsequent monitoring and follow-up of the credit that has been granted is the responsibility of the Risk Division. Therefore, a series of mechanisms and tools is used for the control and measurement of risk, enabling an on-going analysis of clients and their operations in order to detect warning signs for the identification, in due time, of situations of potential default that may affect the Bank's regular business. In this context, the Risk Division performs, among others, the following activities:

- Monitoring of the adequacy of ceilings to clients' credit capacity and their financing needs;
- Monitoring of credits granted to counterparties, Economic Groups or certain countries, thus seeking to identify situations of excessive concentration of risk;
- Follow-up of financial counterparties and review of the adequacy of defined exposure limits;
- Monitoring of the overall and individual behaviour of the credit portfolio and identification of potential needs to strengthen collateral;
- Monitoring of the execution of the terms and conditions of credit contracts;
- Monitoring of the compliance of conditions inherent to covenants contained in credit contracts, ensuring the continuation of necessary actions in the event of default;
- Periodic review of the credit rating of clients;
- Monitoring and revaluation of guarantees and collateral associated to portfolio operations and analysis of their coverage level;
- Identification of situations that show changes to client repayment capacity and subsequent monitoring;
- Proposal and implementation of preventive measures and corrective actions;
- Evaluation of the effectiveness and performance of preventive measures, plans for rapid intervention and remedial actions undertaken.

As at 31 December 2013, the maximum exposure to credit risk by type of financial instrument, was broken down as follows:

Assets	2013		
	Gross book value	Provisions and impairments	Net book value
Cash and deposits at central banks	12.151.878	-	12.151.878
Deposits at other credit institutions	31.558.462	-	31.558.462
Financial assets held for trading	77.680	-	-
Available-for-sale financial assets	208.015.640	-	208.015.640
Loans and advances to credit institutions	86.583.533	(30.876)	86.552.657
Loans and advances to customers	74.737.538	(728.773)	74.008.765
Total Assets	413.124.731	(759.649)	412.287.402
Off-Balance Sheet			
Guarantees and sureties issued	4.552.724	66.378	4.619.102
Undrawn credit facilities	8.578.377	88.406	8.666.783
Documentary credit	29.309.253	768.820	30.078.073
	42.440.354	923.604	43.363.958
	455.565.085	163.955	455.651.360

As at 31 December 2012, the maximum exposure to credit risk by type of financial instrument, can be summarised as follows:

Assets	2012		
	Gross book value	Provisions and impairments	Net book value
Cash and deposits at central banks	6.071.742	-	6.071.742
Deposits at other credit institutions	3.661.496	-	3.661.496
Available-for-sale financial assets	189.140.410	-	189.140.410
Loans and advances to credit institutions	65.169.473	-	65.169.473
Loans and advances to customers	49.891.598	(481.155)	49.410.443
Total Assets	313.934.719	(481.155)	313.453.564
Off-Balance Sheet			
Guarantees issued	5.966.165	-	5.966.165
Undrawn credit facilities	2.271.314	-	2.271.314
	321.691.043	(302.310)	321.388.733

Under its credit granting activity, depending on the type and level of risk for each operation, the Bank imposes specific requirements to clients concerning the constitution of guarantees. Considering operations in the portfolio as at 31 December 2013 and 2012 (excluding interest and commissions related to amortised cost and provisions and impairments) the distribution by type of guarantee received was as follows:

	2013		2012	
	Amount	%	Amount	%
Financial collateral	23.890.600	32%	22.510.295	45%
Real collateral - mortgage	11.719.190	16%	10.605.953	21%
Real collateral - non-mortgage	6.916.337	9%	3.000.000	6%
Personal guarantee - issued by State or Financial Institution	441.551	1%	163.956	0%
Personal guarantee - issued by company or private individual	12.052.066	16%	4.600.000	9%
Other guarantees	8.492.575	11%	5.655.689	11%
Without guarantees	10.706.145	14%	3.249.900	7%
	74.218.464	100%	49.785.791	100%

The Bank's own portfolio, consisting of debt securities, is also continuously monitored under the management of credit risk. As at 31 December 2013, the distribution by rating level, considering the rating of securities issued by Standard & Poor's, was as follows:

Source External Rating (S&P)	2013		2012	
	Exposure	Impairment	Exposure	Impairment
AAA to AA-	-	-	-	-
A+ to A-	-	-	-	-
BBB+ to BB-	184.066.606	-	152.412.720	-
B+ to B-	-	-	5.296.027	-
< B	-	-	-	-
N/D	22.268.064	-	31.431.663	-
	206.334.670	-	189.140.410	-

LIQUIDITY RISK

Liquidity risk represents the possibility that the Institution cannot meet its liabilities when they fall due, as a result of inability to convert its assets into cash in due time or lack of access to external financing in reasonable amounts and at reasonable cost.

The Bank has internal processes for managing liquidity risk which enable its identification, evaluation and daily control, covering specific procedures for monitoring the contracted maturities of the different operations that make up its balance sheet.

The implementation of these procedures is the responsibility of the Risk Division, which is also entrusted with producing management information on this issue and its subsequent disclosure, not only to the Board of Directors, but also to areas where the activity is exposed to liquidity risk.

In addition to this daily monitoring, the Bank also promotes the meetings of the Asset and Liability Committee (ALCO), where, among other aspects, liquidity risk is analysed and assessed in detail.

As at 31 December 2013, the contractual residual maturities of financial instruments (not including interest receivable and fees relating to amortised cost) were detailed as follows:

	2013					Total
	Spot	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years	
Assets						
Cash and deposits at central banks	12.151.878	-	-	-	-	12.151.878
Deposits at other credit institutions	31.558.462	-	-	-	-	31.558.462
Financial assets held for trading	-	35.140	42.540	-	-	77.680
Available-for-sale financial assets	-	15.868.064	6.500.850	178.456.956	5.508.800	206.334.670
Loans and advances to credit institutions	-	85.879.407	700.000	-	-	86.579.407
Loans and advances to customers	183.767	21.870.904	14.895.136	6.093.315	31.175.342	74.218.464
Total Assets	43.894.107	123.653.515	22.138.526	184.550.271	36.684.142	410.920.561
Liabilities						
Deposits from central banks	-	166.255.529	-	-	-	166.255.529
Financial liabilities held for trading	-	194.680	31.192	-	-	225.872
Deposits from other credit institutions	13.765.284	42.688.819	43.218.184	3.400.000	5.195.000	108.267.287
Deposits from customers	40.361.779	30.833.886	22.665.669	1.894.754	-	95.756.088
Total Liabilities	54.127.063	239.972.914	65.915.045	5.294.754	5.195.000	370.504.776
Liquidity gap	(10.232.956)	(116.319.399)	(43.776.519)	179.255.517	31.489.142	40.415.785
Cumulative liquidity gap	(10.232.956)	(126.552.355)	(170.328.874)	8.926.643	40.415.785	-

Em 31 de Dezembro de 2012, os prazos residuais contratuais dos instrumentos financeiros (não incluindo os juros a receber e as comissões associadas ao custo amortizado) apresentavam a seguinte composição:

	2012					Total
	Spot	Up to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years	
Assets						
Cash and deposits at central banks	6.071.742	-	-	-	-	6.071.742
Deposits at other credit institutions	3.661.496	-	-	-	-	3.661.496
Available-for-sale financial assets	-	46.710.690	7.798.390	134.631.330	-	189.140.410
Loans and advances to credit institutions	-	64.460.270	700.000	-	-	65.160.270
Loans and advances to customers	44.900	4.399.251	24.378.600	6.640.386	14.322.654	49.785.791
Other Assets	-	-	-	-	-	-
Total Assets	9.778.138	115.570.211	32.876.990	141.271.716	14.322.654	313.819.709
Liabilities						
Deposits from central banks	-	127.000.000	-	-	-	127.000.000
Financial liabilities at fair value through profit or loss	-	826.821	-	-	-	826.821
Deposits from other credit institutions	577.824	27.831.683	26.347.713	3.576.275	-	58.333.495
Deposits from customers	30.942.332	32.527.380	23.971.292	323.133	-	87.764.137
Total Liabilities	31.520.156	188.185.884	50.319.005	3.899.408	-	273.924.453
Liquidity gap	(21.742.018)	(72.615.673)	(17.442.015)	137.372.308	14.322.654	39.895.256
Cumulative liquidity gap	(21.742.018)	(94.357.691)	(111.799.706)	25.572.602	39.895.256	-

The allocation of operations to time intervals in the tables presented above took into account the residual maturity of each operation. The projected contractual cash flow relative to the interest associated to the Bank's financial assets and liabilities were not included.

MARKET RISK

Market risk represents the possible existence of downward movements in the value of financial instruments caused by changes in market conditions and prices of these instruments.

The concept of market risk encompasses, not only the market risk normally associated to changes in the prices of financial instruments, with direct impact on the valuation of balance sheet positions, but also the risk from movements in exchange rates inherent to currency positions generated by the existence of financial instruments denominated in different currencies - exchange rate risk -, as well as the risk from movements in interest rates resulting from mismatches in the amount, maturity or deadline for re-fixing interest rates observed in financial instruments with interest receivable and payable - interest rate risk.

For each of these categories, the Bank incorporates risk management processes that establish specific periodic monitoring initiatives of the evolution of significant risk factors and reporting of potential impacts to be evaluated and measured. To this end, the Bank has established mechanisms for risk quantification that enable the daily monitoring of market risk and include specific topics, where appropriate, at the level of Credit and ALCO Committees.

FOREIGN EXCHANGE RISK

Balances in different currencies and transactions conducted in foreign currency are monitored and controlled on a daily basis by the Financial Markets Division, the Accounting and Management Control Division and the Risk Division.

The foreign currency with higher expression in the Bank's balance sheet is the US dollar, with currency exposure and transactions made in other currencies being residual.

