

Report Reference Date: **30/09/2014**  
Report Frequency: Quarterly

1. Current Credit Ratings		Long Term		Short Term				
Euro 2,000,000,000 Mortgage Covered Bond Programme		Baa1/A(low) (Moody's / DBRS)		N/A				
Banco Comercial Português, S.A.		B1/B+/BB+/BBB(low) (Moody's / S&P / Fitch / DBRS)		NP/B/B/R-2(m) (Moody's / S&P / Fitch / DBRS)				
Portugal		Ba1/BB/BB+/BBB(low) (Moody's / S&P / Fitch / DBRS)		NP/B/B/... (Moody's / S&P / Fitch / DBRS)				
2. Covered Bonds Issues		Issue Date	Coupon	Maturity Date	Extended Maturity <sup>1</sup>	Remaining Term	Nominal Amount	
<b>Covered Bonds Outstanding</b>						<b>2.36</b>	<b>895,000,000</b>	
Series 1 (ISIN PTBIKOE0007)		27/01/2011	Floating	27/01/2017	27/01/2037	2.36	895,000,000	
<b>CRD Compliant (Yes/No)</b>							<b>Yes</b>	
3. Asset Cover Test							Remaining Term <sup>a</sup>	Nominal Amount
<b>Mortgage Credit Pool</b>							<b>22.88</b>	<b>1,071,315,013</b>
<b>Other Assets<sup>2</sup> (Deposits and Securities at market value)</b>							<b>0.00</b>	<b>0</b>
Cash and Deposits							0.00	0.00
RMBS							0.00	0.00
Other securities							0.00	0.00
<b>Total Cover Pool</b>							<b>22.88</b>	<b>1,071,315,013</b>
% of ECB eligible assets							100.00%	
<b>Overcollateralization<sup>3</sup> with cash collateral (Current OC)</b>							<b>19.70%</b>	
<b>Committed Overcollateralization (Moody's)</b> - Committed OC of 7%							<b>12.50%</b>	
<b>Required Overcollateralization (DBRS)</b> - Minimum OC level to keep the current Mortgage Covered Bond Programme rating							<b>10.00%</b>	
<b>Legal Minimum Overcollateralization</b>							<b>5.26%</b>	
<sup>a</sup> Remaining Term not considering loan amortization profiles. Mortgage credit pool weighted average life <b>13,3 years</b>								
4. Other Triggers								
Net Present Value of Assets (incl. derivatives) <sup>4</sup>		1,552,644,562.38						
Net present value of liabilities (incl. derivatives) <sup>4</sup>		895,511,023.20						
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0		OK						
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of + 200bps)		OK						
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of - 200bps)		OK						
Other Assets ≤ 20% (Cover Pool + Other Assets)		OK						
Deposits with a remaining term > 100 days ≤ 15% Covered Bonds Nominal		N/A						
Estimated Interest from Mortgage Credit and Other Assets - Estimated Interest from Covered Bonds ≥ 0		OK						
Mortgage Credit + Other Assets WA Remaining Term - Covered Bonds WA Remaining Term ≥ 0		OK						
5. Currency Exposure								
<b>Cover Pool Includes</b>								
Assets in a currency different than Euro (yes/no)		No						
Liabilities in a currency different than Euro (yes/no)		No						
Cross currency swaps in place (yes/no)		No						
<b>Currency Exposure Detail</b>		<b>n/a</b>						
6. Mortgage Credit Pool								
<b>Main Characteristics</b>								
Number of Loans		25,777						
Aggregate Original Principal Balance (EUR)		1,531,635,556.83						
Aggregate Current Principal Balance (EUR)		1,071,315,012.53						
Average Original Principal Balance per loan (EUR)		59,418.69						
Average Current Principal Balance per loan (EUR)		41,560.89						
Current principal balance of the 5 largest borrowers (EUR)		2,151,661.75						
Weight of the 5 largest borrowers (current principal balance) %		0.20						
Current principal balance of the 10 largest borrowers (EUR)		3,767,919.57						
Weight of the 10 largest borrowers (current principal balance) %		0.35						
Weighted Average Seasoning (months)		135.33						
Weighted Average Remaining Term (months)		274.59						
Weighted Average Current Unindexed LTV <sup>5</sup> (%)		55.95						
Weighted Average Current Indexed LTV <sup>5</sup> (%)		0.00						
Weighted Average Interest Rate (%)		1.378						
Weighted Average Spread (%)		1.133						
Max Maturity Date (yyyy-mm-dd)		16/02/2057						
<b>Subsidized Loans</b>		<b>Number of Loans</b>	<b>% Total Loans</b>	<b>Amount of Loans</b>	<b>% Total Amount</b>			
Yes		8,057	31.26%	272,735,452	25.46%			
No		17,720	68.74%	798,579,561	74.54%			
<b>Insured Property<sup>6</sup></b>		<b>Number of Loans</b>	<b>% Total Loans</b>	<b>Amount of Loans</b>	<b>% Total Amount</b>			
Yes		25,777	100.00%	1,071,315,013	100.00%			
No		0	0.00%	0	0.00%			
<b>Interest Rate Type</b>		<b>Number of Loans</b>	<b>% Total Loans</b>	<b>Amount of Loans</b>	<b>% Total Amount</b>			
Fixed		199	0.77%	3,882,022	0.36%			
Floating		25,578	99.23%	1,067,432,991	99.64%			
<b>Repayment Type</b>		<b>Number of Loans</b>	<b>% Total Loans</b>	<b>Amount of Loans</b>	<b>% Total Amount</b>			
Annuity / French		25,087	97.32%	1,028,047,948	95.96%			
Linear		0	0.00%	0	0.00%			
Increasing instalments		0	0.00%	0	0.00%			
Bullet		0	0.00%	0	0.00%			
Interest-only		544	2.11%	34,176,328	3.19%			
Other		146	0.57%	9,090,737	0.85%			

