

Lisbon, 24 February 2016

**NOVO BANCO GROUP ACTIVITY AND RESULTS IN 2015**

(Unaudited financial information)

**HIGHLIGHTS****Results**

- ✦ Net operating income for the year of EUR 125.0 million highlights NOVO BANCO Group's capacity to generate positive results before impairment and provision, reflecting a return to normal operating conditions.
- ✦ Commercial banking income totalled EUR 806.2 million, underpinned by the rising contribution of net interest income during the year, although with a strong negative impact of the accounting annulment of overdue interest in the amount of EUR 172.0 million.
- ✦ Capital markets results reached EUR 117.9 million.
- ✦ Operating costs of EUR 754.7 million decreasing by 12.7% YoY on a comparable basis, reflecting the Group's cost reduction effort.
- ✦ The high level of provisions (EUR 1,057.9 million) was influenced by losses related with assets transferred from BES. The provision reinforcement level for the real estate portfolio and the largest 50 exposures that existed at the date of the resolution of BES amounted to EUR 592.3 million.
- ✦ The net loss for the year of EUR 980.6 million, reflecting the high level of provisions mainly for customer loans, securities and real estate (EUR 1,054.4 million) and the write-off of EUR 160.0 million related to the full amount of the 2013 tax losses carried forward.

## Activity

- NOVO BANCO is the third largest bank in Portugal and a benchmark in financing the Portuguese corporate. At the end of 2015 it had total assets of EUR 57.5 billion, a year-on-year reduction of EUR 7.9 billion (-12.1%) and in line with the balance sheet deleveraging targets set for the year. This reduction was underpinned by the sale of the subsidiary BESI (EUR -4.2 billion), the sale of assets (securities and real estate assets) and the reduction of the loan book.
- Customer loans were down by EUR 2.6 billion in the year (EUR -3.3 billion net of provisions), a contraction focused on the large exposures without impacting the support by NOVO BANCO to the small and medium sized enterprises, particularly the exporting companies.
- Customer deposits grew by 2.8% YoY (+0.7 billion).

## Liquidity and Capital Management

- Improvement in liquidity: the loan to deposit ratio decreased to 113% (126% on 31 Dec. 2014), while funding from the European System of Central Banks (ESCB) was reduced by EUR 0.9 billion YoY, to EUR 7.6 billion on 31 December 2015.
- The estimated phased-in Common Equity Tier 1 ratio was at 13.6% on 31 December 2015 (Dec14: 9.5%), reflecting a EUR 9.3 billion reduction in the risk weighted assets and a EUR 0.7 billion increase in own funds.

## Asset Quality

- The Overdue Loans >90 days / Gross Loans ratio was 14.5%. The coverage ratio for Overdue Loans >90 days was 107.8%. The Provisions for Credit / Gross Loans ratio increased to 15.6%.
- Credit at risk accounted for 22.8% of the loan book and the respective provision coverage was 68.2%.
- Provisions for non-current assets held for sale represented 27.3% of these assets' gross value.

## ACTIVITY

During 2015 NOVO BANCO Group focused its activity on recovering the confidence of its clients, deleveraging the balance sheet through the selective disposal of assets, and reducing funding from the European Central Bank (ECB), all under a very demanding environment of managing a transition bank.

Amongst the main challenges faced by the Group, in terms of reach and relevance, the following should be highlighted:

- improving liquidity levels;
- reinforcing financial strength and achieving solvency levels capable of supporting the development of the Group's activity; and
- simplifying the Group organisational structure and its the balance sheet to promote sustainable profitability levels in the future.

## Funding

The resumption of normal operating conditions and the consolidation of the relationship with its clients positively influenced the recovery of funding based on retail customer funds, resulting in a more balanced and stable funding structure.

Deposits totalled EUR 27.4 billion on 31 December 2015, increasing by EUR 0.7 billion YoY and by EUR 2.7 billion since NOVO BANCO was created.

### TOTAL CUSTOMER FUNDS

	04-aug-14 <sup>(1)</sup>	31-dec-14	31-dec-15	YoY Change	
				absolute	relative
Deposits	24 617	26 626	27 364	738	2.8%
Other Customer Funds <sup>(2)</sup>	1 538	1 313	218	-1 095	-83.4%
Debt Securities placed with Clients	2 030	1 861	1 331	- 530	-28.5%
Life Insurance Products	6 595	5 841	5 388	- 453	-7.8%
Off-Balance Sheet Funds	9 227	7 099	5 642	-1 457	-20.5%
<b>Total Customer Funds</b>	<b>44 007</b>	<b>42 740</b>	<b>39 943</b>	<b>-2 797</b>	<b>-6.5%</b>

<sup>(1)</sup> Information considering the classification of BESE as a unit being discontinued under IFRS 5

<sup>(2)</sup> Includes cheques and pending payment instructions, REPOS and other funds

## Customer Loans

NOVO BANCO conducted a very strict and selective lending policy, without ceasing to support the small and medium sized enterprises, in particular the exporting companies.

### CUSTOMER LOANS

	Eur million				
	04-aug-14 <sup>(1)</sup>	31-dec-14	31-dec-15	YoY Change	
				absolute	relative
Corporate Lending	29 308	28 009	25 908	-2 101	-7.5%
Loans to Individuals	12 354	12 051	11 509	- 542	-4.5%
Mortgage	10 410	10 230	9 842	- 388	-3.8%
Other Loans	1 944	1 821	1 667	- 154	-8.5%
<b>Customer Loans (Gross)</b>	<b>41 662</b>	<b>40 060</b>	<b>37 417</b>	<b>-2 643</b>	<b>-6.6%</b>
Provisions	4 945	5 131	5 833	702	13.7%
<b>Customer Loans (Net)</b>	<b>36 717</b>	<b>34 929</b>	<b>31 584</b>	<b>-3 345</b>	<b>-9.6%</b>

(1) Information considering the classification of BESE as a unit being discontinued under IFRS 5

Net customer loans contracted by EUR 3.3 billion (-EUR 2.6 billion in gross terms) in 2015 and by EUR 5.1 billion compared to the opening balance sheet.

The contraction of gross customer loans occurred across all segments, namely in corporate loans, which decreased by EUR 2.1 billion (-7.5%), mainly through the reduction in large exposures, residential mortgage loans (-EUR 0.4 billion or -3.8%), and other loans to individuals (-EUR 0.2 billion or -8.5%).

## Securities Portfolio

The securities portfolio, the main source of eligible assets for funding operations with the ECB, totalled EUR 13.4 billion on 31 December 2015 and represented 23.2% of assets.