As at 31 December 2013, the Bank's financial instruments were broken down as follows by currency, by balance sheet item:

	2013			Total
	Currency			
	Euros	USD	Other currencies	
Assets				
Cash and deposits at central banks	12.114.215	25.777	11.886	12.151.878
Deposits at other credit institutions	3.617.346	27.329.135	611.981	31.558.462
Financial assets held for trading	67.384	10.296	-	77.680
Available-for-sale financial assets	199.343.635	8.672.005	-	208.015.640
Loans and advances to credit institutions	25.670.785	58.482.911	2.398.961	86.552.657
Loans and advances to customers	41.965.384	32.043.381	-	74.008.765
Other Assets	15.086.249	59.376	687	15.146.312
Total Assets	297.864.998	126.622.881	3.023.515	427.511.394
Liabilities				
Deposits from central banks	130.012.361	36.265.499	-	166.277.860
Financial liabilities at fair value through profit or loss	215.670	10.202	-	225.872
Deposits from other credit institutions	33.421.118	74.630.000	438.605	108.489.723
Deposits from customers	29.963.251	63.560.465	2.468.580	95.992.296
Other Liabilities	54.106.321	(47.974.876)	116.328	6.247.773
Total Liabilities	247.718.721	126.491.290	3.023.513	377.233.524
Total Equity	50.277.870	-	-	50.277.870
Total Liabilities + Equity	297.996.591	126.491.290	3.023.513	427.511.394

As at 31 December 2012, the Bank's financial instruments were broken down as follows by currency, by balance sheet item:

	2012			Total
	Currency			
	Euros	USD	Other currencies	
Assets				
Cash and deposits at central banks	5.984.467	86.683	593	6.071.742
Deposits at other credit institutions	(1.707.292)	5.228.986	139.802	3.661.496
Financial assets held for trading	189.140.410	-	-	189.140.410
Loans and advances to credit institutions	25.902.415	39.267.058	-	65.169.473
Loans and advances to customers	30.546.767	18.863.676	-	49.410.443
Other Assets	12.134.773	592.577	895	12.728.245
Total Assets	262.001.540	64.038.979	141.290	326.181.809
Liabilities				
Deposits from central banks	127.032.583	-	-	127.032.583
Financial liabilities at fair value through profit or loss	826.821	-	-	826.821
Deposits from other credit institutions	7.869.934	50.527.740	151.199	58.548.873
Deposits from customers	15.318.600	72.993.568	-	88.312.168
Other Liabilities	3.011.157	-	-	3.011.157
Total Liabilities	154.059.095	123.521.309	151.199	277.731.602
Total Equity	48.450.207	-	-	48.450.207
Total Liabilities + Equity	202.509.302	123.521.309	151.199	326.181.809

INTEREST RATE RISK

The management of interest rate risk aims to minimise the impact of potential changes in interest rates on the Bank's net income.

The maturity profile of the Bank's balance sheet is taken into account in the definition of products and contracting operations, aimed at achieving balance in terms of contractual periods and rates and indexes considered, in order to adapt the proposed spreads to the financing costs incurred by the Bank.

Furthermore, under the monitoring of interest rate risk, an assessment is made of the way in which changes in the value of the rates affect the economic value of the Bank's balance sheet and its interest spread.

As at 31 December 2013, according to the methodology used in Banco de Portugal Instruction 19/2005, a parallel shift of the income curve by 200 b.p. would have an impact of -6.59% on net worth, and an accumulated impact of 9.55% of the Interest Margin, considering that this analysis excludes funding from the European Central Bank and respective investments given as collateral.

Accumulated impact of interest rate - sensitive instruments	-3.007
Own Funds	45.608
Impact on net position/Own Funds	-6,59%
Accumulated impact of interest rate (up to one year) sensitive instruments	826
Interest Margin	8.646
Accumulated impact of interest rate (up to one year) sensitive instruments as percentage of Interest Margin	9,55%

Risk management is also one of the main subjects addressed by the ALCO Committee, which is the principal forum for decision-making on mitigation initiatives or alignment strategy in the management of interest rate risk.

As at 31 December 2013, the exposure to interest rate risk (excluding interest receivable and payable and commissions associated to amortised cost) was broken down as follows:

	2013			Total
	No rate	Fixed rate	Variable rate	
Assets				
Cash and deposits at central banks	-	12.151.878	-	12.151.878
Deposits at other credit institutions	-	31.558.462	-	31.558.462
Financial assets held for trading	-	77.680	-	77.680
Available-for-sale financial assets	-	203.834.670	2.500.000	206.334.670
Loans and advances to credit institutions	-	86.579.407	-	86.579.407
Loans and advances to customers	75.456	4.962.038	69.180.970	74.218.464
Total Assets	75.456	339.164.135	71.680.970	410.920.561
Liabilities				
Deposits from central banks	-	166.255.529	-	166.255.529
Financial liabilities at fair value through profit or loss	-	225.872	-	225.872
Deposits from other credit institutions	13.765.284	94.502.003	-	108.267.287
Deposits from customers	40.259.502	51.021.450	4.475.136	95.756.088
Total Liabilities	54.024.786	312.004.854	4.475.136	370.504.776
GAP	(53.949.330)	27.159.281	67.205.834	40.415.785

As at 31 December 2012, the exposure to interest rate risk (excluding interest receivable and payable and commissions associated to amortised cost) was broken down as follows:

	2012		Total
	Fixed rate	Variable rate	
Assets			
Cash and deposits at central banks	6.071.742	-	6.071.742
Deposits at other credit institutions	3.661.496	-	3.661.496
Available-for-sale financial assets	183.844.383	5.296.027	189.140.410
Loans and advances to credit institutions	65.160.270	-	65.160.270
Loans and advances to customers	44.900	49.740.891	49.785.791
Total Assets	258.782.791	55.036.918	313.819.709
Liabilities			
Deposits from central banks	127.000.000	-	127.000.000
Financial liabilities at fair value through profit or loss	826.821	-	826.821
Deposits from other credit institutions	47.357.513	10.975.982	58.333.495
Deposits from customers	80.172.435	7.591.703	87.764.137
Total Liabilities	255.356.769	18.567.685	273.924.453
GAP	3.426.022	36.469.233	39.895.256

FAIR VALUE

Whenever possible, the Bank uses market prices to determine the fair value of financial instruments. When there is no market price, the fair value is calculated through models based on certain assumptions that depend on the functioning of the financial instruments to be valued. In exceptional situations, when it is not possible to determine fair value in a reliable manner, the assets are valued at historical cost and subject to impairment tests.

When determining the fair value of the Bank's financial assets and liabilities, the following considerations are taken into account, in particular:

- “Cash and deposits at Central Banks” and “Deposits at other credit institutions”: considering the short-term nature of these assets, the book value is a reasonable estimate of their fair value;
- “Loans and deposits from other credit institutions” and “Deposits from central banks”: the assessment of fair value assumes that the operations are settled on their maturity dates and the cash flows are updated, using the yield curve formed on the last days of the year. In view of the maturity of the operations and the type of interest rate, the Bank considers that the difference between fair value and book value of these operations is not significant;
- “Loans and advances to customers”: the Bank considers that, since credit operations in the portfolio are recent, and since there is no history of default or significant occurrence of situations of overdue credit, the difference between fair value and book value is not significant;
- “Deposits from Customers”: for deposits with maturity of less than one year, it is assumed that the book value is a reasonable estimate of fair value. Portfolio operations with maturity above one year do not represent a materially significant weight.

As at 31 December 2013, the fair value of financial instruments held by the Bank was approved as follows:

Type of Financial Instrument	Financial Instruments at Fair Value				
	Assets at acquisition value	Quotations in an active market (Level 1)	Valuation techniques based on:		Total
			Market data (Level 2)	Other (Level 3)	
Assets					
Financial assets held for trading	-	-	77.680	-	77.680
Available-for-sale financial assets	24.768.064	-	181.566.606	-	206.334.670
Liabilities					
Financial liabilities held for trading	-	-	225.872	-	225.872

As stated in IFRS 13, financial instruments are measured according to the following valuation levels:

- Level 1: Financial instruments valued according to the available prices (non-adjusted) in active markets and with enforceable prices disclosed by entities providing prices of transactions in liquid markets.
- Level 2: Financial instruments valued according to valuation methodologies primarily considering parameters and variables observed in the market. This also includes instruments valued based on indicative prices given by contributors outside the Bank.

- Level 3: Financial instruments valued according to valuation methodologies considering parameters and variables not observed in the market and with significant impact on the valuation of the instrument and prices supplied by third parties based on parameters not observable in the market.

In the table, the assets valued at acquisition cost essentially correspond to commercial paper operations (Note 3.4), for which, in view of the short period of these operations, the difference between fair value and book value is not significant.

6. OWN FUNDS

(thousands of Euros)

Equity	2009	2010	2011	2012	2013
Total Equity	17.925	18.818	45.215	44.435	46.050
Basic Own Funds	17.885	18.759	45.215	44.435	46.050
Share Capital	18.000	18.000	50.000	50.000	50.000
Other equity equivalents	1.250	4.000	-	-	-
Earnings from previous year	-	(1.175)	(2.670)	(4.073)	(3.371)
Preliminary results for the current year	(1.175)	(1.495)	(1.403)	0	0
Intangible assets	(190)	(572)	(712)	(527)	(448)
Financial assets revaluation differences	-	-	-	2.478	1.268
Deffered tax assets (not accepted for tax purposes)	-	-	-	(965)	(131)
Ancillary Own Funds - Upper Tier 2	40	59	0	0	0
Own Funds for the purposes of limits to large exposures	17.885	18.818	45.215	44.435	46.050
Capital Requirements	1.070	1.400	9.799	10.837	14.293
Credit Risk Requirements - Standard Method	804	1.101	8.315	9.389	11.966
Institutions and Own Portfolio	424	566	6.733	1.794	2.534
Companies	317	418	1.425	7.001	8.668
Retail portfolio	-	41	90	237	348
Other Elements	64	76	67	357	417
Settlement Risk	0	30	156	0	0
Capital Requirements for position risk, foreign exchange risk and commodities risk	0	4	253	209	339
Capital Requirements for operational risk	265	265	1.075	1.239	1.988
Risk-Weighted Assets	13.370	17.499	122.488	133.465	178.667
Capital Requirements Ratio	134,1%	107,5%	36,9%	32,8%	25,8%
Tier I	133,8%	107,2%	36,9%	32,8%	25,8%
Tier II	0,2%	0,3%	0,0%	0,0%	0,0%

IV

**STATUTORY AUDITOR'S
REPORT**



CERTIFICAÇÃO LEGAL DAS CONTAS

Introdução

- 1 Examinámos as demonstrações financeiras do **Banco Privado Atlântico - Europa, S.A.**, as quais compreendem o Balanço em 31 de Dezembro de 2013 (que evidencia um total de 427.300.011 euros e um total de capital próprio de 50.084.978 euros, incluindo um resultado líquido de 2.188.543 euros), a Demonstração dos resultados, a Demonstração do rendimento integral, a Demonstração das alterações nos capitais próprios e a Demonstração dos fluxos de caixa do exercício findo naquela data, e os correspondentes Anexos.

Responsabilidades

- 2 É da responsabilidade do Conselho de Administração a preparação de demonstrações financeiras, em conformidade com as Normas de Contabilidade Ajustadas ("NCA's"), conforme estabelecidas pelo Banco de Portugal, que apresentem de forma verdadeira e apropriada a posição financeira do Banco, o resultado das suas operações, o rendimento integral, as alterações nos capitais próprios e os fluxos de caixa, bem como a adopção de políticas e critérios contabilísticos adequados e a manutenção de um sistema de controlo interno apropriado.
- 3 A nossa responsabilidade consiste em expressar uma opinião profissional e independente, baseada no nosso exame daquelas demonstrações financeiras.

Âmbito

- 4 O exame a que procedemos foi efectuado de acordo com as Normas Técnicas e as Directrizes de Revisão/Auditoria da Ordem dos Revisores Oficiais de Contas, as quais exigem que o mesmo seja planeado e executado com o objectivo de obter um grau de segurança aceitável sobre se as demonstrações financeiras estão isentas de distorções materialmente relevantes. Para tanto o referido exame incluiu:
 - a verificação, numa base de amostragem, do suporte das quantias e divulgações constantes das demonstrações financeiras e a avaliação das estimativas, baseadas em juízos e critérios definidos pelo Conselho de Administração, utilizadas na sua preparação;
 - a apreciação sobre se são adequadas as políticas contabilísticas adoptadas e a sua divulgação, tendo em conta as circunstâncias;
 - a verificação da aplicabilidade do princípio da continuidade; e,
 - a apreciação sobre se é adequada, em termos globais, a apresentação das demonstrações financeiras.

- 5 O nosso exame abrangeu também a verificação da concordância da informação financeira constante do Relatório de gestão com as demonstrações financeiras.
- 6 Entendemos que o exame efectuado proporciona uma base aceitável para a expressão da nossa opinião.

Opinião

- 7 Em nossa opinião, as referidas demonstrações financeiras apresentam de forma verdadeira e apropriada, em todos os aspectos materialmente relevantes, a posição financeira do **Banco Privado Atlântico Europa, S.A.**, em 31 de Dezembro de 2013, o resultado das suas operações, o rendimento integral, os fluxos de caixa e as alterações nos capitais próprios no exercício findo naquela data, em conformidade com as NCA's, conforme definidas pelo Banco de Portugal.

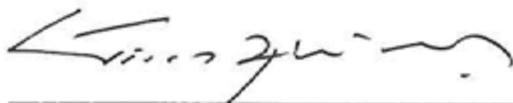
Ênfase

- 8 Sem afectar a opinião expressa no parágrafo anterior, chamamos a atenção para o facto de as demonstrações financeiras referentes ao exercício findo em 31 de Dezembro de 2012 terem sido examinadas por outra Sociedade de Revisores Oficiais de Contas, que emitiu a Certificação Legal das Contas, sem reservas e com uma ênfase, datada de 25 de Março de 2013. A nossa nomeação como revisores ocorreu em 25 de Setembro de 2013 para efectuarmos a revisão legal das contas para o período de 2013.

Relato sobre outros requisitos legais

- 9 É também nossa opinião que a informação constante do relatório de gestão é concordante com as demonstrações financeiras do exercício.

Lisboa, 31 de Março de 2014



KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)
representada por
Vítor Manuel da Cunha Ribeirinho (ROC n.º 1081)



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STATUTORY AUDITORS' REPORT

(This report is a free translation to English from the original Portuguese version.
In case of doubt or misinterpretation the Portuguese version will prevail.)

Introduction

- 1 We have audited the financial statements of **Banco Privado Atlântico Europa, S.A.** ("the Company"), which comprise the balance sheet as at 31 December 2013 (which shows total assets of Euro 427,300,011 and total equity of Euro 50,084,978, including a net profit of Euro 2,188,543), the statements of income, changes in equity, comprehensive income and of cash flows for the year then ended and the corresponding Notes.

Responsibilities

- 2 The Board of Directors is responsible for the preparation of financial statements in accordance with Normas de Contabilidade Ajustadas ("NCA's"), as established by the Central Bank of Portugal, that give a true and fair view of the financial position of the Company, the results of its operations, the changes in equity, the comprehensive income and its cash flows, as well as for the adoption of adequate accounting policies and criteria and the maintenance of an appropriate internal control system.
- 3 Our responsibility is to express a professional and independent opinion on these financial statements based on our audit.

Scope

- 4 We conducted our audit in accordance with the Technical Standards and Guidelines issued by the Portuguese Institute of Statutory Auditors ('Ordem dos Revisores Oficiais de Contas'), which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. For this purpose our audit included:
 - the verification, on a test basis, of the information underlying the figures and disclosures contained in the financial statements, and an assessment of the estimates, based on judgments and criteria defined by the Board of Directors, used in their preparation;
 - the assessment of the adequacy of the accounting principles used and their disclosure, considering the circumstances;
 - the appropriateness of the going concern basis of accounting; and
 - the assessment of the adequacy of the overall presentation of the financial statements.

- 5 Our audit also included the verification that the financial information included in the Board of Directors report is consistent with the financial statements.
- 6 We believe that our audit provides a reasonable basis for our opinion.

Opinion

- 7 In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Banco Privado Atlântico Europa, S.A.**, as at 31 December 2013, the results of its operations, comprehensive income, changes in equity and its cash flows for the year then ended, in accordance with Normas de Contabilidade Ajustadas (“NCA’s”), as defined by the Central Bank of Portugal.

Emphasis of matter

- 8 Without qualifying the opinion expressed in the previous paragraph, we draw attention to the fact that the financial statements for the year ended 31 December 2012 were examined by another Statutory Auditor that has issued the Statutory Auditors Report, without qualifications and with one emphasis of matter, dated 25 March 2013. We were appointed on 25 September 2013 to audit the statutory financial statements for the year ended 31 December 2013.

Report on other legal requirements

- 9 It is also our opinion that the financial information included in the Board of Directors report is consistent with the financial statements for the year.

Lisbon, 31 March, 2014

KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)
represented by
Vitor Manuel da Cunha Ribeirinho (ROC n.º 1081)



REPORT AND OPINION OF THE AUDIT BOARD



RELATÓRIO E PARECER DO CONSELHO FISCAL CONTAS INVIDIDUAIS

Exercício de 2013

O presente relatório da actividade desenvolvida pelo Conselho Fiscal durante o ano de 2013 foi elaborado tendo em vista o cumprimento do estipulado no artigo 420.º, alínea g) do Código das Sociedades Comerciais.

1. RELATÓRIO DE ACTIVIDADE DO CONSELHO FISCAL RELATIVA AO EXERCÍCIO DE 2013

Durante o ano de 2013 o Conselho Fiscal, efectuou três reuniões.

As reuniões realizadas permitiram efectuar o acompanhamento directo da evolução da actividade do Banco, prestando especial atenção à observância do estipulado no contrato de sociedade, nos regulamentos e disposições legais.

No cumprimento das competências que lhe estão legalmente atribuídas, durante o ano de 2013 desenvolveu várias actividades, de que se destacam as seguintes:

- 1.1. Zelar pela observância das disposições legais e regulamentares, dos estatutos e das normas emitidas pelas autoridades de supervisão, bem como das políticas gerais, normas e práticas instituídas internamente;
- 1.2. Certificar-se da prossecução dos objectivos fundamentais fixados em matéria de controlo interno e gestão de riscos pelo Banco de Portugal, nas directivas de supervisão dirigidas às instituições de crédito e sociedades financeiras;

- 1.3. Verificar a adequação e supervisionar o cumprimento das políticas, dos critérios e das práticas contabilísticas adoptadas e a regularidade dos documentos que lhes servem de suporte.

Nomeadamente em relação aos resultados reportados no final do ano de 2013 pelo Banco Privado Atlântico - Europa S.A., o Conselho Fiscal procedeu à análise dos resultados e das conclusões dos procedimentos de revisão das demonstrações financeiras levadas a cabo pelo Auditor Externo, bem como as informações oportunamente prestadas relativamente a políticas e práticas contabilísticas.

- 1.4. Acompanhar o processo de preparação e divulgação da informação financeira pela sociedade.

Para o efeito, o Conselho acompanhou a preparação da documentação, ao longo do ano, tendo reunido com a Direcção e Controle de Gestão e a Direcção de Contabilidade para obter informação mais detalhada sobre a elaboração e o fecho de contas.

Para além da análise dos documentos relativos à certificação legal das contas individuais, reuniu com o Revisor Oficial de Contas para acompanhar o trabalho por este desenvolvido e identificar eventuais dúvidas que se lhe tivessem deparado quando das análises que efectuou.

- 1.5. Acompanhar as acções fiscalizadoras das autoridades de supervisão (Banco de Portugal e Comissão do Mercado dos Valores Mobiliários) ao Banco Privado Atlântico - Europa S.A..

