Mortgage Covered Bonds

Investor Report

Report Reference Date:	**31-03-2016**
Report Frequency:	Quarterly

1. Current Credit Ratings	**Long Term**	**Short Term**
Euro 5,000,000,000 Mortgage Covered Bond Programme	Baa1 / BBB- / A (Moodys/Fitch/DBRS)	N/A
Caixa Económica Montepio Geral	B1 / B+ / BB (high) (Moodys/Fitch/DBRS)	NP / B / R-3 (Moodys/Fitch/DBRS)
Portugal	Ba1 / BB+ / BBB (low) (Moodys/Fitch/DBRS)	NP / B / R-2 (middle) (Moodys/Fitch/DBRS)

2. Covered Bonds Issues	**Issue Date**	**Coupon**	**Maturity Date**	**Soft Bullet Date[1]**	**Remaining Term**	**Nominal Amount**
Covered Bonds Outstanding					**1,81**	**2.000.000.000**
Syndicated Covered Bonds Issues						
Private Placements Covered Bonds Issues						
Series 2 (ISIN PTCMKTOE0007)	16-12-2009	Floating Rate	16-12-2016	16-12-2017	0,71	1.000.000.000
Series 4 (ISIN PTCMGXOE0015)	21-05-2013	Floating Rate	21-05-2017	21-05-2018	1,14	500.000.000
Series 5 (ISIN PTCMGROE0021)	09-12-2015	Floating Rate	09-12-2020	09-12-2021	4,69	500.000.000
CRD Compliant (Yes/No)						**Yes**

3. Asset Cover Test	**Remaining Term**	**Nominal Amount**
Mortgage Credit Pool	**21,92**	**2.725.783.800,02**
Other Assets[2] (Deposits and Securities at market value)[1]	**0,00**	**0,00**
Cash and Deposits	0,00	0,00
RMBS	0,00	0,00
Other securities	0,00	0,00
Total Cover Pool	**21,92**	**2.725.783.800,02**
% of ECB eligible assets		0,00%
Overcollateralization[3] with cash collateral (Current OC)		**36,29%**
Committed overcollateralization (Fitch)		**35,00%**
Required Overcollateralization (Fitch) - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		**16,50%**
Required Overcollateralization (Moodys) - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		**3,50%**
Legal Minimum Overcollateralization		**5,26%**

4. Other Triggers	
Net Present Value of Assets (incl. derivatives)[4]	2.452.906.976,20
Net present value of liabilities (incl. derivatives)[4]	1.993.821.838,39
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0	OK
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of + 200bps)	OK
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of - 200bps)	OK
Other Assets <= 20% (Cover Pool + Other Assets)	OK
Deposits with a remaining term > 100 days <= 15% Covered Bonds Nominal	OK
Estimated Interest from Mortgage Credit and Other Assets - Estimated Interest from Covered Bonds >= 0	OK
Mortgage Credit + Other Assets WA Remaining Term - Covered Bonds WA Remaining Term >= 0	OK

5. Currency Exposure	
Cover Pool Includes	
Assets in a currency different than Euro (yes/no)	No
Liabilities in a currency different than Euro (yes/no)	No
Cross currency swaps in place (yes/no)	No
Currency Exposure Detail	**n/a**

6. Mortgage Credit Pool	
Main Characteristics	
Number of Loans	57.205
Aggregate Original Principal Balance (EUR)	4.072.039.474,15
Aggregate Current Principal Balance (EUR)	2.725.783.800,02
Average Original Principal Balance per loan (EUR)	71.183,28
Average Current Principal Balance per loan (EUR)	47.649,40
Current principal balance of the 5 largest borrowers (EUR)	3.019.614,84
Weight of the 5 largest borrowers (current principal balance) %	0,11%
Current principal balance of the 10 largest borrowers (EUR)	5.354.429,83
Weight of the 10 largest borrowers (current principal balance) %	0,20%
Weighted Average Seasoning (months)	123,56
Weighted Average Remaining Term (months)	263,02
Weighted Average Current Unindexed LTV[5] (%)	53,90%
Weighted Average Current Indexed LTV[5] (%)	54,12%
Weighted Average Interest Rate (%)	1,357%
Weighted Average Spread (%)	1,308%
Max Maturity Date (yyyy-mm-dd)	09-07-2062

Subsidized Loans	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Yes	10.595	18,52%	328.543.946	12,05%
No	46.610	81,48%	2.397.239.854	87,95%

Insured Property[6]	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Yes	57.205	100,00%	2.725.783.800	100,00%
No	0	0,00%	0	0,00%

Interest Rate Type	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Fixed	4.072	7,12%	152.786.506	5,61%
Floating	53.133	92,88%	2.572.997.294	94,39%