The breakdown of the securities portfolio shows a higher weight of Euro Zone sovereign debt securities, reflecting a more conservative portfolio management approach and based on securities with lower risk and higher liquidity.

## SECURITIES PORTFOLIO

Net of impairments	Eur million				
	04-aug-14 <sup>(1)</sup>	31-dec-14	31-dec-15	YoY Change	
				absolute	relative
<b>Portuguese Sovereign Debt</b>	1 670	1 948	2 685	737	37.8%
<b>Other Sovereign Debt</b>	3 175	2 600	4 689	2 089	80.3%
<b>Bonds</b>	4 509	3 558	2 671	- 887	-24.9%
<b>Other</b>	4 113	3 658	3 307	- 351	-9.6%
<b>Total</b>	<b>13 467</b>	<b>11 764</b>	<b>13 352</b>	<b>1 588</b>	<b>13.5%</b>

(1) Information considering the classification of BESt as a unit being discontinued under IFRS 5

The other bonds and securities portfolio decreased by more than EUR 1.2 billion in 2015.

## LIQUIDITY AND CAPITAL MANAGEMENT

### Liquidity

NOVO BANCO Group pursued its strategy of liquidity enhancement, mainly focusing on the growth of customer deposits and on the deleveraging of non-core assets. Moreover, following the entry into force of the new regulatory liquidity ratio (Liquidity Coverage Ratio), additional liquidity buffers were created during the year, leading to a significant increase in the Group's sovereign debt portfolio.

During the year the Group reimbursed approximately EUR 2.9 billion of medium long-term debt, of which EUR 1.5 billion in the first half of the year and EUR 1.4 billion in the second. In so far as access to the financial markets remained much constrained, these reimbursements were secured through strict balance sheet management.

Hence, in line with the trend seen since the end of 2014 and as a result of the efforts undertaken, customer deposits increased more than EUR 0.7 billion.

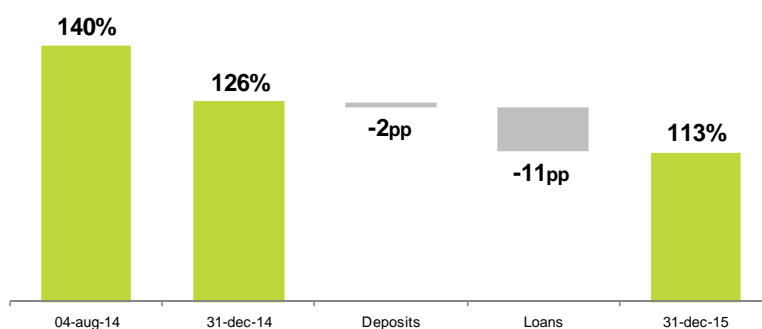
The Group's liquidity position was also positively influenced by the continuing deleveraging process of non-core assets from the credit and the securities portfolios, with the exception of the sovereign debt portfolio that increased by EUR 2.8 billion in order to meet the aforementioned new liquidity requirements.

The Group kept the levels of its portfolio of securities eligible for rediscount with the ECB, at EUR 12.7 billion at the end of 2015. This figure included EUR 5.2 billion exposure to sovereign debt, of which EUR 3.3 billion in treasury bills (excluding GNB Vida's exposure). The sovereign debt portfolio was primarily concentrated in European countries, including EUR 2.3 billion of Portuguese sovereign debt, EUR 1.9 billion of Italian sovereign debt, and EUR 0.9 billion of Spanish sovereign debt (excluding GNB Vida's exposure).

In order to secure an additional liquidity buffer, NOVO BANCO extended the maturity of three bond issues that are guaranteed by the Portuguese Republic totalling EUR 3.5 billion.

The recovery of the deposits base and contraction of the loan book significantly improved the loan to deposit ratio, which decreased to 113% at the end of 2015, down by 13 p.p. comparing with the end of 2014.

#### LOAN TO DEPOSIT RATIO<sup>(1)</sup>

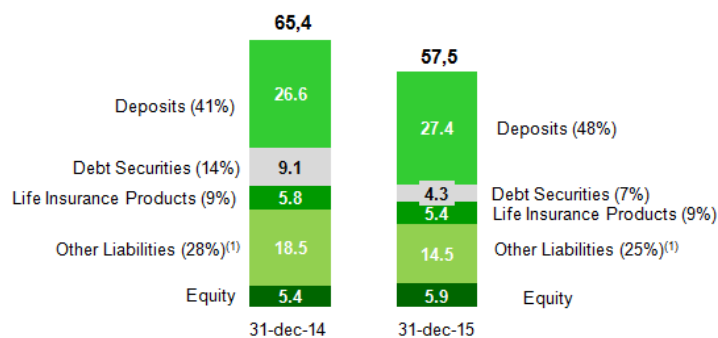


(1) Information considering the classification of BES I as a unit being discontinued under IFRS 5 on 4-Aug-14.

As at 31 December 2015 the funding structure improved, as there was an increase in the weight of customer deposits and a reduction in the reliance on the financial markets, thus making treasury management more autonomous and less dependent on cyclical fluctuations in debt markets.

## FUNDING STRUCTURE

(figures in Eur billion)



(1) Includes ECB Funding

At the end of 2015 deposits were the main funding source (48%), while debt securities accounted only for 7% of assets, in sharp contrast to the situation on 31 December 2014, when debt securities accounted for 14% and deposits for 41% of the total asset financing sources.

## Capital Management

The evolution in equity in 2015 reflects, on the one hand, the impact of Banco de Portugal's decision of 29 December 2015, which determined the re-transfer to BES of a set of non-subordinated bonds originally issued by that entity and that was reflected in "other reserves", and, on the other hand, the net loss recognised in the year and the negative value of revaluation reserves (securities portfolio fair value reserves and actuarial deviations in the Pension Fund). On 31 December 2015 the Group's equity was approximately EUR 5.9 billion.

### Equity

	04-aug-14 <sup>(1)</sup>	31-dec-14	31-dec-15	Absolute YoY Change
Share Capital	4 900	4 900	4 900	0
Revaluation Reserves	-	- 70	- 250	- 180
Other Reserves and Retained Earnings	1 066	948	2 221	1 272
<i>of which:</i>				
<i>Impact of Banco de Portugal's decision (29-dec-15)</i>	-	-	1 922	1 922
<i>Incorporation of previous period net profit / (loss)</i>	-	-	- 498	- 498
Profit / (loss) for the period	-	- 498	- 981	- 483
Non-controlling Interest	134	129	57	- 72
<b>Total</b>	<b>6 100</b>	<b>5 410</b>	<b>5 947</b>	<b>537</b>

(1) Information considering the classification of BES1 as a unit being discontinued under IFRS 5

The reduction in revaluation reserves is related with gains / losses realized in sales in the available for sale securities portfolio and by recognising a EUR 49.1 million negative actuarial deviations in the Pension Fund.