Durante o ano de 2013 existiu uma acção fiscalizadora da Comissão do Mercado dos Valores Mobiliários, a qual teve início em 25 de Novembro de 2013, no âmbito foi solicitada e analisada diversa informação do Banco Privado Atlântico-Europa, S.A. relacionada com as actividades de intermediação financeira. Até à presente data, não se conhecem as conclusões da acção fiscalizadora encetada.

- 1.6. Avaliar os procedimentos operacionais, tendo em vista certificar-se da existência de uma gestão eficiente das respectivas actividades

- 1.7. Dar parecer sobre o relatório, contas e as propostas apresentadas pelo Conselho de Administração

Nos termos da alínea g) do artigo 420.º do Código das Sociedades Comerciais, o Conselho Fiscal, para além de reuniões para análise detalhada das contas com:

- Os responsáveis pela Direcção de Controle de Gestão e pela Direcção de Contabilidade; e
- Revisor Oficial de Contas,



Examinou:

- o balanço com referência a 31 de Dezembro de 2013, as demonstrações dos resultados, os fluxos de caixa e de alterações no capital próprio e o respectivo anexo;
- o relatório de gestão preparado pelo Conselho de Administração para o exercício de 2013;
- a certificação legal das contas e relatório de auditoria elaborado pelo Revisor Oficial de Contas, que mereceu o seu acordo.

2. PARECER DO CONSELHO FISCAL

Face ao exposto, o Conselho Fiscal é de opinião que as Demonstrações Financeiras e o Relatório de Gestão, bem como a proposta nele expressa quanto à aplicação de resultados, estão de acordo com as disposições contabilísticas, legais e estatutárias aplicáveis, pelo que recomenda a sua aprovação em Assembleia Geral de Accionistas.

Aprovado em reunião realizada em 31 de Março de 2014.



(Mário Jorge Carvalho de Almeida)



(Fernando Augusto de Sousa Ferreira Pinto)



(Maria Cândida de Carvalho Peixoto)

REPORT AND OPINION OF THE AUDIT BOARD INDIVIDUAL ACCOUNTS

YEAR 2013

In compliance with provisions of paragraph g) of article 420 of the Companies Code, the Audit Board has drawn up this report on its auditing work during 2013.

1. AUDIT BOARD ACTIVITY REPORT FOR THE FINANCIAL YEAR 2013

In 2013, the Audit Board held three meetings.

The meetings held enabled the Board to perform direct monitoring of the evolution of the bank's activity in compliance with the articles of association, regulations and legal provisions.

In 2013, the Audit Board fulfilled its duties and responsibilities assigned in accordance with statutory and legal provisions that are highlighted as follows:

- 1.1. Monitor compliance with legal and regulatory requirements, articles of association, rules issued by supervisory authorities as well as general policies, internal rules and best practice;
- 1.2. Ensure that the major targets set by Banco de Portugal for internal control and risk management in the guidelines on supervision addressed to credit institutions and financial companies, are met;
- 1.3. Verify the adequacy and oversee the compliance with the policies, criteria and accounting practices adopted, and also that all supporting documents are in order.

Regarding the results reported at the end of 2013 by Banco Privado Atlântico - Europa SA, the Audit Board has carried out the analysis of the results and findings of the financial statements review performed by the External Auditor as well as the information timely provided regarding accounting policies and practices.

- 1.4. Monitor the process of preparation and disclosure of financial information of the company.

For this purpose, throughout the year, the Board followed the preparation of documentation and met with the Management Control Division and Accounting Division to obtain detailed information about the implementation and closing of the accounts.

In addition to the analysis of documents relating to legal certification of individuals accounts, the Board met with the External Auditor to monitor the work he developed and to identify any questions that may have arisen during the analysis of the above referenced documents.

- 1.5. Monitor the control performed by the supervisory authorities (Banco de Portugal and the Securities Market Commission - CMVM) to Banco Privado Atlântico Europa S.A.

During 2013 there was one supervisory inspection by Comissão do mercado dos Valores Mobiliários, which

started on the 25th of November 2013. In this context, various information of Banco Privado Atlântico-Europa, S.A. related to the financial intermediation activities, was requested. To date, there are no known conclusions of the initiated supervisory inspection.

1.6. Evaluate operational procedures to ensure the existence of an efficient management of the activities listed above;

1.7. Give an opinion regarding the report, accounts and proposals presented by the Board of Directors;

Pursuant to paragraph g) of article 420 of the Companies Code, the Audit Board, besides meeting for detailed analysis of the accounts with:

- The Head of the Management Control Division and Accounting Division; and
- the External Auditor,

Audited:

- the Balance Sheet as at December 31, 2013, the Income Statement, the Statement of Cash Flows, the Statement of Changes in Equity and the corresponding notes to the financial statements ;
- the Management Report prepared by the Board of Directors for 2013;
- the legal certification of individual accounts and Audit Report prepared by the External Auditor, which deserved its agreement.

2. OPINION OF THE AUDIT BOARD

Given the above, the Audit Board is of the opinion that the Financial Statements and the Management Report, as well as the proposal regarding the application of the results comply with the accounting, legal and statutory requirements thus recommended its approval by the General Shareholders Meeting.

Approved in meeting held on the 31th of March, 2014

(Mário Jorge Carvalho de Almeida)

(Fernando Augusto de Sousa Ferreira Pinto)

(Maria Cândida de Carvalho Peixoto)

VI

**CORPORATE GOVERNANCE
REPORT 2013**



CORPORATE GOVERNANCE REPORT 2013

I. INTRODUCTION

This report refers to the internal governance structure and practices of Banco Privado Atlântico - Europa S.A., a Portuguese credit institution, headquartered at Av. da Liberdade, 259, Lisbon, hereinafter simply referred to as ATLANTICO Europa or Bank.

ATLANTICO Europa is subject to binding rules and recommendations on corporate governance set out in the following instruments:

- Commercial Companies Code, approved by Decree-Law no. 262/86, of the 2nd of September
- Legal Framework of Credit Institutions and Financial Companies, approved by Decree-Law no. 298/92 of the 31st of December
- Securities Code, approved by Decree-Law no. 486/99 of the 13th of November
- Law no. 28/2009 of the 19th of June, 2009, on penalties in the financial sector and remuneration policy of public interest entities
- Notice of the Banco de Portugal no. 10/2011 on remuneration policy
- Notice of Banco de Portugal no. 5/2008 on the system of internal control
- EBA Guidelines on Internal Governance (GL44)

ATLANTICO Europa's Board of Directors considers that the structure and governance practices implemented at the Bank, as well as the functioning of the administration and supervision bodies adequately ensures the protection of shareholders' and other stakeholders interests, including clients, employees, suppliers, service providers and creditors.

This Corporate Governance Report for the fiscal year 2013, describes the guiding principles of government, the structure, division of powers and functioning of the management and supervision bodies, the functional organization adopted, the principles of the internal control system, the remuneration policy, ethical and deontological principles observed, the policy for prevention of conflicts of interests, the policy for prevention of money laundering and terrorism financing and the system for reporting irregularities.

ATLANTICO Europa's Board of Directors follows the reflections, recommendations and guidelines of the supervisory authorities and other national and international organizations in matters of internal governance and maintains an update and improvement plan of the practices and organization of internal governance.

Lisbon, 20th of March, 2014

The Board of Directors

II. INTERNAL GOVERNANCE STRUCTURE

ATLANTICO Europa's internal governance structure was designed referring to the nature, scale and complexity of the various risks to which the institution is exposed to, aiming to promote the clear distinction of powers between the various corporate bodies that comprise it, within a framework of continuous pursuit of the respective social and value creation purposes.

To that extent, ATLANTICO Europa adopted an internal governance structure following the model known as "Monist" or "Latin Model", having as corporate bodies the General Meeting of Shareholders, the Board of Directors, the Supervisory Board and the External Auditor.

The Board of Directors is responsible for the management of the company, which has delegated to the Executive Committee - composed by members of the Board of Directors - broad management powers to conduct the Bank's current business.

The supervisory powers are assigned to the Supervisory Board (SB) - whose core responsibilities include the supervision of the administration, monitoring the compliance by the Company with the Law and the By-laws, verifying the accounts - and the External Auditor (EA), whose primary function is to examine and carry out the statutory account certification.

The General Meeting (GM), composed by all Shareholders resolves on matters specially assigned to it by law or by the by-laws as well as, if so requested by the Board of Directors on matters of the company's management. ATLANTICO Europa's by-laws foresee the possibility of the existence of a Remuneration Committee, elected by the GM, composed by three shareholders. However, given the Bank's size and composition of its shareholder structure - presently reduced to a single shareholder - the said the Remuneration Committee has not been elected by the GM, this body exercising powers directly regarding the remuneration of corporate bodies' members.

CORPORATE BODIES

GENERAL MEETING

The General Meeting (GM) is the corporate body composed by all Shareholders of ATLANTICO Europa. The powers of the General Meeting are those established by the law and By-laws.

General Meeting's main responsibilities

- a) To elect its Bureau;
- b) To elect the members of the Board of Directors and its Chairman;
- c) To elect the members of the Supervisory Board and its Chairman;
- d) To elect the External Auditor and his alternate;
- e) To elect the members of the Senior Board, its Chairman and Vice-chairmen
- f) To appoint a remunerations committee, comprised by three shareholders, appointed for four years terms;
- g) To consider the report of the Board of Directors, to discuss and vote on the balance sheet and accounts, and the opinions of the Supervisory Board of Auditors and External Auditor and resolve on the allocation of the annual results;
- h) To decide on any changes to the By-laws.

Composition

The General Meeting Bureau is composed by:

Paulo Manuel da Conceição Marques - Chairman
António Assis de Almeida - Vice-chairman
Manuel Maria Cota Dias da Silveira Botelho - Secretary¹

The term of the General Meeting's members began in 2013, ceasing in 31st December 2016.

Voting right

Each block of 100 shares corresponds to one vote. Shareholders who do not hold the number of shares required to be eligible to vote, may group to achieve that number, appointing, by agreement, one of them to represent them in the General Meeting.

ATLANTICO Europa's by-laws do not foresee any restrictions to the exercise of voting rights by letter, being applicable in this respect the legal framework in force.