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<b>6. Mortgage Credit Pool (continued)</b>				
	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
<b>Seasoning</b>				
Up to 1 year	1	0.00%	22,029	0.00%
1 to 2 years	205	0.80%	8,642,119	0.81%
2 to 3 years	90	0.35%	3,484,436	0.33%
3 to 4 years	60	0.23%	2,588,449	0.24%
4 to 5 years	101	0.39%	4,150,820	0.39%
5 to 6 years	210	0.81%	9,807,722	0.92%
6 to 7 years	110	0.43%	4,855,206	0.45%
7 to 8 years	290	1.13%	16,905,317	1.58%
8 to 9 years	3,074	11.93%	183,040,335	17.09%
9 to 10 years	3,511	13.62%	191,517,980	17.88%
10 to 11 years	3,419	13.26%	162,750,262	15.19%
11 to 12 years	2,977	11.55%	129,769,171	12.11%
More than 12 years	11,729	45.50%	353,781,166	33.02%
<b>Remaining Term</b>				
Up to 5 years	933	3.62%	7,932,306	0.74%
5 to 8 years	1,566	6.08%	27,262,622	2.54%
8 to 10 years	2,102	8.15%	38,593,099	3.60%
10 to 12 years	1,095	4.25%	31,227,815	2.91%
12 to 14 years	2,870	11.13%	102,008,790	9.52%
14 to 16 years	3,453	13.40%	123,859,432	11.56%
16 to 18 years	2,364	9.17%	100,852,033	9.41%
18 to 20 years	1,591	6.17%	69,552,754	6.49%
20 to 22 years	999	3.88%	44,982,253	4.20%
22 to 24 years	659	2.56%	32,586,903	3.04%
24 to 26 years	821	3.19%	44,436,826	4.15%
26 to 28 years	842	3.27%	47,149,803	4.40%
28 to 30 years	2,443	9.48%	134,165,587	12.52%
30 to 40 years	3,332	12.93%	219,657,966	20.50%
More than 40 years	707	2.74%	47,046,823	4.39%
<b>Current Unindexed LTV</b>				
Up to 40%	7,140	27.70%	169,698,312	15.84%
40 to 50%	3,575	13.87%	141,883,487	13.24%
50 to 60%	5,562	21.58%	245,262,955	22.89%
60 to 70%	6,069	23.54%	308,963,182	28.84%
70 to 80%	3,431	13.31%	205,507,076	19.18%
More than 80%	0	0.00%	0	0.00%
<b>Loan Purpose</b>				
Owner-occupied	20,235	78.50%	951,016,098	88.77%
Second Home	5,117	19.85%	102,243,501	9.54%
Buy to Let	0	0.00%	0	0.00%
Other	425	1.65%	18,055,413	1.69%
<b>Property Type</b>				
<b>Residential</b>				
Flat	20,625	80.01%	837,680,147	78.19%
House	5,152	19.99%	233,634,866	21.81%
Other	0	0.00%	0	0.00%
<b>Commercial</b>				
0	0.00%	0	0.00%	
<b>Geographical Distribution</b>				
<b>Portugal</b>				
Norte	11,554	44.82%	457,123,454	42.67%
Center	4,400	17.07%	166,103,037	15.50%
Lisbon	8,812	34.18%	404,744,841	37.78%
Alentejo	296	1.15%	10,432,724	0.97%
Algarve	716	2.78%	32,910,956	3.07%
Madeira	0	0.00%	0	0.00%
Azores	0	0.00%	0	0.00%
<b>Delinquencies<sup>7</sup></b>				
> 30 to 60 days	103	0.40%	4,813,519	0.45%
> 60 to 90 days	29	0.11%	1,089,834	0.10%
> 90 days	0	0.00%	0	0.00%
<b>Projected Outstanding Amount<sup>b</sup></b>				
		<b>Amortisation Profile</b>		<b>Principal Balance</b>
				Sep/2014
				1,071,315,013
				Sep/2015
				1,020,167,083
				Sep/2016
				967,920,541
				Sep/2017
				915,991,212
				Sep/2018
				864,690,976
				Sep/2019
				814,214,495
				Sep/2020
				764,743,607
				Sep/2021
				716,139,380
				Sep/2022
				668,713,613
				Sep/2023
				622,684,407
				Sep/2024
				577,929,808
				Sep/2025
				533,732,679
				Sep/2030
				338,173,162
				Sep/2035
				216,339,147
				Sep/2040
				119,015,608
				Sep/2045
				48,942,610
				Sep/2050
				16,557,902
				Sep/2055
				1,626,068
				Sep/2058
				406,517