NOVO BANCO Group's solvency ratios are calculated based on the rules stipulated in Directive 2013/36/EU and Regulation (EU) no. 575/2013, which define the criteria for access to the activity of credit institutions and investment firms and determine the prudential requirements for these institutions and also in Banco de Portugal's Notice 6/2013, which regulates the phased-in arrangements for own funds, under said Regulation. The NOVO BANCO Group is authorised to use the Internal Ratings Based (IRB) approach to calculate credit risk weighted assets and the Standardised Approach to calculate both market risk and operational risk weighted assets.

Under the terms of the above-mentioned rules, the solvency ratios of NOVO BANCO Group, as at 31 December 2015 and 31 December 2014, were as follows:

<b>CAPITAL RATIOS - BIS III (CRD IV/CRR)</b>			
			Eur million
		<b>31-dec-14</b>	<b>31-dec-15<sup>(1)</sup></b>
Risk Weighted Assets	(A)	46 982	37 669
Own Funds			
<i>Common Equity Tier I</i>	(B)	4 442	5 140
<i>Tier I</i>	(C)	4 442	5 140
<i>Tier II</i>		0	0
Total Capital	(D)	4 442	5 140
<i>Common Equity Tier I</i>	(B/A)	9.5%	13.6%
<i>Tier I</i>	(C/A)	9.5%	13.6%
Solvency Ratio	(D/A)	9.5%	13.6%

<sup>(1)</sup> Estimated data

The estimated phased-in Common Equity Tier 1 (CET1) ratio for 31 December 2015 was 13.6%. This is a very significant improvement compared to the CET1 ratio determined for 31 December 2014, that reflects, on the one hand, the strengthening of own funds through the aforementioned decision by Banco de Portugal on 29 December 2015, which offset the erosion of the CET1 caused by the results for the year and the 2015 phased-in criteria, and on the other the effort to deleverage its activity, which enabled the reduction of risk weighted assets by more than EUR 9 billion during the year (this also includes the effect of the sale of the entire share capital of BESI to Haitong). The estimated fully implemented CET1 ratio for 31 December 2015 was 11.5% (Dec-14: 7.5%).



## **Special Regime for Deferred Tax Assets**

Under the terms of Law no. 61/2014, of 26 August, NOVO BANCO adhered to the special regime applicable to deferred tax assets (DTAs) resulting from impairment losses in loans and employee benefits, which came into force on 1 January 2015. Under this regime, DTAs may be converted into tax credits when a taxable entity reports net losses or enters into liquidation proceedings through voluntary winding up, insolvency decreed by court ruling, or, where applicable, when its license is revoked by the competent supervision authority.

In this context, NOVO BANCO's individual loss for 2015, after approval by NOVO BANCO's corporate bodies, will imply the following in 2016:

- ↳ the conversion of eligible deferred tax assets into tax credits;
- ↳ the simultaneous creation of a special reserve and conversion rights into shares attributable to the State.

The conversion of eligible deferred tax assets into tax credits as a result of the net loss determined in the 2015 accounts must be made in the same proportion as that between the amount of this loss and the total equity at an individual level. The special reserve should be set up for the same amount of the tax credit determined plus 10%, and should be included in the share capital. The conversion rights are securities that entitle the State the right to demand from NOVO BANCO the corresponding capital increase through the incorporation of the amount of the special reserve and consequent issuance and allotment free of charge of ordinary shares. The Resolution Fund, as the sole shareholder of NOVO BANCO, has the potestative right to acquire the conversion rights from the State.

The amount of the deferred tax assets converted into tax credits, the creation of the special reserve and the issuance and allocation to the State of the conversion rights must be certified by a chartered accountant.

## ASSET QUALITY

In 2015 there was a deterioration of credit risk and asset quality indicators.

### CREDIT RISK

	31-dec-14	31-dec-15	YoY Change		Eur million
			absolute	relative	
Gross Loans	40 060	37 416	-2 644	-6.6%	
Overdue Loans	3 917	5 791	1 874	47.8%	
Overdue Loans > 90 days	3 468	5 412	1 944	56.1%	
Credit at Risk <sup>(1)</sup>	6 593	8 547	1 954	29.6%	
Restructured Credit <sup>(2)</sup>	5 893	6 634	741	12.6%	
Restructured Credit not included in Credit at Risk <sup>(2)</sup>	4 145	3 927	-218	-5.3%	
Provisions for Credit	5 131	5 833	702	13.7%	

<sup>(1)</sup> According to Banco de Portugal Instruction n.23/2011

<sup>(2)</sup> According to Banco de Portugal Instruction n.32/2013

Overdue loans >90 days surged by 56.1%, while credit at risk increased by 29.6%, reaching EUR 8.5 billion.

Credit Risk indicators increased compared to 31 December 2014 due, on the one hand, to the contraction of customer loans, and on the other hand to the increase in overdue loans and credit at risk. At the end of 2015 the overdue loans and credit at risk indicators were 15.5% and 22.8%, respectively, while the ratio of restructured credit to total loans increased to 17.7%.

### ASSET QUALITY AND COVERAGE RATIOS

	31-dec-14	31-dec-15	Change (p.p.)
Overdue Loans / Gross Loans	9.8%	15.5%	5.7
Overdue Loans > 90 days / Gross Loans	8.7%	14.5%	5.8
Credit at Risk <sup>(1)</sup> / Gross Loans	16.5%	22.8%	6.3
Restructured Credit <sup>(2)</sup> / Gross Loans	14.7%	17.7%	3.0
Restructured Credit not included in Credit at Risk <sup>(2)</sup> / Gross Loans	10.3%	10.5%	0.2
Provisions for Credit / Gross Loans	12.8%	15.6%	2.8
Coverage of Credit at Risk <sup>(1)</sup>	77.8%	68.2%	-9.6
Coverage of Overdue Loans > 90 days	147.9%	107.8%	-40.1
Coverage of Overdue Loans	131.0%	100.7%	-30.3

<sup>(1)</sup> According to Banco de Portugal Instruction n.23/2011

<sup>(2)</sup> According to Banco de Portugal Instruction n.32/2013

Provisions for Credit amounted to EUR 5.8 billion and were strongly reinforced in 2015 (+EUR 739.3 million), representing 15.6% of the total loan book (Dec-14: 12.8%), 107.8% of overdue loans > 90 days and 68.2% of credit at risk.

