

The analysis of hedging derivatives portfolio by maturity as at 31 December 2017 is as follows:

(Thousands of euros)

	2017				Fair value	
	Notional (remaining term)			Total	Assets	Liabilities
	Up to 3 months	3 months to 1 year	Over 1 year			
Fair value hedging derivatives related to interest rate risk changes:						
OTC Market:						
Interest rate swaps	-	5,288	6,434,440	6,439,728	17,060	53,401
Others	450,000	-	-	450,000	-	12,899
	450,000	5,288	6,434,440	6,889,728	17,060	66,300
Cash flow hedging derivatives related to interest rate risk changes:						
OTC Market:						
Interest rate Swaps	-	-	12,050,000	12,050,000	1,744	46,052
Total derivatives traded by:						
OTC Market	450,000	5,288	18,484,440	18,939,728	18,804	112,352

24. Investments in subsidiaries and associated companies

This balance is analysed as follows:

(Thousands of euros)

	2018	2017
Portuguese credit institutions	388,440	338,422
Foreign credit institutions	792,877	801,463
Other Portuguese companies	1,760,363	1,848,351
Other foreign companies	2,756,639	2,771,176
	5,698,319	5,759,412
Impairment for investments in:		
Subsidiary companies	(2,532,289)	(2,385,466)
Associated and other companies	(18,057)	(3,585)
	(2,550,346)	(2,389,051)
	3,147,973	3,370,361

The balance Investments in subsidiaries and associated companies is analysed as follows:

	(Thousands of euros)	
	2018	2017
ACT - C - Indústria de Cortiças, S.A.	-	3,585
Banco ActivoBank, S.A.	128,205	78,187
Banco de Investimento Imobiliário, S.A.	260,235	260,235
Bank Millennium S.A.	645,678	662,953
Banque BCP, S.A.S.	30,203	26,865
Banque Privée BCP (Suisse) S.A.	116,996	111,645
BCP África, S.G.P.S., Lda.	683,032	683,032
BCP Capital - Sociedade de Capital de Risco, S.A.	29,773	30,773
BCP International B.V.	1,203,262	1,203,262
BCP Investment, B.V.	1,534,842	1,534,843
Cold River's Homestead, S.A.	20,210	-
Interfundos Gestão de Fundos de Investimento Imobiliários, S.A.	1,500	1,500
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	355,475	459,722
Millennium bcp - Escritório de representações e Serviços, S/C Lda.	18,535	18,535
Millennium bcp Imobiliária, S.A.	341,088	341,088
Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda.	327,653	327,653
Millennium bcp Teleserviços - Serviços de Comércio Electrónico, S.A.	885	885
Planfipsa S.G.P.S., S.A.	1	-
Projepolska, S.A.	633	-
S&P Reinsurance Limited	-	14,536
Servitrust - Trust Management Services S.A.	100	100
Sicit - Sociedade de Investimentos e Consultoria em Infra-Estruturas de Transportes, S.A.	13	13
	5,698,319	5,759,412
Impairment for investments in subsidiary and associated companies		
ACT - C - Indústria de Cortiças, S.A.	-	(3,585)
Banco de Investimento Imobiliário, S.A.	(50,704)	(33,941)
BCP África, S.G.P.S., Lda.	(92,726)	(92,726)
BCP Capital - Sociedade de Capital de Risco, S.A.	(26,117)	(18,480)
BCP International B.V.	(145,988)	(145,988)
BCP Investment, B.V.	(1,529,200)	(1,394,582)
Millennium bcp - Escritório de representações e Serviços, S/C Lda.	(18,535)	(18,535)
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	(18,057)	-
Millennium bcp Imobiliária, S.A.	(341,088)	(341,088)
Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda.	(327,049)	(327,049)
Millennium bcp Teleserviços - Serviços de Comércio Electrónico, S.A.	(782)	(753)
S&P Reinsurance Limited	-	(12,224)
Servitrust - Trust Management Services S.A.	(100)	(100)
	(2,550,346)	(2,389,051)
	3,147,973	3,370,361

During 2018, were included the subsidiaries Planfipsa S.G.P.S., S.A. and Cold River's Homestead, S.A., and also included the associated companies PNCB - Plataforma de Negociação Integrada de Créditos Bancários, A.C.E and Projepolska, S.A.

