



Small acts > major achievements

2016: Yet another year of growth

Expanding our financial activities

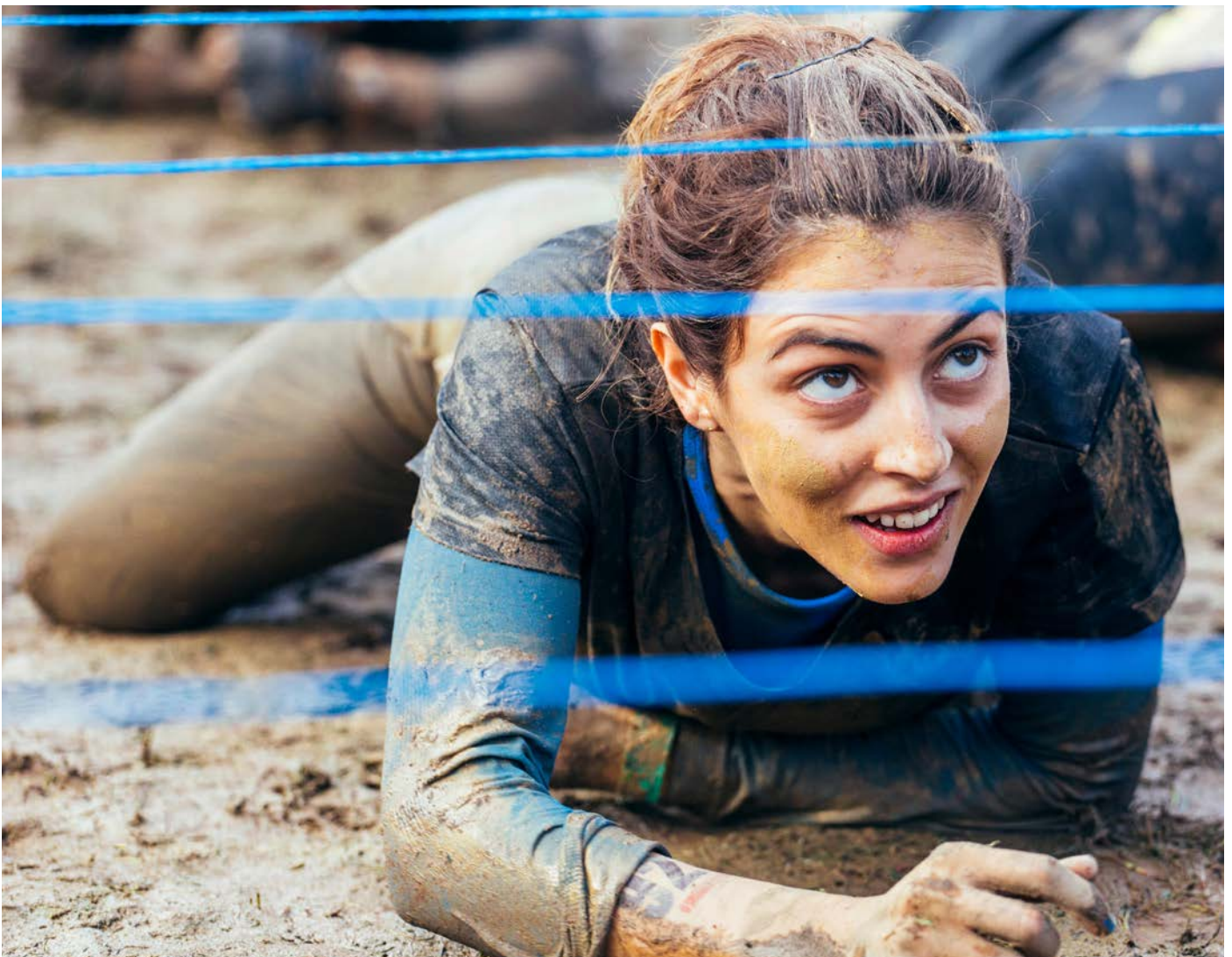
Believing that we have achieved it

and confirming that we made a winning bet



OUR MISSION

- > We offer our **clients**
high quality value-added services
- > We recruit, train and develop
the most talented **professionals**
- > We create value for our
shareholders, while keeping our
institution sound at all times



OUR CULTURE



- > Our **values** guide us through every step of our work
- > We follow a coherent **path**, searching for the most effective economic and financial solutions
- > Our **culture** shines through in the relationships we have developed and cemented over the years

EXCELLENCE

The professionalism, quality and dedication of our staff and the recognized international experience of our management teams set us apart

INDEPENDENCE

We guarantee that the service we provide to clients is completely free of conflicts of interest