## RESULTS

The performance of NOVO BANCO Group in 2015 was conditioned by its exceptional circumstances as a transition bank, which impacted several of its areas of activity, and also by the unfavourable situation in Portugal, characterised by a still sluggish economic activity, high unemployment and interest rates at very low levels.

### INCOME STATEMENT

	Eur million
	<b>2015</b>
Net Interest Income	450.7
+ Fees and Commissions	355.6
<b>= Commercial Banking Income</b>	<b>806.2</b>
+ Capital Markets	117.9
+ Other Results	- 44.5
<b>= Banking Income</b>	<b>879.6</b>
- Operating Costs	754.7
<b>= Net Operating Income</b>	<b>125.0</b>
- <b>Net Provisions</b>	<b>1 057.9</b>
Credit	739.3
Securities	236.2
Other Assets and Contingencies	82.4
<b>= Income before Taxes</b>	<b>- 933.0</b>
- Income Tax	31.0
- Special Tax on Banks	31.4
<b>= Income after Taxes</b>	<b>- 995.4</b>
- Non-controlling Interests	- 14.8
<b>= Net Income</b>	<b>- 980.6</b>

NOVO BANCO posted a net loss for the year of EUR 980.6 million, where the following should be highlighted:

- ↳ net operating income (before provision and impairment) was positive, at EUR 125.0 million;
- ↳ banking income totalled EUR 879.6 million, with a 51% contribution from net interest income; capital markets results reached EUR 117.9 million; other results were negative in EUR -44.5 million and include significant costs such as the contributions to the European Single Resolution Fund (EUR -25.3 million) and to the Portuguese Resolution Fund (EUR -6.7 million);

- operating costs decreased by -12.7% YoY on a comparable basis, to EUR 754.7 million;
- a provision charge of EUR 1,057.9 million and the write-off of 2013 tax losses carry forward (EUR -160.0 million) determined a net loss for the year of EUR 980.6 million.

## Net Interest Income

The performance of net interest income was impacted by the sustained decline of benchmark interest rates and the need to stabilise the customer funding, while simultaneously promoting the reduction of funding from the ESCB.

In 2015 net interest income was negatively impacted by the accounting annulment of interest in the amount of EUR 172.0 million, of which a large part related to non-recurrent large transactions. In the last quarter of 2015 the annulment of overdue interest (EUR 18.7 million) was significantly lower than in the previous quarters, pointing to the stabilisation of net interest income.

Net interest income totalled EUR 450.7 million, accounting for 51% of banking income. The net interest margin was 0.93%, underpinned by an average interest rate on financial assets of 2.85% (impacted by the annulment of interest) and an average rate on liabilities of 1.93%, strongly influenced by the decrease in the cost of deposits to 1.27% (Dec-14: 1.48%), which compare with an average 3-month Euribor in the year of -0.03%.

### NET INTEREST INCOME AND NET INTEREST MARGIN

	Eur million		
	2015		
	Average Balance	Avg Rate (%)	NII
INTEREST EARNING ASSETS	48 694	2.85%	1 389
Customer Loans	38 829	2.80%	1 088
Money Market Placements	2 782	1.39%	39
Securities and Other Assets	7 083	3.71%	263
OTHER NON-INTEREST EARNING ASSETS	-	-	-
<b>INTEREST EARNING ASSETS &amp; OTHER</b>	<b>48 694</b>	<b>2.85%</b>	<b>1 389</b>
INTEREST BEARING LIABILITIES	47 455	1.98%	939
Due to Customers	27 773	1.27%	352
Money Market Funding	9 864	0.81%	80
Other Liabilities	9 818	5.15%	506
OTHER NON-INTEREST BEARING LIABILITIES	1 239	-	-
<b>INTEREST BEARING LIABILITIES &amp; OTHER</b>	<b>48 694</b>	<b>1.93%</b>	<b>939</b>
<b>NIM/NII</b>		<b>0.93%</b>	<b>451</b>

The average rate on customer loans, the main component of financial assets (79.7%), was 2.80%. As to customer funds, the average balance of deposits was EUR 27.8 billion (average interest rate of 1.27%).

The fact that benchmark interest rates remain close to zero or are even negative continues to pose an unprecedented challenge to the asset and liabilities management and to profitability.

## Fees and Commissions

Fees and commissions on banking services amounted to EUR 355.6 million, with the following breakdown:

<b>FEES AND COMMISSIONS</b>	
	Eur million
	<b>2015</b>
Collections	4.9
Securities	22.2
Guarantees issued	43.3
Account management	67.3
Commissions on loans and other <sup>(1)</sup>	63.8
Documentary credits	30.0
Asset management <sup>(2)</sup>	55.1
Cards	22.8
Bancassurance	24.4
Advising, Servicing and Other	56.3
Costs with State Guarantees	-34.4
<b>TOTAL</b>	<b>355.6</b>

<sup>(1)</sup> Includes commissions on loans, project finance, export financing and factoring

<sup>(2)</sup> Includes investment funds and portfolio management

In the activity of NOVO BANCO Group we stress the importance of the following:

- 👉 Support services to companies – including guarantees provided, documentary credits, and loan management and similar services (approximately 38.6% of the total);
- 👉 Commissions on payment services – cards (EUR 22.8 million) and payment means (EUR 67.3 million), namely cheques, transfers, payment orders, POS and ATMs, and also account management fees; and
- 👉 *Bancassurance* and asset management products, which accounted for approximately 22.4% of total fees and commissions.

Fees and commissions include the negative effect of EUR 34.4 million paid by NOVO BANCO in connection to debt securities issued guaranteed by the Portuguese State.

## Capital Markets and Other Results

Capital market results of EUR 117.9 million were essentially driven by gains on the sovereign bond market.

The other operating results registered a loss of EUR 44.5 million, underpinned by costs with the contributions to the European Single Resolution Fund (EUR -25.3 million) and to the Portuguese Resolution Fund (EUR -6.7 million).

## Operating Costs

Reducing operating costs was one of the objectives pursued during the year, in order to improve NOVO BANCO Group's efficiency levels. To this end, significant steps were made towards the simplification / decrease of NOVO BANCO's organisational structure and processes, while also adjusting the distribution network to the new business reality.

Hence in 2015 NOVO BANCO closed the New York, Nassau and Cape Verde branches and reduced its domestic branch network by 35 units.

### OPERATING COSTS

		Eur million
	2015	Relative YoY Change (comparable basis)
Staff Costs	397.6	-8.2%
General and Administrative Costs	285.4	-15.9%
Depreciation	71.7	-22.3%
<b>TOTAL</b>	<b>754.7</b>	<b>-12.7%</b>

Staff costs, in the amount of EUR 397.6 million, included EUR 22.8 million in early retirement and redundancy costs (involving 147 employees).