Regarding the constitutive and deliberative quorums, and despite the current existence of a single shareholder, ATLANTICO Europa's by-laws already set forth the necessary rules to ensure the full exercise of the voting rights of any future minority shareholders.

Thus, regarding constitutive quorum, the General Meeting cannot meet - at a first call date - without shareholders holding shares representing at least fifty percent of the company's share-capital being present or represented, regardless of the matters included in the agenda. On a second call, the General Meeting will be able to resolve, regardless of the number of shareholders present or represented.

Regarding the deliberative quorum, the rule of simple majority prevails, except for those matters for which the law would require a qualified majority, which must be approved by two thirds of the votes cast, whether the Meeting is held on a first or second call.

Representation

Shareholders wishing to be represented at the General Meetings may do so by a simple letter signed and addressed to the Chairman of the General Meeting and by him/her received three days in advance of the date set for the respective meeting. Within the same period and in the same way, legal persons should state to the Chairman of the General Meeting, who will represent them. The Chairman of the General Meeting may, however, allow the participation in the Meeting of representatives not appointed within the previously mentioned deadlines, whenever he/she finds that it does not affect the work of the Meeting.

SUPERVISORY BOARD

The core powers of the Supervisory Board are the supervision of the management of the Company, to monitor compliance with the Law and By-laws, to check the accuracy of the accounts, to oversee the audit and the independence of the External Auditor, as well as to evaluate the activity of the latter.

Composition

The members of the Supervisory Board are elected by the General Meeting as foreseen in the law and By-laws.

¹ Nominated on 25th of March, 2014, due to the resignation of Rute Susana Martins dos Santos on 13th of March, 2014.4.

The Supervisory Board is currently composed by: ²

Mário Jorge Carvalho de Almeida - Chairman
Fernando Augusto de Sousa Ferreira Pinto - member
Maria Cândida de Carvalho Peixoto - member
João Maria Francisco Wanassi - alternate member

The term of the Supervisory Board's members began in 2013, ceasing in 31st December 2016.

The members of the Supervisory Board have the technical skills and professional experience, including operational knowledge of the banking business, enabling them to effectively fulfil the responsibilities in which they are entrusted to.

EXTERNAL AUDITOR

Until 12th September 2013, the External Auditor was Deloitte & Associados, SROC, S.A. represented by Eduardo Manuel Fonseca Moura, with the alternate Carlos Luís Oliveira de Melo Loureiro.

On this date, the effective Chartered Accountant and the alternate resigned from the respective mandates, having being appointed in their substitution for the current term (2013-2016), KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A., represented by Vítor Manuel da Cunha Ribeirinho, for the position of the effective Chartered Accountant and Miguel Pinto Douradinha Afonso for the position of the alternate Chartered Accountant.

Both Deloitte & Associados, SROC, S.A. and KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A. are independent from ATLANTICO Europa. These companies as well as the referred responsible not hold - beyond that resulting from the normal course of their professional collaboration and as to ATLANTICO Europa's knowledge - any financial, commercial, labour, family or other interest in the companies within the ATLANTICO Europa Group.

Both Deloitte & Associados, SROC, S.A. and KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A., and their respective network did not provide any services to ATLANTICO Europa in areas related to financial reporting, internal audit, evaluation, recruitment, among others, which may lead to conflicts of interest or may adversely affect the quality of the audit work and legal review of accounts.

THE BOARD OF DIRECTORS

The Board of Directors is the main responsible for the activity of the Bank, with broad powers of management and representation of the Company.

² Until the appointment of the members of the Supervisory Board for the term 2013-2016, which occurred on the 24th of April 2013, this body had the following composition:

- Mário Jorge Carvalho de Almeida - Presidente
- Mário Jorge de Faria da Cruz - vogal efectivo
- João Maria Francisco Wanassi - vogal efectivo
- Nuno Pedro da Silva do Carmo Vaz - vogal suplente

The responsibilities, powers and rules of procedure of the Board of Directors are established in the Company's By-laws.

Board of Directors' main duties

- a) To manage ATLANTICO Europa, practicing all acts and operations necessary or convenient for the pursuit of its corporate purpose;
- b) To acquire, encumber or dispose of any assets and rights, movable or immovable, whenever deemed appropriate for the company;
- c) To freely decide, subject to legal restrictions, on the participation of the company in the share-capital of companies with any object and in companies governed by special laws or incorporated joint ventures or any other form of business association;
- d) To mobilize financial resources and execute credit operations;
- e) To hire employees of the Bank, fix their salaries, social benefits and other cash benefits and exercise the relevant supervisory and discipline powers;
- f) To appoint attorneys to carry out specific acts;
- g) To execute and enforce the legal and statutory requirements and the resolutions of the General Meeting;
- h) To outline the Bank's organization and working methods, make regulations and determine the instructions it considers appropriate;
- i) To delegate powers to its members;
- j) To represent the Bank in and out of court, actively and passively, with the possibility to undertake obligations, proposing and following claims, withdraw or to compromise in process, to commit to arbitration, to sign responsibility statements and, in general, to solve all matters that are not within the competence of other bodies.

Also:

- a) To prepare forecast documents regarding the Bank's activities and the corresponding execution reports;
- b) To resolve or justifiably propose the necessary share capital increases;
- c) To study and implement the plan to expand the Bank's network of branches, taking into account the applicable legal constraints.

Composition

The appointment of the members of the Board of Directors is preceded by a rigorous recruitment process leading to the scrutiny of the fulfilment of the requirements foreseen in the policy of the Group in which ATLANTICO Europa is a part of, notably independence, professional experience, knowledge of the banking sector and academic and technical skills to perform the incumbent duties.

Given these criteria, ATLANTICO Europa's Board of Directors was composed by five members in 2013, three of which comprise the Executive Committee. ATLANTICO Europa's Board of Directors is currently composed by six members.

The composition of the Board is currently as follows: ³

Carlos José da Silva - Chairman

Maria da Graça Ferreira Proença de Carvalho

Augusto Costa Ramiro Baptista

Diogo Baptista Russo Pereira da Cunha ⁴

The term of the Board of Directors' members began in 2013, ceasing in 31st December 2016.

EXECUTIVE COMMITTEE

The Executive Committee is composed exclusively by members of the Board of Directors, acting under delegation of day-to-day management powers by the Board of Directors.

Composition

ATLANTICO Europa's Executive Committee has been appointed by resolution of the Board of Directors, being composed by four members in 2013.

The composition of the Executive Committee is as follows⁵:

- Diogo Baptista Russo Pereira da Cunha - Chairman
- Augusto Costa Ramiro Baptista
- Maria da Graça Ferreira Proença de Carvalho

The term of the Executive Committee' members began in 2013, ceasing in 31st December 2016.

The Executive Committee has wide management powers, delegated by the Board of Directors to conduct ATLANTICO Europa's current business, under delegation from the Board of Directors, subject to maintaining with the Board of Directors the powers related to the discussion and approval of the Bank's strategy and main policies, the definition of the corporate structure, the general decision-making that should be considered strategic due to the amounts or risk involved.

The exercise of powers by the Executive Committee is subject to permanent monitoring, supervision and evaluation by the Board of Directors.

The responsibilities, powers and rules of procedure of the Executive Committee are described in the Internal Regulations of the Executive Committee.

As a rule, the Executive Committee meets weekly and met 42 times in fiscal year 2013.

Each member of the Executive Committee is responsible for a set of functions that result from the establishment of lines of hierarchical responsibility over the different Business Units.

³ Until the appointment of the members of the Board of Directors for the term 2013-2016, which occurred on the 24th of April 2013, this body had the following composition:

- Carlos José da Silva - Chairman;
- Baptista Muhongo Sumbe - Vice-chairman;
- André Cardoso de Meneses Navarro;
- Augusto Costa Ramiro Baptista;
- Maria da Graça Ferreira Proença de Carvalho;
- Isménio Coelho Macedo.

The Director Baptista Muhongo Sumbe resigned on 31/03/2014.

The Director André Cardoso de Meneses Navarro resigned on 24/03/2014.

⁴ Appointed on the 12th February 2014.

⁵ Until the appointment of the members of the Board of Directors for the term 2013-2016, Isménio Coelho Macedo also performed the duties of the Executive Director.

Until 24/03/2014, date of his resignation, André Cardoso de Meneses Navarro held the office of the Chairman of the Executive Committee. The current Chairman of the Executive Committee is Diogo Baptista Russo Pereira da Cunha, who was appointed on 28/03/2014.

The division of responsibilities by executive directors in 2013, approved by the Board of Directors, is as follows:

ATLANTICO Europa's executive directors areas of responsibility

Diogo Cunha

- Corporate Banking
- Financial Markets
- Products and Services
- Human Capital
- Brand and Communication
- Information Technology
- Audit

Presides over the Internal Control Committee

Graça Proença de Carvalho

- Relation Banking (Individuals and SMEs)
- Accounting and Management Control
- Transactional Banking
- Services and Logistics
- Organization and Methods
- Private Banking
- Risk Office
- Legal Advisory
- Compliance

Presides over the Credit Committee.

Augusto Baptista

- Investment Banking
- Investor Relations
- International Projects
- Sustainable Development

COMPANY SECRETARY

The position of Company Secretary is currently held by:

- Manuel Maria Cota Dias da Silveira Botelho – permanent ⁶
- Sandra Maria Martins Osório – alternate ⁷

The term of office of the Company Secretary coincides with the term of the Board of Directors.

In case of the absence or impediment of the effective Secretary, its functions are exercised by the alternate.

