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

(21/04/2016)

PROPOSAL IN CONNECTION WITH **ITEM 8** OF THE AGENDA

Considering:

A) The proposal approved by the General Meeting of Shareholders on 31 May 2012 for the renewal if the authorisation provided in article 5 (1) of the Bank's Articles of Association, which was already partly used when it was resolved: (i) on 5 September 2012, to increase the Bank's share capital by € 500,000,000; and (ii) on 24 July 2014, to increase the Bank's share capital by € 2,241,690,253.08;

B) That the Board of Directors considers, taking into account the current complex and sensitive international context, it would be in the company's interest to submit to the General Meeting, for appraisal and approval, action mechanisms that could serve the goal of optimizing the conditions should the need arise for reinforcing the Bank's own funds;

C) That, within this context, and although of contingent nature, it would seem prudent to provide the Bank with the possibility of having access to funding means practiced internationally in general, namely by companies with a similar corporate object and operating in the European territory;

D) The terms of the report of the Board of Directors foreseen in Article 460 (5) of the Companies Code made available to the Shareholders in accordance with the law;

It is hereby proposed that the General Meeting resolves:

I

To renew the authorisation granted by Article 5 (1) of the Bank's Articles of Association.

II

Millennium bcp

To suppress the preference rights of the shareholders in the subscription of one or more share capital increases the Board of Directors may decide to carry out, for a maximum term of 3 years, pursuant to nr. 1 of Article 5 of the Articles of Association, up to the maximum global amount corresponding to 20% of the total amount of the share capital in effect on the date this resolution is approved, with a maximum global number of shares to issue corresponding to 20% of the shares existing on the date this resolution is approved.

The resolution of the Board of Directors to be adopted under the terms of the previous paragraph must be approved by a majority of 85% of the Directors in active duty, provided it received the prior favourable opinion issued of the Audit Committee, if it is deemed that the placement is feasible and convenient to strengthen the Bank's own funds.

The shares to be issued may be subscribed by an entity or entities that meet the requirements of qualified investors in accordance with the Securities Code or of institutional investors and that are interested in purchasing a shareholding in the Bank.
The share price will be defined based on the prevailing market conditions at the time of each capital increase resolution, though it cannot be lower than the weighted average of the BCP shares' closing price in the Euronext Lisbon in the 20 (twenty) sessions prior to the date of the decision to undertake the share capital increase minus 10%.

Lisbon, 28 March 2016

THE BOARD OF DIRECTORS

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

(21/04/2016)

ITEM 8 OF THE AGENDA

**REPORT PROVIDED FOR IN ARTICLE 460 (5)
OF THE COMPANIES CODE**

I

**JUSTIFICATION OF THE PROPOSAL TO SUPPRESS
THE PREFERENCE RIGHT**

1. The Board of Directors considers, taking into account the current complex and sensitive international context, it would be in the company's interest to submit to the General Meeting, for appraisal and approval, action mechanisms that could serve the goal of optimizing the conditions should the need arise for reinforcing the Bank's own funds.

2. In the proposal made by the Board of Directors – vide the proposal hereto attached, which, together with this report was made available for the Shareholders' consultation within the legal term prior to the date of the General Meeting and is considered to be transcribed herein – the creation of such mechanisms implies the suppression of the preference right of the shareholders in case of a share capital increase or increases within the maximum limit defined, grounded on corporate interests that require justification and unequivocally advocate its approval.

This report, drawn up pursuant to article 460 (5) of the Companies Code, will begin with the grounds for suppressing the preference right.

Actually, BCP admits – continuing a long history of innovations and frequently pioneering actions within the scope of Portuguese companies in international money markets – that, if it deems necessary or convenient to increase own funds, the Bank must be prepared to, within a timeframe of 3 years, being presented with the opportunity to promote the placement, with one or more qualified or institutional investors in domestic or international markets, of one or more issues of new shares corresponding to a shareholding of no more than 20% of the existing share capital on the date this resolution is adopted.

The reasons that made us propose to the shareholders the suppression of their preference right and this specific way to increase funds are related with the high volatility and instability experienced by the financial markets at this moment and that is expected to last for some time. Within this context, it makes all the difference for a company to be or not in a position to promptly take advantage of an eventually available financing from qualified or institutional investors, that would probably be unable to undergo the long terms, delays, complex processes and most of all, the uncertainty in the attribution of shares that are the regular features of a rights issue.

In effect, the possibility of the Company being in a position where its management body (*i*) is able to resolve on a share capital increase by cash entries and (*ii*) may, within specific limits, do so by an immediate placement for qualified or institutional investors, may turn into an advantage for the company's interest that is of the utmost importance within a scenario of lack of funding and investment, in which it is necessary to increase the possibility of capturing funds in the international competition for funding.

One may verify in fact that the large international financial institutions were able to face the recent years of hardships and increase own funds in especially adverse conditions exactly due to their ability to quickly grasp the opportunities in demand from selected qualified or institutional investors.

On the other hand, it is also becoming usual to recognise the convenience it being desirable for financial institutions to be in conditions to negotiate and have available contingent equity facilities, for which our legal framework requires the prior approval of the suppression of preference rights on grounds of corporate interests, as is the case of this proposal.

Lastly, we underline that by widening the Bank's shareholder base, with access to new qualified or institutional investors, the institution comes out stronger and more robust, with broader resources in case of future funding needs.

Having pondered on these corporate interest factors, and taking care to limit factors that may dilute the shareholder structure, the Board of Directors considered that it would be reasonable and clearly in favour the company's best interest to propose to the Shareholders that the possible issue of new shares, eventually placed, one or more times, without shareholders preference rights to qualified or institutional investors, be limited to the maximum global amount corresponding to 20% of the total amount of the share capital in effect on the date this resolution is approved, a limit with a maximum global number of shares to issue corresponding to 20% of the shares existing on the date this resolution is approved.

II

ATTRIBUTION AND CONDITIONS TO EXERCISE OF THE NEW SHARES' INHERENT RIGHTS

The shares that may be issued are to be subscribed by an entity or entities that meet the requirements of qualified investors in accordance with the Securities Code or of institutional investors and that are interested in purchasing a shareholding in the Bank, to be selected by the Board of Directors, approved by a majority of 85% of the Directors in active duty, and with the prior favourable opinion issued by the Audit Committee, if it is deemed that the placement is feasible and convenient to strengthen the Bank's own funds.

The investors who subscribe the shares issued will be able to exercise the rights inherent to the shares immediately after the subscription, i.e. there will be no delay in the exercise of the rights.

III

ISSUE PRICE AND HOW IT IS DEFINED

The share price will be defined based on the prevailing market conditions at the time of each capital increase resolution, though it cannot be lower than the weighted average of the BCP shares' closing price in the Euronext Lisbon in the 20 (twenty) sessions prior to the date of the decision to undertake the share capital increase minus 10%.

Lisbon, 28 March 2016

THE BOARD OF DIRECTORS