In 2015 NOVO BANCO reduced its payroll by 277 employees on an individual basis and by 411 at group level. The reduction in its payroll since 4 August 2014 was 1,378 employees, of which 802 employees following the sale of BESI.

Excluding non-recurrent costs, operating costs totalled EUR 731.9 million in 2015.

## Provisions

In 2015 the NOVO BANCO Group reinforced provisions by EUR 1,057.9 million, the bulk of which was allocated to credit provisions.

<b>PROVISIONS</b>	Eur million
	<b>2015</b>
Credit	739.3
Securities	236.2
Other Assets and Contingencies	82.4
<b>TOTAL</b>	<b>1 057.9</b>

The credit provision charge totalled EUR 739.3 million, improving the credit provisioning ratio to 15.6%, from 12.8% in December 2014. The provisions for securities include the devaluation of debt securities issued by clients (EUR 110.9 million) and of the investments in Pharol and Oi (EUR 76.1 million). Provisions for other assets and contingencies include EUR 78.9 million related with real estate assets.

## COMMERCIAL ACTIVITY

### Retail and Private Banking

In 2015 the commercial efforts to capture deposits in retail and private banking in Portugal (+EUR 2.3 billion) allowed NOVO BANCO Group to reinforce its liquidity position. The expressive results achieved in deposit taking in both retail banking (+21.3%) and private banking (+17.5%) segments are illustrative of the confidence placed by the clients in the Bank. Moreover, deposit growth was obtained alongside a significant reduction in the interest rate on the retail and private banking deposits portfolio (-71 bps vs the end of 2014), thus contributing to the improvement in the cost of funding.

Regarding other customer funds, we should stress the recognition enjoyed by the Structured Products offer, which earned NOVO BANCO the prize for 'Best Performance Distributor' - Portugal in the European Structured Products & Derivatives Awards (Euromoney Group).

The Retail segment also saw a sharp acceleration in the pace of new mortgage loans production (+204.4% YoY), with average spreads above 2.50%, which in the medium term should help boost the portfolio's margin. Likewise, new consumer loans production registered an expressive increase of +113.6% YoY. During 2015 NOVO BANCO emphasised the new production of credit cards, with the number of American Express cards placed with clients increasing by more than 200,000.

The Retail and Private Banking segment was also marked in 2015 by the launch of the new mobile banking application 'NB Smart App', which in December had surpassed 100,000 users (an increase of more than 30% in three months). The latest Marktest indicators (November 2015) confirm the leadership of NOVO BANCO in mobile banking, in terms of both use and satisfaction levels. The 'NB Smart App' was ranked the best financial app in Portugal, by both the App Store (Apple) and Google Play.

Finally, the Retail and Private Banking areas underwent a significant reorganisation involving the simplification of the support structures and the merger of Regional Divisions and Private Banking Centres, which permitted to increase the efficiency of the commercial networks without undermining customer service.

### **Corporate Banking**

Corporate deposits in Portugal remained stable in 2015 (+0.4% YoY), while the corporate loan book shrank by EUR 4.3 billion contributing to a more balanced loan to deposit ratio.

Despite the contraction in the corporate loan book, which is in line with the trend in the Portuguese sector, NOVO BANCO maintained its role of supporting the development of the economic activity in Portugal, focusing its activity on companies with a good risk profile, innovative characteristics and a focus on exports.

To this end we stress the efforts made to support companies' investment and reinforce their permanent capital, namely within the PME Crescimento 2015 credit line, under which the Group approved EUR 382 million new loans between April and December (17.3% market share), and the launch of new credit lines agreed with the European Investment Bank and the European Investment Fund, for an overall amount of EUR 500 million. In the context of the implementation of the Portugal 2020 Programme, these financing instruments will help to carry forward important investment projects and back up the increase in companies' working capital requirements.



The Bank also kept an active role in supporting the exporting and internationalisation efforts of the Portuguese companies, which in January 2016 earned it the award for 'Best Trade Finance Bank in Portugal' from the Global Finance Magazine, and maintains a significant 22% market share in trade finance - exports and imports.

NOVO BANCO also maintained its dynamic contribution to strengthen the national economic activity, namely through its solutions in factoring, management of supplier payments and NB Express Bill, with the portfolio of these credit products increasing by 16% in the second half of the year.

### **Novo Banco dos Açores**

Through several commercial actions to increase funding and the signing of protocols with companies, the deposits portfolio of Novo Banco dos Açores grew by 14.9%. The credit portfolio contracted by 3.3%, leading to a loan to deposit ratio of 103%.

### **Banco Best**

Banco Best pursued its strategy of innovation in the offer of financial products and services in Portugal. This included the launch of the first Touch ID app for mobile banking in Portugal, which allows clients to *log-in* using their fingerprint, the new version of the Best Mobile app, with a renovated design and improved performance, and the Portfolio Selector, an interactive tool that helps clients in the investment funds' choice. Assets under management increased by 6.1%, to EUR 2.5 billion, and the number of clients grew to 85 thousand. Banco Best reports strong solvency and profitability indicators, namely a solvency ratio of 33%, a loan to deposit ratio of 45%, and a net income for the year of EUR 4.4 million.

### **GNB Asset Management**

At the end of 2015 the global volume of assets under management reached EUR 14 billion, a year-on-year increase of approximately 31% that was driven by the sharp growth of assets under management in the Wealth Management segment (+145%). Mutual funds decreased volume under management by 38%, largely due to the liquidation of several limited duration funds that had reached its maturity. Likewise, the volume under management of real estate investment funds and pension funds also retreated, by -15% and -0.6%, respectively

## **GNB Life Insurance**

Production of life insurance slowed down in 2015, namely causing a 19.2% reduction in mathematical provisions. In terms of operating costs, it should be stressed that the streamlining and rationalisation effort made during the year resulted in a 17.2% reduction compared to the previous year. Despite the portfolio's contraction, GNB Seguros Vida posted a net profit for the year of EUR 96.5 million, which is EUR 104.5 million more than in 2014. This was mainly underpinned by the financial performance achieved during the year (*versus* the devaluations registered in 2014), the cost containing effort undertaken and lower impairments.

## **International Commercial Banking**

In 2015 NOVO BANCO Group's international activity was marked by the recovery of the commercial activity, strongly affected by BES resolution in August 2014, and the restructuring of the Group's international portfolio. This restructuring involved the closing of the New York and Nassau branches and the Cape Verde off-shore branch, resulting in annual cost savings in excess of EUR 6 million.

