

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017

(Thousands of euros)

	Share capital	Share premium	Preference shares	Other equity instruments	Legal and statutory reserves	Treasury shares	Reserves and retained earnings	Net income for the year attributable to Bank's Shareholders	Equity attributable to Bank's Shareholders	Non-controlling interests (note 45)	Total equity
<b>BALANCE AS AT 31 DECEMBER 2016</b>	4,268,818	16,471	59,910	2,922	245,875	(2,880)	(232,938)	23,938	4,382,116	883,065	5,265,181
Net income for the year	-	-	-	-	-	-	-	186,391	186,391	103,166	289,557
Other comprehensive income	-	-	-	-	-	-	222,224	-	222,224	74,562	296,786
<b>TOTAL COMPREHENSIVE INCOME</b>	-	-	-	-	-	-	222,224	186,391	408,615	177,728	586,343
Results application:											
Legal reserve	-	-	-	-	6,931	-	-	(6,931)	-	-	-
Transfers for Reserves and retained earnings	-	-	-	-	-	-	17,007	(17,007)	-	-	-
Share capital increase	1,331,920	-	-	-	-	-	-	-	1,331,920	-	1,331,920
Costs related to the share capital increase	-	-	-	-	-	-	(36,772)	-	(36,772)	-	(36,772)
Tax related to costs arising from the share capital increase (a)	-	-	-	-	-	-	(8,264)	-	(8,264)	-	(8,264)
Dividends (b)	-	-	-	-	-	-	-	-	-	(7,787)	(7,787)
Treasury shares	-	-	-	-	-	2,587	1,083	-	3,670	-	3,670
Other reserves	-	-	-	-	-	-	(470)	-	(470)	45,915	45,445
<b>BALANCE AS AT 31 DECEMBER 2017 (*)</b>	5,600,738	16,471	59,910	2,922	252,806	(293)	(38,130)	186,391	6,080,815	1,098,921	7,179,736
Transition adjustments IFRS 9 (note 59)											
Gross value	-	-	-	-	-	-	(218,184)	-	(218,184)	(36,999)	(255,183)
Taxes	-	-	-	-	-	-	(155,472)	-	(155,472)	6,888	(148,584)
	-	-	-	-	-	-	(373,656)	-	(373,656)	(30,111)	(403,767)
<b>BALANCES AS AT 1 JANUARY 2018</b>	5,600,738	16,471	59,910	2,922	252,806	(293)	(411,786)	186,391	5,707,159	1,068,810	6,775,969
Net income for the year	-	-	-	-	-	-	-	301,065	301,065	117,809	418,874
Other comprehensive income	-	-	-	-	-	-	(169,261)	-	(169,261)	(15,509)	(184,770)
<b>TOTAL COMPREHENSIVE INCOME</b>	-	-	-	-	-	-	(169,261)	301,065	131,804	102,300	234,104
Results application:											
Legal reserve (note 42)	-	-	-	-	11,802	-	-	(11,802)	-	-	-
Transfers for reserves and retained earnings	-	-	-	-	-	-	174,589	(174,589)	-	-	-
Share capital decrease (note 41)	(875,738)	-	-	-	-	-	875,738	-	-	-	-
Reimbursement of preference shares (note 41)	-	-	(59,910)	-	-	-	373	-	(59,537)	-	(59,537)
Costs related to the share capital increase	-	-	-	-	-	-	(41)	-	(41)	-	(41)
Constitution and acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	21,359	21,359
Preferred shares dividends	-	-	-	-	-	-	(722)	-	(722)	-	(722)
Dividends from other equity instruments	-	-	-	-	-	-	(149)	-	(149)	-	(149)
Dividends (a)	-	-	-	-	-	-	-	-	-	(9,088)	(9,088)
Treasury shares (note 43)	-	-	-	-	-	219	-	-	219	-	219
Gains arising on sale of 10% of Setelote	-	-	-	-	-	-	252	-	252	-	252
Other reserves (note 44)	-	-	-	-	-	-	1,488	-	1,488	52	1,540
<b>BALANCE AS AT 31 DECEMBER 2018</b>	4,725,000	16,471	-	2,922	264,608	(74)	470,481	301,065	5,780,473	1,183,433	6,963,906

(\*) The balances for the year ended 31 December 2017 consider the alignment with the new presentation requirements established by IFRS 9. These balances are presented exclusively for comparative purposes and have not been restated following the adoption of IFRS 9, with reference to 1 January 2018, as allowed by IFRS 9 (note 59).

(a) Includes the derecognition of deferred taxes related to tax losses from previous years associated to costs arising from the share capital increase

(b) Dividends of BIM - Banco Internacional de Moçambique, S.A. and SIM - Seguradora Internacional de Moçambique, S.A.R.L.

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE