

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.

2014/05/30

PROPOSAL IN CONNECTION WITH ITEM 10 OF THE AGENDA

CONSIDERING:

- A) That the consolidated financial statements of Banco Comercial Português relating to 2013 were, among other factors, affected by the level of provisions for impairments and provisions accounted and also by a number of relevant unfavourable factors, namely the impact in the financial margin of the costs of the interests related with the issue of hybrid instruments and the liability management operations made in 2011, the costs related with the restructuring program, the impacts related with the extraordinary tax contributions paid by the banking sector, the deposit guarantee fund and the contributions, initial and regular, for the resolution fund established in 2013 and the estimation of losses in discontinued or under discontinuance operations;
- B) That these extraordinary events, in the Bank's individual financial statements, shareholders equity fell below the amount of the share capital, amounting the net assets to 1,774,286,129.95 Euros and the share capital to 3,500,000,000.00 Euros, thus showing a negative difference amounting to 1,725,713,870.05 Euros;
- C) That, besides the interest in the adequate cover of the losses recorded, it is also in the company's best interest to, within the scope of the law, create conditions for the future existence of funds that could qualify as distributable under regulatory provisos, taking, notably, into consideration the possibility of the Bank deciding to fully resume its distribution of earnings policy;

We propose to the General Meeting the following resolution:

- 1) To reformulate the items of own capital, with the purpose to cover losses, by reducing the share capital in 2.035.000.000,00 Euros, without altering the number of existing shares (without nominal value) and without altering the net assets, which will exceed the new share capital in more than twenty per cent, with the consequent reduction of the ratio between share capital and number of shares issued,
- 2) That the terms and procedures of the share capital reduction, without damaging the legally mandatory allocation, and including those related with the accounting handling and allocations be established by the Board of Directors.

- 3) Consequently, alter number 1 of article 4 of the articles of association, which, with the integral execution of the resolutions stated in the previous paragraphs, shall read as follows:

“Article 4

1. "The share capital amounts to 1,465,000,000 Euros, corresponding to 19.707.167.060 registered and book-entry shares, without a nominal value, fully paid up".

- 4) Clarify that this resolution does not, in any way whatsoever, affects the terms and scope of the authorisations foreseen in article 5 (1) and (5) of the articles of association, whose maximum limits continue to be estimated having as reference the share capital existing at the moment of the respective approval, i.e. 3.000.000.000,00 Euros.
- 5) That this resolution is subject to the suspensive condition of the granting of the respective authorization from Banco de Portugal, in case the same has not been granted in the meantime.

Lisbon, 05 May 2014

The Board of Directors