Repayment Type	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Annuity / French	56.312	98,44%	2.662.172.167	97,67%
Linear	0	0,00%	0	0,00%
Increasing instalments	600	1,05%	46.778.793	1,72%
Bullet	0	0,00%	0	0,00%
Interest-only	0	0,00%	0	0,00%
Other	293	0,51%	16.832.840	0,62%

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6. Mortgage Credit Pool (continued)

Seasoning	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Up to 1 year	873	1,53%	65.358.985	2,40%
1 to 2 years	1.227	2,14%	92.429.466	3,39%
2 to 3 years	917	1,60%	65.796.934	2,41%
3 to 4 years	750	1,31%	49.788.759	1,83%
4 to 5 years	901	1,58%	59.700.387	2,19%
5 to 6 years	1.825	3,19%	120.268.082	4,41%
6 to 7 years	2.224	3,89%	139.716.606	5,13%
7 to 8 years	2.717	4,75%	139.914.700	5,13%
8 to 9 years	5.634	9,85%	287.471.421	10,55%
9 to 10 years	5.384	9,41%	276.705.306	10,15%
10 to 11 years	5.345	9,34%	289.862.533	10,63%
11 to 12 years	3.621	6,33%	192.938.051	7,08%
More than 12 years	25.787	45,08%	945.832.571	34,70%

Remaining Term	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Up to 5 years	4.103	7,17%	38.699.824	1,42%
5 to 8 years	4.138	7,23%	81.825.801	3,00%
8 to 10 years	2.281	3,99%	69.387.394	2,55%
10 to 12 years	4.296	7,51%	142.898.644	5,24%
12 to 14 years	6.663	11,65%	245.650.533	9,01%
14 to 16 years	6.564	11,47%	295.775.934	10,85%
16 to 18 years	5.750	10,05%	283.188.202	10,39%
18 to 20 years	2.901	5,07%	156.247.504	5,73%
20 to 22 years	2.050	3,58%	115.848.992	4,25%
22 to 24 years	2.342	4,09%	145.953.178	5,35%
24 to 26 years	2.250	3,93%	147.132.425	5,40%
26 to 28 years	2.504	4,38%	167.361.821	6,14%
28 to 30 years	4.016	7,02%	275.099.889	10,09%
30 to 40 years	6.719	11,75%	511.075.982	18,75%
More than 40 years	628	1,10%	49.637.680	1,82%

Current Unindexed LTV	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Up to 40%	19.388	33,89%	549.959.190	20,18%
40 to 50%	9.016	15,76%	444.500.429	16,31%
50 to 60%	11.937	20,87%	628.282.425	23,05%
60 to 70%	9.345	16,34%	586.512.068	21,52%
70 to 80%	7.519	13,14%	516.529.689	18,95%
More than 80%	0	0,00%	0	0,00%

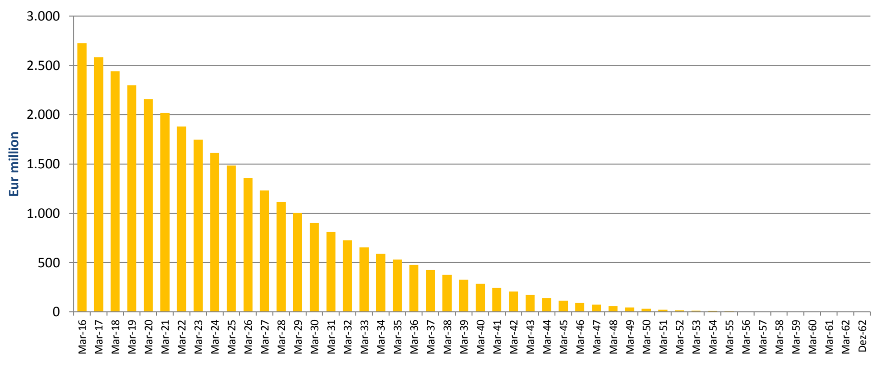
Loan Purpose	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Owner-occupied	51.653	90,29%	2.466.271.765	90,48%
Second Home	3.764	6,58%	187.532.828	6,88%
Buy to Let	744	1,30%	32.763.736	1,20%
Other	1.044	1,83%	39.215.471	1,44%

Property Type	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Residential	**57.205**	**100,00%**	**2.725.783.800**	**100,00%**
Flat	46.479	81,25%	2.065.956.114	75,79%
House	10.705	18,71%	658.460.898	24,16%
Other	21	0,04%	1.366.787	0,05%
Commercial	**0**	**0,00%**	**0**	**0,00%**