INTEGRITY

We demand high ethical standards from our staff, in their professional and personal lives

SOUNDNESS

We maintain the stable capital and liquidity ratios we need to carry out our various activities

CREATIVITY

We develop financial solutions and services that lead to unique growth and investment opportunities

INNOVATION

We anticipate most of our clients' needs and offer them high added-value services

CLIENT-ORIENTATION

We always seek the best solutions for our clients, in order to establish long term relationships

TEAM WORK

Working as a team, sharing responsibilities and rewards, is the way to achieve our objectives and satisfy our clients

EXECUTIVE CHAIRMAN'S MESSAGE



In a year characterized by striking political developments and macroeconomic uncertainties, our Group's activities remained focused and adapted to the new circumstances. Increased regulations have meant major challenges in terms of allocating time and resources but we have found suitable ways of dealing with the additional burden.

Due to our strong financial and managerial resources and consistent profitability, we continue to enjoy the confidence of all stakeholders, from clients to staff. We have strengthened our international presence, hiring more staff in Brazil, Spain, Malta and the United Kingdom.

At the close of our thirtieth year of business (the Group was founded in 1987), it is worth highlighting the growth of our equity from virtually zero to €420.8 million last December 31. Banco Finantia's consolidated net profit, which has always been positive since the beginning, reached €30.7 million in 2017, an increase of 11% compared to the previous year. The CET1 ratio (full implementation) reached 23.6%, one of the highest among European banks.

In a world increasingly defined by the unexpected, we are ready to respond quickly to our clients' ever more demanding requirements in the two areas of our activity: private banking and investment banking.

Our solid capital base means we can face the future with optimism, particularly with regard to possible acquisitions in complementary business areas. This is even more relevant when we take into account the phase of restructuring and consolidation in which the Iberian banking sector currently finds itself.

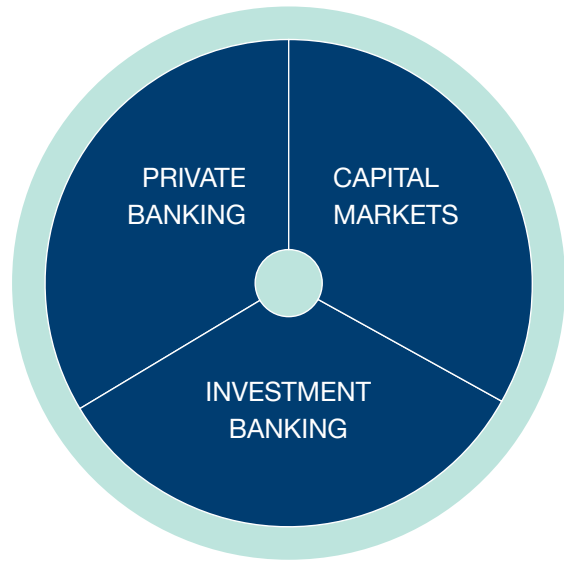
We hope to continue enjoying the confidence of all of those who work with us and to do business together for many years to come.

A handwritten signature in black ink, appearing to be 'A. Guerreiro', written in a cursive style.

António M. A. Guerreiro
Chairman
Grupo Finantia

OUR ACTIVITIES

- > We are an **independent** Portuguese financial group with **three decades** of experience
- > Free from any conflicts of interest, we have a long track record of **successful** national and international operations
- > We are constantly widening our extensive network of contacts in the international **financial** sector



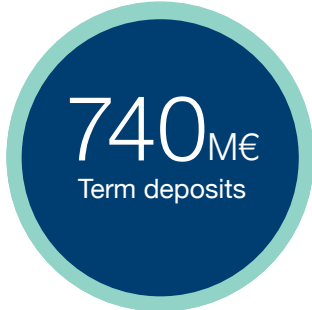
MAIN ACTIVITIES



OUR ACTIVITIES



+33%
2015-2016



+9%
2015-2016

INVESTMENT BANKING

- > Professional and **independent** advice, with extensive experience in mergers and acquisitions
- > Strong **international** presence, promoting and carrying out transactions in countries with close cultural and economic ties to Portugal, in particular Spain and Brazil
- > Specialists in **cross-border** transactions, attracting foreign investment to Portugal and to other parts of the world
- > Support for **domestic** companies in their international expansion processes
- > Experience in privatisation and transactions in the **regulated** and concessions sectors