The performance in **Spain** was shaped by the implementation of a restructuring plan that entailed the revision of the commercial, operational and governance models. While keeping a special focus on supporting the Iberian companies as well as the top affluent and private banking segment, the unit's commercial restructuring also entailed the re-launch of a set of commercial activities and the improvement of its cost structure (leading to a 15% YoY reduction in operating costs). With net loans decreasing by 14%, to EUR 2.2 billion, and customer deposits by only 7%, to EUR 2.8 million, the branch's loan to deposit ratio improved to 78%.

The activity in **London (United Kingdom)** continued the deleveraging of the loan book and the restructuring of the unit, which remains focused on wholesale banking. Even taking into account the sharp devaluation of the euro against the pound in 2015, total assets decreased by 11%, to EUR 4.1 billion at the end of the year, with total loans declining by 5%. Banking income reached EUR 23.8 million, and operating costs were reduced by 13.5%.

In **Luxembourg** the branch continued to focus its activity on the Portuguese emigrant community in the country as well as in neighbouring countries in central Europe. Total deposits increased by 53%, to EUR 474 million at year-end, while the number of clients more than doubled, reaching approximately 5,700.

The universal commercial banking activity developed in **Venezuela** continued to focus on the Portuguese resident community and local large companies and institutions, showing at year-end total net assets of EUR 16.4 million (as at December 2015 the Group started to use the Simadi exchange rate published by the Central Bank of Venezuela in order to convert the financial statements of the Venezuela Branch, according to IAS 21). The unit's performance was strongly constrained by the economic and social context in the country, which was strongly impacted by falling oil prices, inflation levels in historical peaks, and sharp currency devaluations.

In **Macau**, the unit's performance was impacted by a relative adverse context, which in addition to the lingering effects of BES's resolution, was also marked by the strong deceleration of Macau's economy due to the cooling down of the gambling/leisure and tourism sectors. In these circumstances, the priorities set for 2015 were the consolidation of the Bank's image and the recovery of customer deposits. The corporate banking and trade finance business harnessing the local trade and the trade flows between the People's Republic of China, Macau, Portugal and the Portuguese-speaking countries remained a strong pillar of the activity in Macau. Total assets remained at the 2014 level, at approximately EUR 121 million. Banking Income reached EUR 4.9 million and the net profit for the year was EUR 0.5 million.

In **Mozambique, Moza Banco**, in which NOVO BANCO Group holds a 49% stake, continued to deploy its expansion strategy, opening eight new branches that increased the network to a total of 38 branches at year-end. Despite some economic deceleration in Mozambique, Moza Banco continued to display a strong growth, with assets rising by 46%, to EUR 655 million, and remained as the 4th largest bank in the country. Net operating income reached EUR 9.4 million, representing a year-on-year increase of 24%.

## MAIN EVENTS IN 2015

### Overview

NOVO BANCO, S.A. was incorporated by resolution of Banco de Portugal's Board of Directors of 3 August 2014 under the terms of article 145-G/5 of the General Law on Credit Institutions and Financial Companies (RGICSF), approved by Decree-Law no. 298/92, of 31 December, following the resolution measure applied by Banco de Portugal to Banco Espírito Santo, under the terms of paragraphs 1 and 3-c) of article 145-C of the RGICSF.

As determined in point two of the resolution of Banco de Portugal's Board of Directors of 3 August 2014, drafted according to this Board of Directors' resolution of 11 August, under the terms and for the purposes of article 145.º-H/1 of the RGICSF, the majority of the assets, liabilities, off-balance-sheet items and assets under management of Banco Espírito Santo were transferred to NOVO BANCO, as per the criteria established in Annex 2 to said resolution.

Under Article 153-B of the RGICSF, the Resolution Fund is the sole holder of the share capital of NOVO BANCO, which is represented by 4,900 million registered shares with nominal value of EUR 1 per share, totalling EUR 4,900 million.

As a transition bank, NOVO BANCO has a limited duration of two years, renewable for periods of one year on reasonable grounds of public interest, up to a maximum of five years, as set out in article 145-G/12 of the RGICSF. Nevertheless, according to the commitments undertaken by the Portuguese State before the European Commission, the sale of NOVO BANCO must occur within a maximum period of two years from its incorporation (however this period was extended by decision of the European Commission announced on 21 December 2015).

The opening balance sheet of NOVO BANCO includes the result of the confirmation performed by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda (PwC), as determined by Banco de Portugal under the terms set out in the first part of paragraph 4 of article 145-H of the RGICSF, of the assets, liabilities, off balance sheet items and assets under management selected by Banco de Portugal to be transferred from BES to NOVO BANCO, and notified by Banco de Portugal in accordance with paragraph 7 of article 11 of Banco de Portugal's Notice 13/2012.

After publication of the opening balance sheet on 3 December 2014 the following changes have occurred that are relevant to the shareholders of NOVO BANCO:

- By a resolution of Banco de Portugal's Board of Directors of 22 December 2014 it was determined that the liability of Banco Espírito Santo to Oak Finance Luxembourg was not

transferred to NOVO BANCO. This decision implied the correction of the original reserves of NOVO BANCO, leading to a positive change of EUR 548.3 million;

- On 11 February 2015, Banco de Portugal's Board of Directors, in accordance with the provisions of paragraph 1 of article 145-G and paragraph 2 - a) and b) of article 145-H of the RGICSF, determined the following:

“a) For purposes of executing Banco de Portugal 's resolution, it is hereby clarified that the liabilities of Banco Espírito Santo not transferred to NOVO BANCO under the terms of subparagraph i) of paragraph b) of Point 1 of Annex 2 to the resolution of Banco de Portugal's Board of Directors of 3 August 2014 (20:00 hours), drafted according to this Board of Directors' resolution of 11 August 2014 (17:00 hours), include Banco Espírito Santo's liabilities for the retirement and survivors' pensions and complementary retirement and survivors' pension benefits of the members of the Board of Directors of Banco Espírito Santo who were members of its Executive Committee and fall under subparagraph i) of paragraph b) of Point 1 of Annex 2 of said resolution, as defined by the Corporate Bylaws of Banco Espírito Santo and the Regulations of the General Meeting of Banco Espírito Santo, to which the bylaws refer back to, and therefore were not transferred to NOVO BANCO, without loss to the liabilities arising exclusively from employment contracts with Banco Espírito Santo.

b) NOVO BANCO and Banco Espírito Santo shall adjust their accounting records to the present resolution, taking the execution measures required for its proper application.”