In addition to other duties assigned by the Bank, the Company Secretary shall perform the duties provided for in art. 446-B of the Commercial Companies Code, which are transcribed below:

- a) To act as secretary in the meetings of the corporate bodies;
- b) To write the minutes and sign them together with members of the respective corporate bodies and the chairman of the general meeting, whenever that is the body concerned;

- c) To safeguard, save and keep in order the books and sheets of minutes, attendance lists, the shares registry book, as well as related papers;
- d) To dispatch legal notices for meetings of all corporate bodies;
- e) To certify the signatures of the members of the corporate bodies in company documents;
- f) To certify that all copies or transcripts extracted from the company's books or from the documents filed are true, complete and up to date;
- g) To meet, within its competence, the requests made by shareholders exercising their right to information and provide the requested information to the corporate bodies' members who exercise functions regarding the resolutions of the board of directors or of the executive committee;
- h) To certify the total or partial content of the articles of association in force, as well as the identity of the members of the different bodies and which powers they hold;
- i) To certify the updated copies of the by-laws, of the resolutions of the shareholders and of the management, as well as of the current entries in the company's books, also ensuring that they are delivered or sent to the shareholders who have requested them and have paid their cost;
- j) To authenticate with his initials all the documentation submitted to the general meeting and referred to in the respective minutes;
- k) To promote the registration of company acts subject to it.

INTERNAL COMMITTEES

In order to allow closer monitoring of sensitive matters for its activity and taking advantage of specific capabilities of the respective members, the Bank adopted a structure of committees and commissions to assume responsibility for the management of certain matters of the Bank's activity and that operate under the responsibility of the Board of Directors and Executive Committee.

CREDIT COMMITTEE

Attributions:

- a) Analysis and decision on credit proposals made by clients;
- b) Analysis and decision on credit proposals made by counterparties;
- c) Monthly follow-up of the credit portfolio;
- d) Monitoring and decision making on situations in breach and credit default;
- e) Consideration and approval of the minutes of the previous Credit Committee.

Frequency of meetings: Weekly

Chairman: Director with the Credit Area

Deliberation: By majority of the votes of the Directors present, with a minimum of two.

⁶ Appointed on the 28th of March 2013, due to the resignation of Rute Susana Martins dos Santos who resigned on the 13th of March 2014, having held the position of the alternate until that date..

⁷ Appointed on the 28th of March 2014.

ALCO AND GLOBAL RISK COMMITTEE

Attributions:

Analysis and decision on the management of Assets and Liabilities, as well as analysis and decision on risk management.

Frequency of meetings: Monthly

Chairman: Chief Executive Officer

Deliberation: By majority of the votes of the Directors present, with a minimum of two.

PROJECTS, OPERATIONS AND TECHNOLOGY COMMITTEE

Attributions:

Monitoring of the Bank's transformation and development initiatives, including international expansion projects.

Frequency of meetings: Monthly

Chairman: Chief Executive Officer

Deliberation: By majority of the votes of the Directors present, with a minimum of two.

PRODUCT AND PRICING COMMITTEE

Attributions:

Analysis and decision on new products and services; monitoring the products' range.

Frequency of meetings: Monthly

Chairman: Executive Director

Deliberation: By majority of the votes of the Directors present, with a minimum of two.

INTERNAL CONTROL COMMITTEE

Attributions:

Analysis and decision on all issues related to Internal control, including the activity of Internal Audit, Risk, Compliance, Organization and Methods and Regulatory Reporting.

Frequency of meetings: Monthly

Chairman: Chief Executive Officer

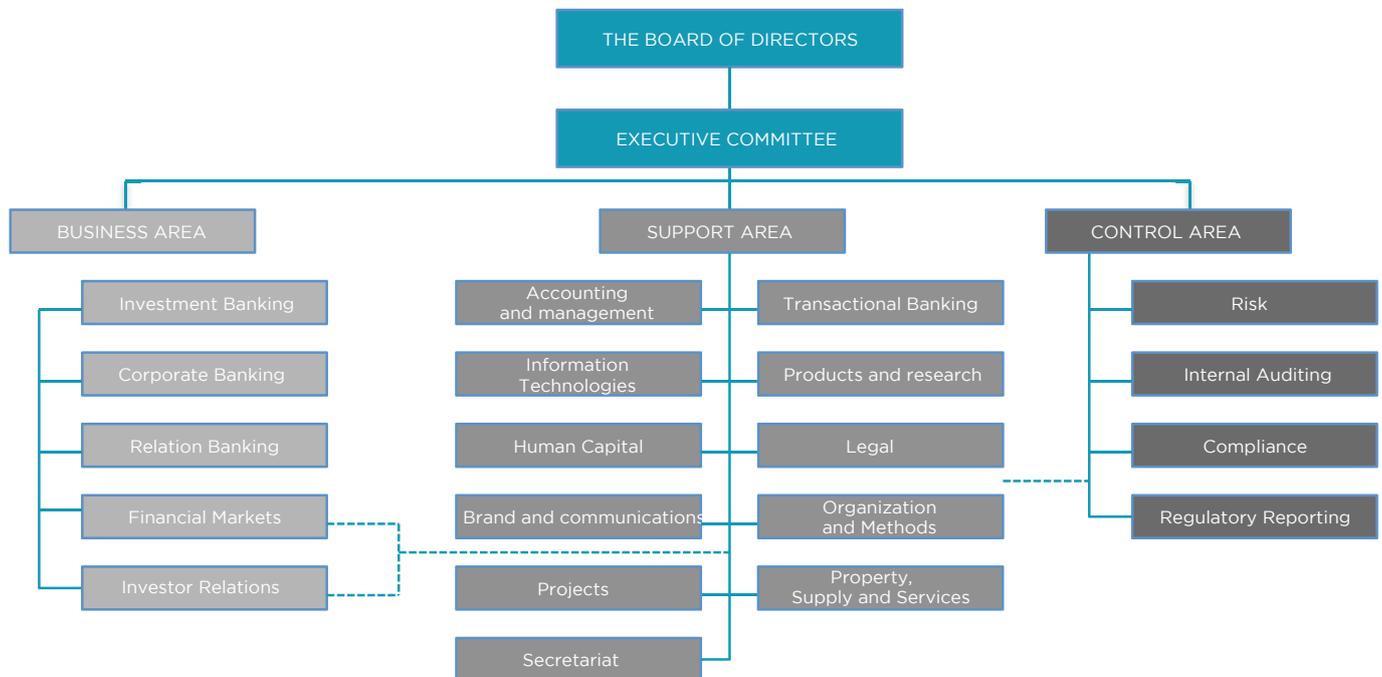
Deliberation: By majority of the votes of the Directors present, with a minimum of two.

III. FUNCTIONAL ORGANIZATION

The Bank implemented an organization of internal functions based on three functional pillars: business area, support area and control area.

The Bank's organizational model reflects an adequate segregation of duties between the "business", "support" and "control" functions, promoting, where possible and appropriate, adequate segregation of duties and a high level of control.

The functional organization adopted by the Bank as of 31st of December, 2013, matches the following illustration.



IV. INTERNAL CONTROL

ATLANTICO Europa has an internal control system to enable an efficient management of its business through the minimization of risks, including financial, legal, operational and reputational risks, including the risk of fraud, irregularities and errors, ensuring their timely prevention and detection.

The essential object of the internal control system is:

- a) Ensuring the existence and safety of assets;
- b) The control of activity risks of ATLANTICO Europa, notably credit risk, interest rate, exchange rate, market, liquidity and settlement risks, as well as operational risk, counterparty, strategy, reputational, legal and compliance risks;
- c) Complying with prudential standards;
- d) The existence of a complete, reliable and timely accounting and financial information, in particular regarding its registration, keeping and availability;
- e) The provision of reliable, complete and timely financial information to the Supervisory Authorities;
- f) The prudent and proper evaluation of assets and liabilities, namely with the purpose of provisioning;
- g) The adequacy of the operations concluded with other applicable legal, regulatory and statutory provisions, to internal standards, to the guidelines of corporate bodies, standards and professional practices and ethics and other relevant rules;
- h) The prevention of operations related to money laundering and terrorism financing;
- i) The existence of procedures aimed, in particular, at:
 - i. the adequate segregation of duties;
 - ii. the justification of all accounting information;
 - iii. the execution of operations under safety and reliability conditions;
 - iv. the business continuity in contingency scenarios;

v. the protection equipment, applications, and computer data in order to prevent damage, fraud and unauthorized access to the system and confidential information.

The Internal Control area is structured in three pillars: management and risk control, compliance and internal audit. Together with these three areas, Internal Control includes also the Office of Regulatory Reporting Department.

The Internal Control units, although independent from each other, work closely and in collaboration with each other and the organization of their action plans is coordinated by the Internal Control Committee.

The following is a brief description of the Internal Control units.

RISK

Risk is responsible for the control and monitoring of business risks, co-ordinately monitoring the Bank's general risks (credit, liquidity, market, currency, interest rate, operational, etc.), namely through the following activities:

- To propose Risk management policies;
- To monitor compliance with the established risk management policies;
- To perform risk analysis of client and transactions, upon request of Relation Banking and Corporate Banking;
- To treat and validate the documentation required for credit granting;
- To monitor credit granting procedures;
- To take part in the definition of the range of products and services;
- To monitor and ensure compliance with the exposure limits in the activities of the Bank's own portfolio;
- To monitor and manage collateral granted in favour of the Bank that are subject to market value variation;
- To identify operational risks and coordinate proper monitoring and risk mitigation with the respective Business Units;
- To propose to the Board of Directors changes to risk policies to the extent that this results from its monitoring of the Bank's activity or perceived changes in the environment.