CAPITAL MARKETS

- > Teams in Lisbon, Madrid, London, New York and Sao Paulo – the Bank's **major international** offices
- > **Pioneer** and trusted partner for Finantia's clients in the fixed income markets
- > Distributor of syndicated loans, working together with a wide and diverse range of **investors** in Europe and Americas
- > Key supporter of Portuguese businesses through the issuance of **commercial paper**
- > **Leading** counterparty for asset pricing in national and international markets with a special focus on Portugal, Spain, Turkey, Russia and Brazil

PRIVATE BANKING

- > **Investment and savings** solutions with the Bank's straightforward and transparent products
- > Wide range of **term deposits** allowing to meet each client's needs
- > Finantia's term deposits are covered by the Deposit Guarantee Fund's **reimbursement guarantee**
- > Secure **home banking** available 24 hours a day, 365 days a year
- > Specialist **portfolio management** team



OPENING OF THE FIRST BRANCH, LISBON

CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

FINANTIPAR (PARENT COMPANY)

CONSOLIDATED BALANCE SHEET

EUR Million	2016	2015
ASSETS		
Cash and banks	100.3	119.4
Fixed income and loan portfolio	1 640.0	1 546.1
Other assets	76.5	114.2
Total Assets	1 816.8	1 779.8
LIABILITIES		
MM takings	28.1	30.3
Customer deposits	735.5	679.4
Repos	495.4	556.5
Subordinated debt	20.3	51.5
Other liabilities	116.7	109.0
Total Liabilities	1 396.1	1 426.7
EQUITY		
Share capital, reserves and retained earnings	389.8	324.7
Net profit	30.9	28.3
Total Equity	420.8	353.0
Total Liabilities and Equity	1 816.8	1 779.8

CONSOLIDATED INCOME STATEMENT

EUR Million	2016	2015
Net interest income	60.9	66.9
Net fee and other operating income	19.4	29.8
Total Operating Income	80.3	96.7
Impairments and provisions	(14.7)	(32.3)
Operating expenses	(22.6)	(24.9)
Profit before tax and extraordinary items	43.0	39.5
Net profit	30.9	28.3

Right measures > excellent results

We go beyond our objectives

Always taking coherent decisions

Our extra effort makes the difference



CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

BANCO FINANTIA

CONSOLIDATED BALANCE SHEET

EUR Million	2016	2015
ASSETS		
Cash and banks	100.3	119.4
Fixed income and loan portfolio	1 631.2	1 540.7
Other assets	75.9	113.6
Total Assets	1 807.4	1 773.7
LIABILITIES		
MM takings	28.1	30.3
Customer deposits	740.4	679.6
Repos	495.4	556.5
Subordinated debt	20.3	51.5
Other liabilities	115.1	107.4
Total Liabilities	1 399.4	1 425.3
EQUITY		
Share capital, reserves and retained earnings	377.3	320.7
Net profit	30.7	27.6
Total Equity	408.0	348.4
Total Liabilities and Equity	1 807.4	1 773.7