The Bank also liquidated S & P Reinsurance Limited and closed ACT-C-Indústria de Cortiças, S.A.

During 2017, the Bank's investment in the company Nanium, S.A. was sold and were liquidated the investments held by the Bank in the companies Propaço - Sociedade Imobiliária De Paço D'Arcos, Lda. and Caracas Financial Services, Limited (note 14).

During 2017 the Bank acquired to BCP Investment, B.V. the investments corresponding to the entire share capital of Banco ActivoBank, S.A. and Banque Privée BCP (Suisse) S.A., as well 49.0% of the share capital of Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.

The movements for Impairment for investments in subsidiary and associated companies are analysed as follows:

	(Thousands of euros)	
	2018	2017
Impairment for investments in subsidiary and associated companies:		
Balance on 1 January	2,389,051	2,352,243
Impairment charge for the year (note 12)	177,104	79,940
Write-back for the year	-	(36,943)
Loans charged-off	(15,809)	(6,189)
Balance on 31 December	2,550,346	2,389,051

As at 31 December 2018, the caption Impairment for investments in subsidiaries and associated companies - Loans charged-off results from the liquidation/dissolution of ACT - C - Indústria de Cortiças, S.A. and S&P Reinsurance Limited. The Bank's subsidiaries and associated companies are presented in note 53.

The Bank analysed the impairment related to the investments made in subsidiaries and associated as described in note 1 G).

Regarding holding companies, namely BCP International B.V., BCP Investment B.V., Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A. and Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda., the impairment analysis was performed considering the recoverable amount of the business controlled by each one of those companies.

The recoverable amounts, as described in note 1 G), was determined based on the higher between the fair value amount less costs to sell and the value in use.

The value in use was determined based on: (i) the business plan approved by each company board for the period from 2019 to 2022 and (ii) the following assumptions depending on the nature of the companies activities and correspondent geography:

	2018			2017		
	Discount rate	Discount rate	Growth rate	Discount rate	Discount rate	Growth rate
	Explicit period	Perpetuity	Perpetuity	Explicit period	Perpetuity	Perpetuity
Portugal	5,500% a 10,000%	10.561%	0.000%	5,875% a 10,375%	10.400%	0.000%
Poland	9.250%	9.250%	2.600%	9.625%	9.625%	2.600%
Angola	19.000%	19.000%	n.a.	19.000%	19.000%	n.a.
Mozambique	20.500%	20.500%	3.940%	20.500%	20.500%	2.400%
Switzerland	9.250%	9.811%	0.000%	9.250%	9.775%	0.000%

Based on the analysis made, the Bank recognised in 2018 impairment for a group of companies, as follows:

	(Thousands of euros)				
	Balance on 1 January	Impairment charge (note 12)	Write-back	Loans charged-off	Balance on 31 December
ACT - C - Indústria de Cortiças, S.A.	3,585	-	-	(3,585)	-
Banco de Investimento Imobiliário, S.A.	33,941	16,763	-	-	50,704
BCP África, S.G.P.S., Lda.	92,726	-	-	-	92,726
BCP Capital - Sociedade de Capital de Risco, S.A.	18,480	7,637	-	-	26,117
BCP International B.V.	145,988	-	-	-	145,988
BCP Investment B.V.	1,394,582	134,618	-	-	1,529,200
Millennium bcp - Escritório de representações e Serviços, S/C Lda.	18,535	-	-	-	18,535
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	-	18,057	-	-	18,057
Millennium bcp Imobiliária, S.A.	341,088	-	-	-	341,088
Millennium bcp Participações, S.G.P.S., Sociedade Unipessoal, Lda.	327,049	-	-	-	327,049
Millennium bcp Teleserviços - Serviços de Comércio Electrónico, S.A.	753	29	-	-	782
S&P Reinsurance Limited	12,224	-	-	(12,224)	-
Servitrust - Trust Management Services S.A.	100	-	-	-	100
	2,389,051	177,104	-	(15,809)	2,550,346