

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2019 AND 2018

(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 44)	Total equity
BALANCE AS AT 31 DECEMBER 2017 (*)	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											
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)
BALANCE AS AT 1 JANUARY 2018	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)
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	-	(169,261)	301,065	131,804	102,300	234,104
Results application:											
Legal reserve	-	-	-	-	11,802	-	-	(11,802)	-	-	-
Transfers for Reserves and retained earnings	-	-	-	-	-	-	174,589	(174,589)	-	-	-
Share capital decrease (note 40)	(875,738)	-	-	-	-	-	875,738	-	-	-	-
Reimbursement of preference shares (note 40)	-	-	(59,910)	-	-	-	373	-	(59,537)	-	(59,537)
Costs related to the share capital decrease	-	-	-	-	-	-	(41)	-	(41)	-	(41)
Constitution and acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	21,359	21,359
Dividends from preference shares	-	-	-	-	-	-	(722)	-	(722)	-	(722)
Dividends from other equity instruments	-	-	-	-	-	-	(149)	-	(149)	-	(149)
Dividends (a)	-	-	-	-	-	-	-	-	-	(9,088)	(9,088)
Treasury shares	-	-	-	-	-	219	-	-	219	-	219
Gains arising on sale of 10% of Setelote	-	-	-	-	-	-	252	-	252	-	252
Other reserves	-	-	-	-	-	-	1,488	-	1,488	52	1,540
BALANCE AS AT 31 DECEMBER 2018	4,725,000	16,471	-	2,922	264,608	(74)	470,481	301,065	5,780,473	1,183,433	6,963,906
Net income for the year	-	-	-	-	-	-	-	302,003	302,003	99,397	401,400
Other comprehensive income	-	-	-	-	-	-	(293,026)	-	(293,026)	11,227	(281,799)
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	-	(293,026)	302,003	8,977	110,624	119,601
Results application (note 48):											
Statutory reserve (note 41)	-	-	-	-	(30,000)	-	30,000	-	-	-	-
Legal reserve (note 41)	-	-	-	-	5,927	-	(5,927)	-	-	-	-
Transfers for reserves and retained earnings	-	-	-	-	-	-	301,065	(301,065)	-	-	-
Dividends paid (note 48)	-	-	-	-	-	-	(30,228)	-	(30,228)	-	(30,228)
Issue of perpetual subordinated bonds (Additional Tier 1) (note 40)	-	-	-	400,000	-	-	-	-	400,000	-	400,000
Interests of the perpetual subordinated bonds (Additional Tier 1) (note 40)	-	-	-	-	-	-	(27,750)	-	(27,750)	-	(27,750)
Costs with the issue of the perpetual subordinated bonds (Additional Tier 1)	-	-	-	-	-	-	(3,675)	-	(3,675)	-	(3,675)
Taxes with interests of the perpetual subordinated bonds (Additional Tier 1)	-	-	-	-	-	-	19	-	19	-	19
Reimbursed of perpetual subordinated debt securities	-	-	-	(2,922)	-	-	-	-	(2,922)	-	(2,922)
Reversal of deferred tax assets related with expenses with the capital increase	-	-	-	-	-	-	(3,652)	-	(3,652)	-	(3,652)
Taxes on costs with the issue of the perpetual subordinated bonds (Additional Tier 1)	-	-	-	-	-	-	2	-	2	-	2
Sale of subsidiaries	-	-	-	-	-	-	-	-	-	(16,699)	(16,699)
Dividends from other equity instruments	-	-	-	-	-	-	(148)	-	(148)	-	(148)
Dividends (a)	-	-	-	-	-	-	-	-	-	(15,502)	(15,502)
Treasury shares (note 42)	-	-	-	-	-	(28)	-	-	(28)	-	(28)
Other reserves (note 43)	-	-	-	-	-	-	(1,338)	-	(1,338)	(332)	(1,670)
BALANCE AS AT 31 DECEMBER 2019	4,725,000	16,471	-	400,000	240,535	(102)	435,823	302,003	6,119,730	1,261,524	7,381,254

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

CHIEF ACCOUNTANT

THE EXECUTIVE COMMITTEE