INTERNAL AUDITING

Internal Auditing ensures, within the Bank's organizational structure, the service of supervision and internal control of the activities of each one of the units, being responsible, notably, for:

- Conducting internal audits, inquiries or proceedings of mere ascertainment that are determined by the Bank or by its Administration;
- Ensuring the true and fair presentation, in its materially relevant points, of the Bank's financial position, the results of its operations and its cash flows, as well as the adoption of adequate accounting policies and criteria;
- Reviewing the systems in place to ensure compliance with policies, plans, procedures, laws and regulations that could have a significant impact on operations and financial reporting;
- Reviewing operations or processes in order to verify that the results are consistent with the objectives and goals and whether the operations or processes are being conducted as planned;
- Validating the reliability and integrity of information generated by computer systems as well as physical, logical and rational security in the use of resources of information technology;
- Checking the means of protecting assets and, where appropriate, checking their physical existence;
- Elaboration of opinions on measures to improve the efficiency and effectiveness of the Bank's ordinary tasks;
- Reviewing specific operations at the request of the Board of Directors, of the Supervisory Board, or other organizations, as requested;
- Monitoring and evaluating the effectiveness of the bank's risk management system;
- Investigating cases of possible fraud involving activities, equity, property and Bank employees violations in

accordance with the functional discipline rules in force;

- Acknowledging and proposing corrections to procedures underlying claims/complaints from the Bank's clients and/or employees and, where appropriate, to propose measures to correct any procedures classified as incorrect, ineffective, illegal or violating the rights or legally protected interests;
- Participating and monitoring the processes of hiring specialized services related to audit, when required;
- Reviewing the performance and coordination of the work performed by the External Auditors;
- Monitoring the implementation of action plans designed for correction and/or improvements arising from the recommendations and/or suggestions made;
- Participating in working groups, when appointed;
- Supporting the Board of Directors, the Supervisory Board, the External Auditor and Supervision Authorities, when requested;
- Providing audit services (opinions/recommendations/guidelines) to subsidiary entities including affiliates, branches and representative offices, as needed/requested;
- Ensuring that internal audits are scheduled, planned, managed and reported in accordance with established procedures.

COMPLIANCE

Compliance ensures that the Institution shall act in accordance with the laws, rules, internal regulations, national and international agreements that govern the Bank's activity, avoiding the risk of incurring in legal or regulation penalties and financial or reputational losses, arising from the breach of the laws, regulations, codes of conduct and "good practices".

Compliance is responsible for the following activities:

- To ensure compliance with legal, regulatory and reporting obligations;
- To develop and implement internal regulations and procedures regarding Compliance and Internal Control;
- To monitor the adequacy of procedures to detect with the breach of legal and regulatory obligations and to propose measures to correct or mitigate events of breach;
- To ensure efficient measures and procedures in accordance with current legislation for the control and monitoring of operations for the prevention of money laundering and fighting against the financing of terrorism;
- To control and monitor operations of financial brokerage (preventing market abuses or harmful situations to clients);
- To monitor complaints addressed to the Bank;
- To monitor and promote the activities of other departments regarding the compliance with legal duties, ethics, codes of conduct;
- To carry out internal training on matters of compliance;
- To authorize the opening of accounts;
- To prepare Compliance Activity Reports and to submit them to the Executive Committee and the Internal Control Committee;
- To inform the PGR [public prosecutor] and UIF [special police department] about suspicious transactions;
- Give opinion on financing transactions, whenever requested;
- Give opinion on the commercialization of new products and services, as well as the launch of promotional materials of the Bank or of the products and services sold by it.

REGULATORY REPORTING

Regulatory Reporting aims to ensure the information reporting obligations that ATLANTICO Europa and all of its domestic and foreign subsidiaries are required to comply with.

The Office of Regulatory Reporting is responsible for the following activities:

- Preparation of the list of all reports and the associated sub mission schedule;
- Production and submission of the required reports, including those established by the Banco de Portugal, CMVM and the Tax Authority;
- Analytical review of the information reported to ensure consistency of information between the various periods and their consistency with the development of the business.

V. REMUNERATION POLICY

The Remuneration Policy of ATLANTICO Europa's members of management bodies was approved by the General Meeting held on the 31st of May, 2012.

The current version of the Remuneration Policy of ATLANTICO Europa's employees was approved by the Board of Directors on the 27th of June 2013.

A Statement on the remuneration policy is an appendix to this report.

VI. PROFESSIONAL ETHICS

ATLANTICO Europa adopted a Code of Conduct which includes and systematizes a set of professional ethics rules to which all employees are subject to, which they expressly undertake to comply with. Apart from the above-mentioned Code, ATLANTICO Europa adopted a set of policies that contain professional ethics rules, as briefly described below.

ATLANTICO Europa commands the exercise of its activity by principles of ethics, accuracy, truth, transparency, stability and security in the relationship with clients.

ATLANTICO Europa ensures an equal treatment to all its clients, making no discrimination between them that is not due to rights they are entitled to due to the nature or temporal priority of their orders or in consequence of any other situation covered in the legal and regulatory provisions applicable.

ATLANTICO Europe undertakes to give priority to the interests of clients, whether regarding its own interests, whatever their nature, whether regarding the interests of members of their corporate bodies and other employees.

In the exercise of its activity, ATLANTICO Europa undertakes to act in accordance with the principles and rules of free and fair competition.

The professional activity of corporate bodies' members and of all employees shall be governed by the following principles:

ATLANTICO EUROPA carries out its activity in compliance with high ethical and moral principles, and the conduct of its employees is guided, in particular, by the following principles:

- Conscientiously respect of the interests entrusted to it;
- Impartiality, honesty and personal integrity;
- Loyalty towards ATLANTICO EUROPA and its clients;
- Discrete performance, guided by high standards of professional ethics;
- Respect for the absolute independence between the interests of ATLANTICO EUROPA and those of its clients;
- Respect for the absolute independence of the interests of clients among themselves;

- Control of risks;
- Prevention of conflicts of interest;
- Compliance with all legal and regulatory provisions in force;
- Transparency in the conduct;
- Confidentiality regarding non-public information they have access to;
- Social responsibility;
- Rigorous asset segregation;
- Protection of the environment.

The instructions received from clients and, in general, the services requested by them, are executed with respect for their legitimate interests, within the constraints imposed on the exercise of banking activity and financial brokerage.

In performing their duties, ATLANTICO Europa's employees are obliged to endeavour that, when providing information and advice to clients, it is ensured, with rigour and good faith:

- The complete understanding of the characteristics of the products or services offered by ATLANTICO Europa, as well as the appropriateness of the same to the clients' situation and needs;
- The provision of all the necessary elements to an informed decision-making process, aware and enlightened as to the existence of potential risks and predictable financial consequences regarding the operations concerned;
- Clarification on the remuneration of deposits or other repayable funds;
- Adequate information regarding the costs of operations and services, including, when requested, the explanation of the pricing available to clients.

The breach of obligations foreseen in the Code of Conduct and internal Policies is sanctioned according to the severity of the violation, the offender's fault and the actual consequences of the act.

The ethical and deontological standards imposed upon those working at ATLANTICO Europa are complementary to legal provisions, particularly those relating to the duty of professional secrecy, to the protection of the Clients' interests and the use of inside information for personal gain.

VII. PREVENTION OF CONFLICTS OF INTEREST

ATLANTICO Europa adopts a Policy for the Prevention, Identification and Management of Conflict of Interests, which shall be known and observed by all employees.

ATLANTICO Europa agrees to give preference to the legitimate interests of its clients in relation to its own interests or those of group or holding companies, as well as regarding the interests of the members of corporate bodies or agents at its service, as well as employees of both.

Whenever there is any situation related to an employee or to its assets that is likely to jeopardize the normal performance of its duties or the objective and effective performance of its duties in the interest of ATLANTICO Europa or its clients, the employee shall immediately inform it to the hierarchical structure or, being a member of the board of directors, to the remaining members of the board.

VII. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

According to the current laws and regulations designed to prevent the use of financial institutions, both in money laundering operations or in activities that favour organized and economic-financial crime or the financing of terrorism, ATLANTICO Europa adopted an internal policy dedicated to this matter - Prevention of Money Laundering and Financing of Terrorism Policy - and implemented a set of procedures and mechanisms for the identification, internal control and reporting of suspicious transactions.

To ensure proper implementation of such mechanisms, employees and directors are provided with suitable training to identify operations that may be related to such crimes and persons referenced in criminal activities.

The responsibility for the prevention of money laundering and terrorism financing rests, in general, in all employees considering the roles played by each one and the respective level of intervention in the operations.

ATLANTICO Europa's employees are assigned to the strict compliance of legal, regulation and internal rules to prevent money laundering and the financing of terrorism, including the duty of identification, the duty of diligence concerning the knowledge of business relations undertaken by clients, the duty of refusal and refrain to perform operations, the duty to keep documents and timely communication of potentially suspicious operations of setting up money laundering or terrorist financing.

VIII. REPORTING IRREGULARITIES

Under paragraph j) of article 420 of the Commercial Companies Code, the Supervisory Board receives communications of irregularities raised by Shareholders, employees, Clients and any other entities.

Credit institutions should implement appropriate means of receiving, processing and filling statements of serious irregularities related to the management, accounting organization and internal supervision of the credit institution likely to place them in a situation of financial distress, in order to ensure that these are communicated to the supervisory board by the credit institution's employees, agents, commissioners or other persons providing services on a permanent or occasional basis (art. 116-G, no. 3 RGICSF).

To ensure compliance, on the 9th of May, 2012, the Supervisory Board approved the methodology applicable to the receipt and processing of irregularities, having appointed the Compliance Office and internal control units as special advisers in the treatment of communications.

Irregularities should be addressed in writing, being e-mail an option, and contain all the facts known to the employee and that he/she finds relevant for the assessment of the irregularity. The identity of the employee is kept confidential and is not allowed to be disclosed until the moment the Supervisory Board makes a decision concerning an irregularity.

If the communication is considered grounded, the Supervisory Board, based on the report submitted by Internal Control, may hire an independent and external service to investigate the allegations.

The Supervisory Board is the competent body to decide on the actions to be taken following the communication received and on the statements to be issued publicly.

VII

APPENDIXES



I. EXPERIENCE AND QUALIFICATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

CARLOS JOSÉ DA SILVA

> CHAIRMAN

Date of birth: 6th of January, 1966

Date of 1st appointment: 22nd of June, 2009

End of current term: 31st of December, 2016

EDUCATION

Degree in Law from the Law Faculty of the Universidade de Lisboa

PREVIOUS WORK EXPERIENCE

Since 2012: Banco Comercial Português, S.A. - Vice-chairman of the Board of Directors.

Since 2010: Angola Management School - Chairman.

Since 2010: Interoceânico Capital, SGPS - Chairman of the Board of Directors

Since 2010: Sociedade Baía de Luanda - Vice-chairman.

