

Changes in Provision for guarantees and other commitments are analysed as follows:

	(Thousands of euros)	
	2017	2016
Balance on 1 January	128,056	74,710
Transfers resulting from changes in the Group's structure	-	(930)
Charge for the year (note 14)	18,537	64,536
Reversals for the year (note 14)	(15,953)	(8,644)
Exchange rate differences	235	(1,616)
Balance on 31 December	130,875	128,056

Changes in Other provisions for liabilities and charges are analysed as follows:

	(Thousands of euros)	
	2017	2016
Balance on 1 January	131,506	136,908
Transfers resulting from changes in the Group's structure	3	(1,879)
Other transfers	(655)	11,844
Charge for the year (note 14)	16,463	44,928
Reversals for the year (note 14)	(2,337)	(12,433)
Amounts charged-off	(10,364)	(46,209)
Exchange rate differences	633	(1,653)
Balance on 31 December	135,249	131,506

The Other provisions for liabilities and charges were based on the probability of occurrence of certain contingencies related to risks inherent to the Group's activity, being reviewed at each reporting date to reflect the best estimate of the amount and respective probability of payment. This caption includes provisions for contingencies in the sale of Millennium Bank (Greece), lawsuits, fraud and tax contingencies. The provisions constituted to cover tax contingencies totalled Euros 63,669,000 (31 December 2016: Euros 49,016,000) and are associated, essentially, to contingencies related to VAT and Stamp Duty.

38. SUBORDINATED DEBT

This balance is analysed as follows:

	(Thousands of euros)	
	2017	2016
Bonds		
Non Perpetual	1,133,427	804,547
Perpetual	27,092	28,955
CoCos	-	703,421
	1,160,519	1,536,923
Accruals	8,543	7,632
	1,169,062	1,544,555

As referred in note 47, Banco Comercial Português, S.A. fixed on 29 November 2017 the terms for a new issue of medium term subordinated debt notes eligible for approval by the ECB as Tier 2 capital, under its Euro Medium Term Notes Programme. The issue, in the amount of Euros 300 million, has a tenor of 10 years, with the option of early redemption by the Bank at the end of the fifth year, and an annual interest rate of 4.5 per cent. during the first five years (corresponding to a spread of 4.267 per cent over the 5 year mid-swap rate, which, for the determination of the interest rate for the remaining five years, will be applied over the mid swaps rate in force at the beginning of that period).

As referred in note 47, Banco Comercial Português, S.A. has proceeded, on 9 February 2017, to the early repayment to the Portuguese state of the remaining Core Tier 1 hybrid capital instruments, in the amount of Euros 700 million.

As at 31 December 2017, the subordinated debt issues are analysed as follows:

(Thousands of euros)