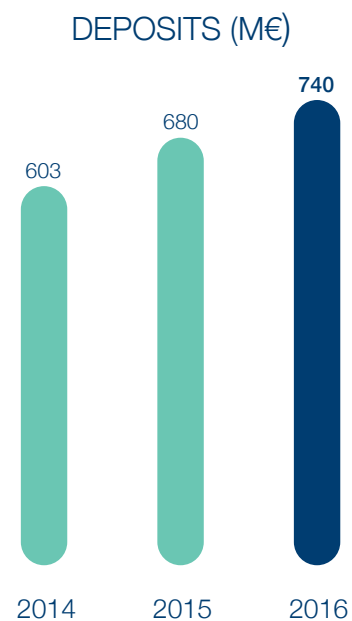
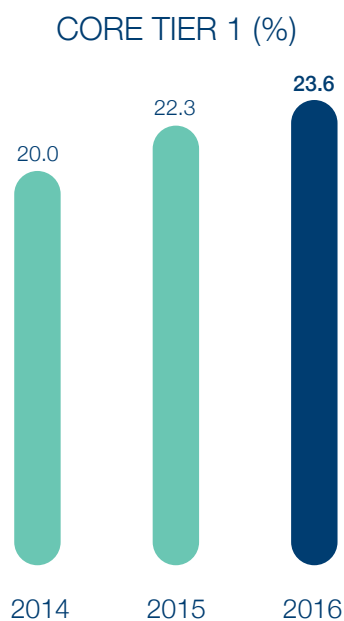
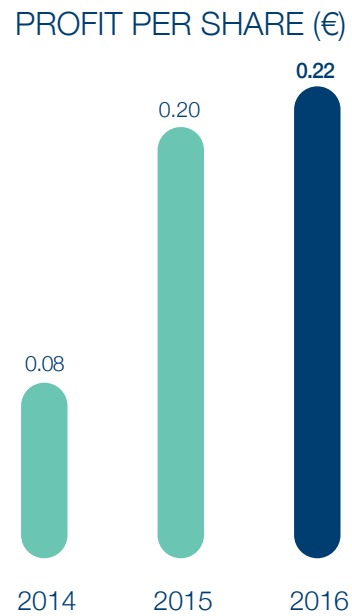
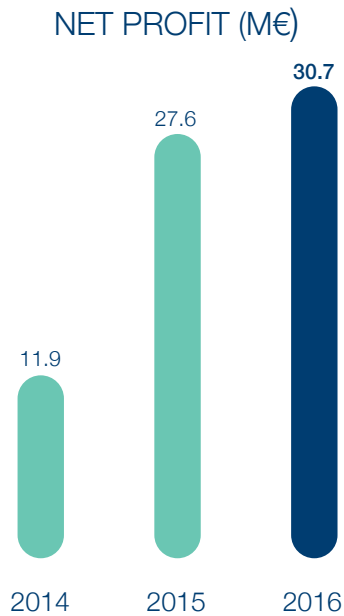
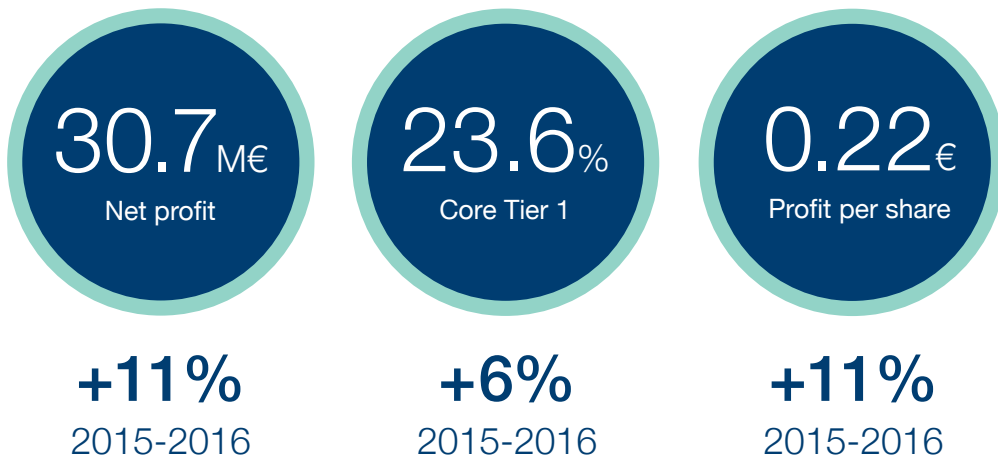
CONSOLIDATED INCOME STATEMENT

EUR Million	2016	2015
Net interest income	60.5	66.2
Net fee and other operating income	19.4	28.1
Total Operating Income	79.9	94.3
Impairments and provisions	(14.7)	(31.5)
Operating expenses	(22.6)	(24.8)
Profit before tax and extraordinary items	42.7	38.0
Net profit	30.7	27.6

RESULTS THAT MATTER

FINANCIAL HIGHLIGHTS

BANCO FINANTIA



Straightforward support > multiple successes

Our contribution is always consistent
Providing continuity and coherence
Striving to make the social issues
that we care about a part of our world



CORPORATE RESPONSIBILITY



SOCIAL RESPONSIBILITY

Banco Finantia has the policy of supporting social solidarity institutions that help disadvantaged children and young people with or without special educational needs. In 2016 the Bank financed the following institutions:

APSA – www.apsa.pt, a private social solidarity institution set up in 2003 by a group of parents with the mission to promote the support and social integration of young people with Asperger's Syndrome.

BANCO DO BÉBÉ – www.bancodobebe.org, a private social solidarity institution created in 1996 to help underprivileged families with babies and children under 6 years of age born at the Alfredo da Costa Maternity in Lisbon.

LIGA DOS AMIGOS DO HOSPITAL DE S.JOÃO – an association created in 2006 to support needy children and the elderly in a hospitalization context, in collaboration with the Volunteer section at the Hospital.

RARÍSSIMAS – www.rarissimas.pt, an association founded in 2002 with the mission of assisting patients (primarily children), family and friends that coexist with rare diseases.

CORPORATE PATRONAGE

PALÁCIO NACIONAL DA AJUDA – (Lisbon), Banco Finantia has been an active patron since 1997, where it has financed the complete restoration of the Diplomatic Corps room as well as the repurchase of several decorative pieces which previously belonged to the palace's collection.