<sup>b</sup> Includes mortgage pool and other assets; assumes no prepayments (constant prepayment rate of 0%)

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7. Expected Maturity Structure							
In EUR	0-6 Months	6-12 Months	1-2 Years	2-3 Years	3-5 Years	5-10 Years	>10 Years
Residencial Mortgages <sup>b</sup>	25,487,786	25,658,166	52,244,521	51,927,321	101,772,781	236,275,549	577,948,888
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets <sup>2</sup>	0	0	0	0	0	0	0
<b>Cover Pool</b>	<b>25,487,786</b>	<b>25,658,166</b>	<b>52,244,521</b>	<b>51,927,321</b>	<b>101,772,781</b>	<b>236,275,549</b>	<b>577,948,888</b>
<b>Covered Bonds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>895,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>b</sup> Includes mortgage pool and other assets; assumes no prepayments (constant prepayment rate of 0%)

8. Liquidity Cushion		Nominal Amount
<b>Liquidity Cushion (according to Fitch's definition)<sup>c</sup></b>		
Liquidity Cushion amount		0.00
Deposits with eligible financial institutions		0.00
Eligible securities		0.00
<b>Liquidity Cushion requirement calculation</b>		
Required Liquidity Cushion		0.00
Interest due month 1		0.00
Interest due month 2		0.00
Interest due month 3		0.00

<sup>c</sup> At least equal to the interest payments due on the Covered Bonds Outstanding before swaps for the next 3 months

9. Derivative Financial Instruments		Nominal Amount
<b>Total Amount of Derivatives in the Cover pool</b>		
		0.00
<b>Of Which Interest Rate Derivatives<sup>b</sup></b>		
		0.00
Fixed to Floating Swaps		0.00
Interest Basis Swaps		0.00
<b>Of Which Currency Swaps</b>		
		0.00

<sup>b</sup> External Counterparties (No)

**10. Contacts**  
Financial Operations Department [Securitisation.Unit@millenniumbcp.pt](mailto:Securitisation.Unit@millenniumbcp.pt)  
Other Reports on Millenniumbcp website <http://nd.millenniumbcp.pt/en/Institucional/investidores/Pages/CoveredBondsProgramme.aspx>

## Notes

### 1 Soft Bullet Date (Extended Maturity)

If the covered bonds are not redeemed on the relevant maturity date, the maturity will automatically be extended on a monthly basis up to one year. In that event, the covered bonds can be redeemed in whole or in part on a monthly basis up to and including the Extended Maturity Date.

### 2 Other Assets

In addition to the mortgage assets, other assets (or substitution assets) may be included in the cover pool up to an amount equal to 20% of the cover pool, subject to the following eligibility criteria:

- Deposit with the Bank of Portugal in cash or ECB eligible securities, or
- Deposits held with credit institutions rated at least A-

### 3 Overcollateralisation

The overcollateralisation ratios are calculated by dividing (i) the total outstanding balance of the assets included in the cover pool by (ii) the total nominal amount of the covered bonds (both excluding accrued interest). For clarification purposes, all assets included in the covered pool are eligible assets.

### 4 Net Present Value (NPV)

The NPV of the assets is obtained by discounting all future cash flows with the IRS curve.  
The NPV of the liabilities is obtained by discounting all future cash flows with the IRS curve.  
Substitution assets as well as any derivatives in the pool are marked at their market value.  
NPV of liabilities cannot exceed the NPV of the portfolio assigned to the bond, including derivatives.  
Stress testing - Net present value is also calculated for a 200 bps shift upwards and downwards of the discounting curve.

### 5 Loan-to-Value

The Current LTV is calculated by dividing the outstanding balance of the loan by the value of the underlying property (last physical valuation).  
The Current indexed LTV is calculated by dividing the outstanding balance of the loan by the latest valuation amount of the underlying property (i.e. indexed value or last physical valuation).  
A full valuation of the underlying properties must have been performed by an independent appraiser, at origination or after, prior to the inclusion of the mortgage loan in the cover pool.  
Properties (both residential and commercial) should also be revalued regularly:  
- For commercial assets this must be done on an annual basis;  
- Residential properties must be revalued at least every 3 years - if the individual mortgage credit value exceeds € 500.000  
- Also the value of the mortgage property should be checked on a frequent basis, at least every three years, in order to identify the properties that require appraisal by an expert (this procedure can be done using statistical models approved by the Bank of Portugal).

### 6 Insured Property

All mortgages must have property damage insurance covering fire and floods.

### 7 Delinquencies

A loan is considered to be delinquent if any payment is in arrears by more than 30 days. According to the Portuguese covered bonds legislation, any loan which is in arrears by more than 90 days must be removed from the pool and substituted by another loan which fulfills the eligibility criteria. Therefore, there are no NPL's included in the cover pool.