Issue	Issue date	Maturity date	Interest rate	Nominal value	Book value	Own funds value
Non Perpetual Bonds						
Banco Comercial Português:						
Mbcp Ob Cx Sub 1 Serie 2008-2018	September, 2008	September, 2018 (i)	See reference (viii)	52,420	52,420	2,549
Mbcp Ob Cx Sub 2 Serie 2008-2018	October, 2008	October, 2018 (ii)	See reference (viii)	14,887	14,887	868
Bcp Ob Sub Jun 2020 - Emtn 727	June, 2010	June, 2020 (iii)	See reference (ix)	14,791	14,791	1,470
Bcp Ob Sub Aug 2020 - Emtn 739	August, 2010	August, 2020 (iv)	See reference (x)	9,278	9,278	294
Bcp Ob Sub Mar 2021 - Emtn 804	March, 2011	March, 2021	Euribor 3M + 3.75%	114,000	114,000	73,973
Bcp Ob Sub Apr 2021 - Emtn 809	April, 2011	April, 2021	Euribor 3M + 3.75%	64,100	64,100	41,701
Bcp Ob Sub 35 Apr 2021 - Emtn 812	April, 2011	April, 2021	Euribor 3M + 3.75%	35,000	35,000	23,158
Bcp Sub 11/25.08.2019 - Emtn 823	August, 2011	August, 2019	Fixed rate 6.383%	7,500	7,832	2,479
Bcp Subord Sep 2019 - Emtn 826	October, 2011	September, 2019	Fixed rate 9.31%	50,000	55,251	17,444
Bcp Subord Nov 2019 - Emtn 830	November, 2011	November, 2019	Fixed rate 8.519%	40,000	44,338	14,844
Mbcp Subord Dec 2019 - Emtn 833	December, 2011	December, 2019	Fixed rate 7.15%	26,600	29,945	10,330
Mbcp Subord Jan 2020 - Emtn 834	January, 2012	January, 2020	Fixed rate 7.01%	14,000	15,504	5,701
Mbcp Subord Feb 2020 - Vm Sr. 173	April, 2012	February, 2020	Fixed rate 9%	23,000	24,722	9,941
Bcp Subord Apr 2020 - Vm Sr 187	April, 2012	April, 2020	Fixed rate 9.15%	51,000	54,412	23,035
Bcp Subord 2 Serie Apr 2020 - Vm 194	April, 2012	April, 2020	Fixed rate 9%	25,000	26,632	11,417
Bcp Subordinadas Jul 20-Emtn 844	July, 2012	July, 2020	Fixed rate 9%	26,250	27,465	13,154
Bcp Fix Rate Reset Sub Notes-Emtn 854	December, 2017	December, 2027	See reference (xi)	300,000	298,583	300,000
Bank Millennium						
Bank Millennium - BKMO_071227R	December, 2017	December, 2027	Wibor 6M 1.81% + 2.3%	167,641	167,639	66,145
BCP Finance Bank:						
BCP Fin Bank Ltd EMTN - 828	October, 2011	October, 2021	Fixed rate 13%	94,254	76,584	17,312
Magellan No. 3:						
Magellan No. 3 Series 3 Class F	June, 2005	May, 2058	-	44	44	-
					1,133,427	635,815
Perpetual Bonds						
Obrigações Caixa Perpétuas						
Subord 2002/19jun2012	June, 2002	See reference (v)	See reference (xii)	85	71	-
TOPS BPSM 1997	December, 1997	See reference (vi)	Euribor 6M+0,9%	22,035	22,035	22,035
BCP Leasing 2001	December, 2001	See reference (vii)	Euribor 3M+2,25%	4,986	4,986	4,986
					27,092	27,021
Accruals					8,543	-
					1,169,062	662,836

References:

Date of exercise of the next call option - It is considered the first date after the end of the restructuring period (31 December 2017). Subject to prior approval of the Supervisory Authorities.

(i) March 2018; (ii) - April 2018; (iii) - June 2018; (iv) - February 2018; (v) - March 2018; (vi) - June 2018; (vii) March 2018.

Interest rate

(viii) - 1st year 6%; 2nd to 5th year Euribor 6M + 1%; 6th year and following Euribor 6M + 1.4%; (ix) - Until the 5th year Fixed rate 3.25%; 6th year and following years Euribor 6M + 1%; (x) - 1st year: 3%; 2nd year 3.25%; 3rd year 3.5%; 4th year 4%; 5th year 5%; 6th year and following Euribor 6M + 1.25%; (xi) up to the 5th year fixed rate 4.5%; 6th year and following: mid-swap rate in force at the beginning of this period + 4.267%; (xii) - Until 40th coupon 6.131%; After 40th coupon Euribor 3M + 2.4%.

As at 31 December 2016, the subordinated debt issues are analysed as follows:

(Thousands of euros)