FUNDAÇÃO DE SERRALVES – (Porto), Banco Finantia is a founding member of the Serralves Foundation since 1995 where it has sponsored various cultural and social programmes.

EDUCATION

ISEG – In 2016 the Bank has once again collaborated with ISEG – Instituto Superior de Economia e Gestão of the Universidade Técnica de Lisboa (Technical University of Lisbon), by awarding the best first-year student of the Master's in "International Economics and European Studies".

FUNDAÇÃO ECONÓMICAS – The Bank is also a founding member of "Fundação Económicas – Fundação para o Desenvolvimento das Ciências Económicas, Financeiras e Empresariais".

OUR TEAM

Ahmet Iplikci	Member Strategic Board	Banco Finantia
Alexei Mitrofanov	Non-executive Member Board of Directors	Finantipar
Álvaro Novis	Member Strategic Board	Banco Finantia
António Gomes de Pinho	Member Strategic Board	Banco Finantia
António Guerreiro	Executive Chairman Board of Directors Chairman Strategic Board	Finantipar Banco Finantia
António Salgueiro	Managing Director	Finantia Malta
António Santiago Freitas	Non-executive Member Board of Directors	Banco Finantia
António Vila-Cova	Non-executive Chairman Board of Directors	Banco Finantia
Carlos Cuervo	Member Strategic Board	Banco Finantia
Charles-Louis de Laguiche	Member Strategic Board	Banco Finantia
David Guerreiro	Executive Member Board of Directors	Banco Finantia
Dominique de Guerre	Member Strategic Board	Banco Finantia
Duarte Correia de Sá	Executive Member Board of Directors	Banco Finantia Sofinloc
Eduardo Catroga	Non-executive Member Board of Directors	Finantipar
Eduardo Costa	Vice-Chairman Strategic Board	Banco Finantia
Filipe Marques	Managing Director	Finantia USA
Francisco Ortigão	Managing Director	Banco Finantia
Gonçalo Vaz Botelho	Vice-Chairman Board of Directors	Banco Finantia
Igor Souvorov	Member Strategic Board	Banco Finantia
Israel Vainboim	Member Strategic Board	Banco Finantia
João Cassiano	Managing Director	Banco Finantia
João Sabido Silva	Non-executive Member Board of Directors	Finantipar
José Miguel Júdece	Member Strategic Board	Banco Finantia
Laurent Mignon	Member Strategic Board	Banco Finantia
Luisa Antas	Secretary General	Banco Finantia
Manuel Sebastião	Member Strategic Board	Banco Finantia
Marta Eirea	CEO	Banco Finantia Sofinloc
Martin Lee-Warner	Member Strategic Board	Banco Finantia
Michael Hamilton	Non-executive Member Board of Directors	Finantia UK
Pedro Benites	Managing Director	Banco Finantia
Pedro Fernandes Santos	Executive Member Board of Directors	Finantipar
Pedro Perestrelo dos Reis	CEO	Banco Finantia
Renato Schulman	Managing Director	Finantia Brasil
Ricardo Caldeira	Executive Member Board of Directors	Banco Finantia
Riccardo Orcel	Member Strategic Board	Banco Finantia
Roberto Teixeira da Costa	Member Strategic Board	Banco Finantia
Rui Guerra	Managing Director	Banco Finantia
Rui Martinho	Member Strategic Board	Banco Finantia
Sandra Matos Chaves	Non-executive Member Board of Directors	Finantipar
Sérgio Zappa	Member Strategic Board	Banco Finantia
Tiago Lopes	Executive Member Board of Directors	Banco Finantia Sofinloc
Vaga Bartalini	Member Strategic Board	Banco Finantia
Ulf Bachmann	Member Strategic Board	Banco Finantia

GENERAL ASSEMBLIES

João Vieira de Almeida – Chairman, Banco Finantia

José A. Pinto Ribeiro – Chairman, Finantipar

AUDIT BOARDS

José Manuel Archer – Chairman, Banco Finantia and Finantipar

Miguel Cancell de Abreu – Member, Banco Finantia and Finantipar

Rita Correia Afonso – Member, Banco Finantia and Finantipar

EXTERNAL AUDITORS

Ernst & Young Audit & Associados, S.R.O.C.

BANCO FINANTIA'S MAIN SHAREHOLDERS

Finantipar SGPS (57.0 %)

Natixis (9.9%)

VTB Capital (8.9%)

Portigon (8.2%)

The contents of this document are complemented by Finantipar and Banco Finantia's Report and Accounts 2016.



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