Since 2006: Banco Privado Atlântico, S.A. - founder and Chairman of the Board of Directors.

2001 - 2006: Banco Espírito Santo Angola (BESA) - founder and executive director.

1998 - 2001: Representation office of Banco Espírito Santo in Angola.

1994 - 1998: Carlos José da Silva & Associados - Founder and lawyer, providing legal advice in the areas of financial and tax law to multinational companies. Negotiating foreign investment projects on a contractual basis.

1990 - 1994: Escritório Carlos José da Silva e Paulo Marques - legal practice, providing legal services in economic law.

AUGUSTO COSTA RAMIRO BAPTISTA**> EXECUTIVE DIRECTOR**

Date of birth: 10th of June, 1971

Date of 1st appointment: 31st of March, 2010

End of current term: 31st of December, 2016

EDUCATION:

Degree in Law from the Law Faculty of the Universidade de Lisboa

Postgraduate degree in Tax Law from the Faculty of Law of the Universidade de Lisboa

Postgraduate degree in Banking Law from the Faculty of Law of the Universidade Agostinho Neto

High Business Management Program at the Escola de Direcção de Negócios

PREVIOUS WORK EXPERIENCE

Since 2009: non-executive director at Banco Millennium Angola, S.A.

Since 2009: non-executive director at GlobalPactum, Gestão de Activos, S.A.

2007 - 2010: advisor to the board of directors of Banco Privado Atlântico, S.A.

2005 - 2009: executive director at GlobalPactum, Gestão de Activos, S.A.

2004 - 2005: tax adviser at Esso Exploration Angola (Block 15)

2001 - 2004: tax adviser at Arthur Andersen

MARIA DA GRAÇA FERREIRA PROENÇA DE CARVALHO

> EXECUTIVE DIRECTOR

Date of birth: 7th of November, 1962

Date of 1st appointment: 22nd of June, 2009

End of current term: 31st of December, 2016

EDUCATION

Degree in Business Administration and Management at Florida International University (USA)

Master in Marketing and Finance from Florida International University (USA)

PREVIOUS WORK EXPERIENCE

2005 - 2009: Representative of Banco Natixis - Portuguese Office

2004 - 2005: Secretary of State for Industry, Trade and Services

2003 - 2007: Director at Explorer, Sociedade de Capital de Risco

2002 - 2004: Member of Parliament

2000 - 2002: Director at Finanser, Sociedade Financeira de Corretagem

1997 - 2000: Director at Midas Investimentos/BVVA Midas

DIOGO BAPTISTA RUSSO PEREIRA DA CUNHA**> CEO**

Date of birth: 18th of January 1970

Date of 1st appointment: 12th of February 2014

End of current term: 31st of December, 2016

EDUCATION

Degree in Business Organization and Management, ISCTE - Instituto Universitário de Lisboa

MBA with specialization in Finance, Universidade Católica Portuguesa

PREVIOUS WORK EXPERIENCE

2001-2014: Executive Director with responsibility for financial intermediation, specialized retail business, High net worth Clients and Marketing at Banco de Investimento Global, S.A..

1999-2001: Director responsible for launching the financial intermediation area at Banco de Investimento Global, S.A.

2000-2003: Member of the Supervisory Board of Interbolsa, Sociedade Gestora de Sistemas de Liquidação e da Sistemas Centralizados de Valores Mobiliários, S.A.

1999-2002: Executive Director of B.I.G. Corretora - Sociedade Corretora, S.A. (incorporated into Banco de Investimento Global in November 2002)

1998-1999: Director responsible for launching the Equity Research at Banco Chemical Finance, S.A.

1997-1998: Sub-Director of the commercial area at Banco Chemical Finance, S.A.

1993-1997: Account Manager at Large Companies Division at Santander Portugal S.A. (at the time, Banco de Comércio e Indústria, S.A., owned by Santander Group)

1993: Account Manager at Life Insurance and Pension Funds Department at AON Seguros S.A. (at the time Gyl Y Carvajal, S.A.)

II. EXPERIENCE AND QUALIFICATIONS OF THE MEMBERS OF THE SUPERVISORY BOARD

MÁRIO JORGE CARVALHO DE ALMEIDA

> CHAIRMAN

Date of birth: 17th of November, 1976

Date of 1st appointment: 22nd of June, 2009

End of current term: 31st of December, 2016

EDUCATION

1994 - 1999 Degree in Economics, Universidade Autónoma de Lisboa

2008 - 2009 Intensive Management Control Degree

2000 - English Course in London "The Hampstead School of English"(Upper Intermediate level)

1998 - 1999 English Course (level 4) Cambridge School

PREVIOUS WORK EXPERIENCE

2010 - 2012 Director of the Banco Privado Atlântico in charge of the following areas: 2012 (Risk Office, Management Control, Accounting, Organization and Methods, Follow-up and Credit Recovery)

2007 - 2009 Advisor to the Board of Directors; Coordinating Director of the Accounting and Management Control Division of the Banco Privado Atlântico

2006 - 2007 Director of the Accounting Division of Banco Fomento Angola

2002 - 2005 Deputy Director of the Accounting and Budget Control Division at Banco Espírito Santo Angola

2000 - 2002 Arthur Andersen - Audit Department

1997-1998 Martal, SARL - Accounting department

FERNANDO AUGUSTO DE SOUSA FERREIRA PINTO**> MEMBER**

Date of birth: 16th of April 1959

Date of 1st appointment: 24th of April 2013

End of current term: 31st of December, 2016

EDUCATION

Degree in Law, Faculty of Human Sciences of Universidade Católica Portuguesa (Lisboa)

Master in Law (Legal Civilist Sciences), Faculty of Law, Universidade Católica Portuguesa

PhD in Legal Sciences (Commercial Distribution Law)

PREVIOUS WORK EXPERIENCE

Teaching activity:

2012-2013: Co-director of the course Introduction to the Study of Law according to the Case Method and of the course International Private Law

2012-2013: Director of the course Business Establishment and of the course Distribution Contracts integrated into the Master of Science of Business degree.

2012-2013: Deputy-Coordinator of the Master of Science in Law and Management

From 2008-2009 to 2012-2013: Co-director of the course Economic Theory of the Contract, integrated into Master of Science in Law and Management

2011-2012: Co-director of the course Mergers & Acquisitions, integrated into Master of Science in Law and Management

2010-2011 and 2011-2012: Director of the course Distribution Contracts, integrated into Forensic Master of Science

From 2003-2004 to 2007-2008: Director of the semi-annual course of the Commercial Contracts (Law Degree)

2006-2007: Scientific coordination of the Post-graduation course of Contract Law, directing the Distribution Contracts Module

From 2004-2005 to 2005-2006: Scientific coordination of the Post-graduation course of Contract Law, directing the Distribution Contracts Module and Corporate Law course integrated into Post-graduation in Corporate Law Programme

2002-2003: Scientific coordination of the Intensive course in Contractual Practices and regency of the course Limited Liability Companies and Corporations, integrated into the Post-graduation in Corporate Practices Programme

From 1997-1998 to 2001-2002: Assistant, with the annual teaching courses of Private International Law and Law of Obligations in the Law Degree Programme

From 1985-1986 to 1993-1994: Assistant, with the annual teaching courses of Private International Law and Law of Obligations

1984-1985: Assistant, with the annual teaching course of Private International Law (Law Degree Programme)

1983-1984: Assistant, with the annual teaching course of the Introduction to Law (Economics Degree Programme) and of the International Private Law (Law Degree Programme)

Other professional experience

From: Founding partner of Ferreira Pinto & Associados – Law Firm, RL

2008 a 2012: Senior partner of Sérvulo & Associados Law Firm

1995 a 2007: Founding partner of Ferreira Pinto & Associados – Law Firm

1991: Assistant Secretary of State of the Portuguese Communities

1990: Director of the Division of Tax Advisory at Arthur Andersen

1986: Advisor to the Office of Technical and Legal Support of the Ministry of Justice

MARIA CÂNDIDA DE CARVALHO PEIXOTO**> MEMBER**

Data of birth: 3th of January, 1954

Date of 1st appointment: 24th of April, 2013

End of current term: 31st of December, 2016

EDUCATION

Degree in Economics, Instituto Superior de Economia e Gestão

PREVIOUS WORK EXPERIENCE

1998-2011: Partner at KPMG & Associados – Sociedade de revisores Oficiais de Contas S.A..

1990-1998: Manager/Senior Manager at KPMG & Associados – Sociedade de revisores Oficiais de Contas S.A..

1986-1989: Responsible for the area of Management and Taxation at the Construction and Public Works Association.

1985-1989: Responsible for the taxation area at the Portuguese Industry Confederation.

1979-1998: Responsible for members support in the areas of Management and Taxation and Responsible for the accounting and financial area at the Portuguese Naval Industry Association.

1978-1979: Technical assistant to the Commercial Department for the area of export at REPA – Sociedade de Representações e Papel Lda.

JOÃO MARIA FRANCISCO WANASSI

> ALTERNATE

Date of birth: 6th of June, 1969

Date of 1st appointment: 20th of April, 2011

End of current term: 31st of December, 2016

EDUCATION

2006 - Degree in Geophysics, Faculty of Sciences Universidade Agostinho Neto

2009 - Business Administration Program - AESE

PREVIOUS WORK EXPERIENCE

2010 - current: General Manager of Angola School of Management (ASM)

2009 -2012: Director of the Training Program for Executives - PADE

2010 - Current: Chairman of FACIDE

2006 - 2009: Executive Director of FACIDE

Assistant trainee of the Department of Geophysics, Faculty of Sciences, Universidade Agostinho Neto.

Representative in Angola of the "AfricaArray" Project that consists in the installation of a network of seismic stations throughout the African continent, to monitor seismic activity.

Assistant to the head of the Department of Geophysics, Faculty of Sciences, UAN

1987-1992: Military service, army officer in the 17th Air Regiment of Helicopters FAPA/DAA

FUTURE WITH VALUES