Issue	Issue date	Maturity date	Interest rate	Nominal value	Book value	Own funds value
Non Perpetual Bonds						
Banco Comercial Português:						
MBCP Ob Cx Sub 1 Serie 2008-2018	September, 2008	September, 2018 (i)	See reference (viii)	52,587	52,587	7,740
MBCP Ob Cx Sub 2 Serie 2008-2018	October, 2008	October, 2018 (ii)	See reference (viii)	14,887	14,887	2,357
BCP Ob Sub jun 2020 - EMTN 727	June, 2010	June, 2020 (iii)	See reference (ix)	14,791	14,791	1,471
BCP Ob Sub ago 2020 - EMTN 739	August, 2010	August, 2020 (iv)	See reference (x)	9,278	9,278	1,222
BCP Ob Sub mar 2021 - EMTN 804	March, 2011	March, 2021	Euribor 3M + 3.75%	114,000	114,000	96,773
BCP Ob Sub abr 2021 - EMTN 809	April, 2011	April, 2021	Euribor 3M + 3.75%	64,100	64,100	54,521
BCP Ob Sub 3S abr 2021 - EMTN 812	April, 2011	April, 2021	Euribor 3M + 3.75%	35,000	35,000	30,158
BCP Sub 11/25.08.2019 - EMTN 823	August, 2011	August, 2019	Fixed rate 6.383%	7,500	8,011	3,979
BCP Subord set 2019 - EMTN 826	October, 2011	September, 2019	Fixed rate 9.31%	50,000	53,933	27,444
BCP Subord nov 2019 - EMTN 830	November, 2011	November, 2019	Fixed rate 8.519%	40,000	42,675	22,844
MBCP Subord dez 2019 - EMTN 833	December, 2011	December, 2019	Fixed rate 7.15%	26,600	28,260	15,650
MBCP Subord jan 2020 - EMTN 834	January, 2012	January, 2020	Fixed rate 7.01%	14,000	14,490	8,501
MBCP Subord fev 2020 - Vm Sr. 173	April, 2012	February, 2020	Fixed rate 9%	23,000	23,730	14,541
BCP Subord abr 2020 - Vm Sr 187	April, 2012	April, 2020	Fixed rate 9.15%	51,000	52,485	33,235
BCP Subord 2 Serie abr 2020 - Vm 194	April, 2012	April, 2020	Fixed rate 9%	25,000	25,650	16,417
BCP Subordinadas jul 20-EMTN 844	July, 2012	July, 2020	Fixed rate 9%	26,250	26,370	18,404
Bank Millennium:						
MB Finance AB	December, 2007	December, 2017	Euribor 6M + 2%	150,466	150,466	29,257
BCP Finance Bank:						
BCP Fin Bank Ltd EMTN - 828	October, 2011	October, 2021	Fixed rate 13%	94,413	73,791	19,470
Magellan No. 3:						
Magellan No. 3 Series 3 Class F	June, 2005	May, 2058	-	44	44	-
					804,548	403,984
Perpetual Bonds						
Obrigações Caixa Perpétuas						
Subord 2002/19jun2012	June, 2002	See reference (v)	See reference (xi)	95	75	-
TOPS BPSM 1997	December, 1997	See reference (vi)	Euribor 6M + 0.9%	23,216	23,332	23,216
BCP Leasing 2001	December, 2001	See reference (vii)	Euribor 3M + 2.25%	5,548	5,548	5,548
					28,955	28,764
CoCos						
BCP Coco Bonds 12/29.06.2017	December, 2001	June, 2017	See reference (xii)	700,000	703,420	700,000
Accruals					7,632	-
					1,544,555	1,132,748

References:

Date of exercise of the next call option - It is considered the first date after the end of the restructuring period (31 December 2017). Subject to prior approval of the Supervisory Authorities.

(i) March 2018; (ii) - April 2018; (iii) - June 2018; (iv) - February 2018; (v) - March 2018; (vi) - June 2018; (vii) March 2018.

Interest rate

(viii) - 1st year 6%; 2nd to 5th year Euribor 6M + 1%; 6th year and following Euribor 6M + 1.4%; (ix) - Until the 5th year Fixed rate 3.25%; 6th year and following years Euribor 6M + 1%; (x) - 1st year: 3%; 2nd year 3.25%; 3rd year 3.5%; 4th year 4%; 5th year 5%; 6th year and following Euribor 6M + 1.25%; (xi) - Until 40th coupon 6.131%; After 40th coupon Euribor 3M + 2.4%; (xii) - 1st year: 8.5%; 2nd year 8.75%; 3rd year 9%; 4th year 9.5%; 5th year 10%.

The analysis of the subordinated debt by remaining period, is as follows:

	(Thousands of euros)	
	2017	2016
3 to 6 months	67,307	703,421
Up to 1 year	-	150,466
1 to 5 years	599,854	654,037
Over 5 years	466,266	44
Undetermined	27,092	28,955
	1,160,519	1,536,923
Accruals	8,543	7,632
	1,169,062	1,544,555

39. OTHER LIABILITIES

This balance is analysed as follows:

	(Thousands of euros)	
	2017	2016
Creditors:		
Suppliers	39,197	28,430
From factoring operations	24,937	13,717
Deposit account applications and others applications	56,467	23,615
Associated companies	82	108
For futures and options transactions	10,972	6,517
For direct insurance and reinsurance operations	6,056	9,853
Obligations not covered by the Group Pension Fund - amounts payable by the Group (note 49)	21,281	47,989
Other creditors		
Residents	32,259	51,241
Non-residents	38,568	36,573
Negative equity in associated companies		
Luanda Waterfront Corporation	-	9,473
Nanium, S.A.	-	2,367
Holiday pay and subsidies	56,685	50,910
Interests and other amounts payable	19,821	65,147
Operations to be settled - foreign, transfers and deposits	333,205	301,696
Amounts payable on trading activity	1,441	803
Other administrative costs payable	3,527	2,856
Deferred income	67,009	10,930
Loans insurance received and to amortized	57,010	52,164
Public sector	35,631	32,643
Other liabilities	184,345	168,496
	988,493	915,528