## Developments in 2015

- on 15 March Banco de Portugal has appointed two new members to the Board of Directors;
- on 17 April Banco de Portugal issued a press release on the completion of the second phase of the NOVO BANCO sale process, informing that it had invited the five selected entities to submit binding offers for the acquisition of NOVO BANCO.
- on 30 June Banco de Portugal informed it had received three offers for the acquisition of NOVO BANCO;

- on 1 September Banco de Portugal informed it had not been possible to reach an agreement with the prospective purchaser that had been previously selected and that it had invited the prospective purchaser whose offer had ranked second to join negotiations;
- on 7 September NOVO BANCO informed about the completion of the sale of the entire share capital of BESl to Haitong International Holdings Limited, a Hong Kong based company, for EUR 379 million;
- on 15 September Banco de Portugal informed it had decided to interrupt the sale process of NOVO BANCO as it considered that the binding offers submitted were unsatisfactory;
- on 1 October NOVO BANCO informed that 80% of its clients holding preferred shares in the Poupança Plus, Top Renda and EuroAforro 8 vehicles had accepted the commercial solution proposed by the Bank;
- on 14 November Banco de Portugal announced the results of the Comprehensive Assessment exercise performed by the European Central Bank, where NOVO BANCO surpassed the minimum threshold of 8% for the Common Equity Tier 1 ratio in every year of the exercise under the baseline scenario. In the same way NOVO BANCO surpassed the 5.5% threshold for the CET 1 ratio in the first two years under the adverse scenario, falling short in the third year of the exercise;
- on 21 December the European Commission announced the prolongation of the Portuguese State guarantee on bonds in the nominal amount of EUR 3.5 billion issued by NOVO BANCO;
- on the same date the European Commission announced an extension of the initial deadline for the sale of NOVO BANCO;
- on 29 December 2015, the Board of Directors of Banco de Portugal, acting as Resolution Authority, approved decisions that completed the resolution measure applied to Banco Espírito Santo (BES), including the re-transfer to BES of the responsibility for certain issues of non-subordinated bonds issued by BES and intended for institutional investors. In addition, the entire stake held by NOVO BANCO in BES Finance Ltd. was also re-transferred to BES. According to Banco de Portugal 's resolution, these decisions are the final and definitive adjustment of the perimeter of the assets, liabilities, off-balance-sheet items and assets under management transferred to NOVO BANCO, and therefore no other transfer or re-transfer of any other items between the balance sheets of NOVO BANCO and BES shall henceforth be possible under the resolution powers.

## Developments in 2016

- On 15 January 2016 Banco de Portugal announced the re-launch of the sale process of the Resolution Fund's holding in NOVO BANCO.

## ECONOMIC ENVIRONMENT

2015 was marked by a deceleration of global economic activity, mainly linked to the cooling down of the emerging markets, and of China in particular, where GDP growth receded from 7.3% to 6.9%. The US and the Eurozone pursued a recovery driven by domestic demand, and also benefiting from falling oil prices, progress in economic agents' balance sheet adjustments, improving financing conditions and greater support from monetary policy. In the US GDP growth was unchanged at 2.4%, while in the Eurozone it accelerated from 0.9% to 1.5%.

This growth was however insufficient to allay fears about deflationary pressures. Under pressure from global oversupply, the price of oil (Brent) slumped by 36%, to USD 35.8/barrel, while in the Eurozone inflation fell from 0.4% to 0%. In this context the ECB announced in December a further cut in the deposit facility rate (from -0.20% to -0.30%) and the extension of the public sector asset purchase programme. Market interest rates thus remained very subdued. The yield on the 10-year Bund rose from 0.54% to 0.63%, while the 6-month Euribor receded from 0.17% to -0.04%. In the US, the Federal Reserve lifted the target fed funds rate in December, for the first time in nine years (by 25 basis points to 0.25%-0.5%). This divergent stance between the Fed and the ECB caused the dollar to appreciate (+11.4% vs. euro, to around EUR/USD 1.09). Fears about China, falling commodity prices and geopolitical risks stoked high volatility in the financial markets. Despite periods of sharp falls, the Shanghai Composite index rose by 9.4% in the year. In the US, the Nasdaq gained more than 5%, but the Dow Jones and S&P500 retreated by 2.2% and 0.7%, respectively. On the other hand, in the Eurozone and Japan the main stock market indices benefited from the expectation of further monetary stimuli (the DAX climbed by +9.6% and the Nikkei by +9.1%).

In Portugal, GDP growth perked up from 0.9% to 1.5%, mainly on the back of stronger domestic demand. Growth was supported by the fall in oil prices, the low level of interest rates, a slightly expansionary fiscal policy and the recovery of the labour market. Economic activity also benefited from the good performance of exports to the European markets, and at domestic level, from positive developments in the housing market, where prices rose by more than 3% year-on-year. The yield on the 10-year Portuguese Government Bonds (PGBs) continued to fall, retreating from 2.69% to 2.52%

and narrowing the spread to the German Bunds from 215 to 189 bps (this spread widened as from the end of the year, reflecting some political uncertainty). The combined current and capital account benefited from an improvement in the terms of trade, with the respective surplus reckoned to have risen from 1.9% to 2.1% of GDP.



## FINANCIAL HIGHLIGHTS

	04-aug-14 pro-forma <sup>(a)(b)</sup>	31-dec-14	31-dec-15
<b>ACTIVITY (Eur mn)</b>			
Net Assets	72 383	65 417	57 529
Gross Loans	41 663	40 060	37 417
Customer Deposits	24 617	26 626	27 364
Total Equity	6 100	5 410	5 947
<b>SOLVENCY <sup>(1) (2)</sup></b>			
Common Equity Tier I / RWA'S	-	9.5%	13.6%
Tier I / RWA's	-	9.5%	13.6%
Total Own Funds/ RWA's	-	9.5%	13.6%
<b>LIQUIDITY (Eur mn)</b>			
ECB funds (net) <sup>(3)</sup>	8 768	7 812	7 040
Eligible Assets for repo operations (ECB and other)	15 892	14 171	12 740
(Total Credit - Credit Provisions)/ Customer Loans <sup>(2)</sup>	140%	126%	113%
Liquidity Coverage Ratio (LCR)	14%	53%	77%
Net Stable Funding Ratio (NSFR)	74%	83%	87%
<b>ASSET QUALITY</b>			
Overdue loans > 90 days / Gross loans	7.7%	8.7%	14.5%
Overdue and Doubtful Loans / Gross Loans <sup>(2)</sup>	9.2%	9.9%	15.8%
Overdue and Doubtful Loans net of Impairments / Total Net Loans <sup>(2)</sup>	-3.0%	-3.4%	0.2%
Credit at Risk / Gross Loans <sup>(2)</sup>	13.5%	16.5%	22.8%
Credit at Risk (net) / Net Loans <sup>(2)</sup>	1.8%	4.2%	8.6%
Credit Provisions / Overdue loans > 90 days	153.7%	147.9%	107.8%
Credit Provisions/ Gross Loans	11.9%	12.8%	15.6%
Cost of Risk	-	2.27%	1.98%
<b>PROFITABILITY</b>			
Net Income (Eur mn)	-	-497.6	-980.6
Income before Taxes and Non-controlling Interests / Average Net Assets <sup>(2)</sup>	-	-1.0%	-1.6%
Banking Income / Average Net Assets <sup>(2)</sup>	-	2.8%	1.4%
Income Before Taxes and Non-controlling Interests / Average Equity <sup>(2)</sup>	-	-11.3%	-17.4%
<b>EFFICIENCY</b>			
General Admin Costs + Depreciation / Banking Income <sup>(2)</sup>	-	45.4%	85.8%
Staff Costs / Banking Income <sup>(2)</sup>	-	22.7%	45.2%
<b>EMPLOYEES</b>			
Total	7 887	7 722	7 311
- Domestic	6 950	6 832	6 571
- International	937	890	740
<b>BRANCH NETWORK</b>			
Total	674	675	635
- Domestic	631	631	596
- International	43	44	39

(a) Information considering the Opening Balance Sheet after the resolutions of 22 December 2014 and 11 February 2015

(b) Information considering the classification of Banco Espírito Santo de Investimento as a unit being discontinued under IFRS 5

(1) Estimated data for Dec-15

(2) According to Bank of Portugal instruction no 16/2004, in its version in force.

(3) Includes funds from and placements with the ESCB; positive = net borrowing; negative = net lending

**NOVO BANCO, S.A.**  
**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2015**

	31.12.2014	31.12.2015
Eur thousand		
<b>ASSETS</b>		
Cash and deposits with Central Banks	2 747 077	775 608
Deposits with banks	490 856	340 209
Financial assets held for trading	1 062 517	775 039
Other financial assets at fair value through profit or loss	2 230 388	1 526 193
Available-for-sale financial assets	9 478 469	11 810 712
Loans and advances to banks	1 044 286	1 690 628
Loans and advances to customers	34 929 314	31 583 759
Assets with Repurchase Agreement	-	-
Financial Assets held to maturity	-	-
Derivatives held for risk management purposes	404 582	318 596
Non-current assets held for sale	2 747 168	3 182 479
Assets from discontinued operations	4 209 800	40 327
Investment properties	297 133	54 625
Other tangible assets	397 088	312 437
Intangible assets	253 732	221 168
Investments in associated companies	402 289	405 486
Current tax assets	29 962	38 848
Deferred tax assets	2 505 608	2 535 423
Technical reserves of reinsurance ceded	8 038	7 696
Other assets	2 179 173	1 910 126
Debtors for direct and indirect insurance	1 263	3 019
Other assets	2 177 910	1 907 107
<b>TOTAL ASSETS</b>	<b>65 417 480</b>	<b>57 529 359</b>
<b>LIABILITIES</b>		
Deposits from central banks	8 611 709	7 632 794
Financial liabilities held for trading	1 045 648	743 860
Other financial liabilities at fair value through profit or loss	-	-
Deposits from banks	2 623 864	4 157 132
Due to customers	27 938 053	27 582 142
Debt securities issued	9 032 956	4 224 658
Financial liabilities related to transferred assets	-	-
Derivatives held for risk management purposes	104 140	77 846
Investment contracts	4 379 442	4 043 488
Non-current liabilities held for sale	330 903	162 709
Liabilities from discontinued operations	3 072 720	92 893
Provisions	409 723	465 114
Technical reserves	1 461 070	1 344 216
Current tax liabilities	34 273	38 643
Deferred tax liabilities	50 309	12 336
Equity Instruments	-	-
Subordinated debt	54 794	56 260
Other liabilities	858 063	947 625
Creditors for direct and indirect insurance	10 132	17 301
Other liabilities	847 931	930 324
<b>TOTAL LIABILITIES</b>	<b>60 007 667</b>	<b>51 581 716</b>
<b>EQUITY</b>		
Share Capital	4 900 000	4 900 000
Share premium	-	-
Other equity instruments	-	-
Treasury stock	-	-
Revaluation Reserves	( 70 255)	( 249 748)
Other Reserves and Retained Earnings	948 267	2 221 368
Profit / (loss) for the period	( 497 645)	( 980 558)
Interim Dividends	-	-
Non-controlling Interest	129 446	56 581
<b>TOTAL EQUITY</b>	<b>5 409 813</b>	<b>5 947 643</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>65 417 480</b>	<b>57 529 359</b>

NOVO BANCO, S.A.

CONSOLIDATED INCOME STATEMENT AS AT 31 DECEMBER 2015

	Eur thousand
	<b>31.12.2015</b>
Interest and similar income	1 443 156
Interest expense and similar charges	992 504
<b>Net Interest Income</b>	<b>450 652</b>
Dividend income	11 531
Fee and Commission income	471 499
Fee and Commission expense	133 454
Net gains / (losses) from financial assets and liabilities at fair value through profit or loss	( 112 201)
Net gains / (losses) from available-for-sale financial assets	230 761
Net gains / (losses) from foreign exchange revaluation	30 092
Net gains/ (losses) from the sale of other assets	( 12 341)
Insurance earned premiums, net of reinsurance	38 326
Claims incurred, net of reinsurance	237 016
Change in technical reserves, net of reinsurance	166 092
Other operating income and expenses	( 72 380)
<b>Operating Income</b>	<b>831 561</b>
Staff costs	397 564
General and administrative expenses	285 384
Depreciation and amortisation	71 713
Provisions, net of reversals	( 54 512)
Impairment losses on loans, net of reversals and recoveries	739 323
Impairment losses on other financial assets, net of reversals and recoveries	308 314
Impairment losses on other assets, net of reversals and recoveries	64 807
Negative consolidation differences	-
Results from associated companies consolidated by the equity method	16 648
<b>Profit / (loss) before income tax and non-controlling interests</b>	<b>( 964 384)</b>
Income tax	
Current tax	58 582
Deferred tax	( 27 654)
<b>Profit / (loss) after income tax and before non-controlling interests</b>	<b>( 995 312)</b>
o.w. : Income after taxes from discontinued operations	( 17 493)
Income after taxes from activities being discontinued	21 789
Non-controlling interest	( 14 754)
<b>Net consolidated profit / (loss) for the period</b>	<b>( 980 558)</b>