Geographical Distribution	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
Portugal	**57.205**	**100,00%**	**2.725.783.800**	**100,00%**
North	17.494	30,58%	751.853.830	27,58%
Center	9.196	16,08%	422.938.811	15,52%
Lisbon	20.081	35,10%	1.026.438.503	37,66%
Alentejo	2.732	4,78%	133.457.961	4,90%
Algarve	3.357	5,87%	159.413.255	5,85%
Madeira	1.635	2,86%	89.461.727	3,28%
Azores	2.710	4,74%	142.219.713	5,22%

Delinquencies[7]	**Number of Loans**	**% Total Loans**	**Amount of Loans**	**% Total Amount**
> 30 to 60 days	163	0,28%	9.708.801	0,36%
> 60 to 90 days	0	0,00%	0	0,00%
> 90 days	0	0,00%	0	0,00%

Projected Outstanding Amount[a]



Amortisation Profile	**Principal Balance**
Mar-2016	2.725.783.800
Mar-2017	2.583.835.766
Mar-2018	2.441.253.184
Mar-2019	2.298.852.482
Mar-2020	2.157.654.486
Mar-2021	2.018.005.335
Mar-2022	1.880.658.786
Mar-2023	1.746.186.391
Mar-2024	1.614.090.003
Mar-2025	1.484.357.151
Mar-2026	1.357.079.940
Mar-2031	808.255.614
Mar-2036	475.853.851
Mar-2041	243.141.380
Mar-2046	89.558.908
Mar-2051	22.659.711
Mar-2056	3.039.563
Mar-2061	5.224
Dez-2062	0

[a] Mortgage Credit Pool; assumes no prepayments

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COVERED BOND LABEL

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7. Expected Maturity Structure

In EUR	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-10 Years	>10 Years
Residencial Mortgages[b]	141.948.034	142.582.582	142.400.702	141.197.996	139.649.152	660.925.395	1.357.079.940
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets[2]	0	0	0	0	0	0	0
Cover Pool	**141.948.034**	**142.582.582**	**142.400.702**	**141.197.996**	**139.649.152**	**660.925.395**	**1.357.079.940**
Covered Bonds	**1.000.000.000**	**500.000.000**	**0**	**0**	**500.000.000**	**0**	**0**

[b] Assumes no prepayments

8. Liquidity Cushion	**Nominal Amount**
Liquidity Cushion (according to Fitch's definition)[c]	
Liquidity Cushion amount	**0**
Deposits with eligible financial institutions	0
Eligible securities (market value)	0
Liquidity Cushion requirement calculation	
Required Liquidity Cushion	**0**
Interest due month 1	0
Interest due month 2	0
Interest due month 3	0

[c] At least equal to the interest payments due on the Covered Bonds Outstanding before swaps for the next 3 months

9. Derivative Financial Instruments	**Nominal Amount**
Total Amount of Derivatives in the Cover pool	**2.706.796.186,33**
Of Which Interest Rate Derivatives[b]	**2.706.796.186,33**
Fixed to Floating Swaps	0,00
Interest Basis Swaps	2.706.796.186,33
Of Which Currency Swaps	**0,00**

[b] External Counterparties (Yes)

10. Contacts	
Financial Division	users_GT@montepio.pt
Other Reports on CEMG website	http://www.montepio.pt/SitePublico/en_GB/institutional/investor-relations/funding-programmes.page?
ECBC Label Website	https://coveredbondlabel.com/

Notes

[1] Soft Bullet Date (Extended Maturity)

If the covered bonds are not redeemed on the relevant maturity date, the maturity will automatically be extended on a monthly basis up to one year. In that event, the covered bonds can be redeemed in whole or in part on a monthly basis up to and including the Extended Maturity Date.

[2] Other Assets

In addition to the mortgage assets, other assets (or substitution assets) may be included in the cover pool up to an amount equal to 20% of the cover pool, subject to the following eligibility criteria:
- Deposit with the Bank of Portugal in cash or ECB eligible securities, or
- Deposits held with credit institutions rated at least A-.

[3] Overcollateralisation

The overcollateralisation ratios are calculated by dividing (i) the total outstanding balance of the assets included in the cover pool by (ii) the total nominal amount of the covered bonds (both excluding accrued interest). For clarification purposes, all assets included in the covered pool are eligible assets.

[4] Net Present Value (NPV)

The NPV of the assets is obtained by discounting all future cash flows with the IRS curve plus relevant spread.
The NPV of the liabilities is obtained by discounting all future cash flows with the IRS curve plus relevant spread .
Substitution assets as well as any derivatives in the pool are marked at their market value.
NPV of liabilities cannot exceed the NPV of the portfolio assigned to the bond, including derivatives.
Stress testing - Net present value is also calculated for a 200 bps shift upwards and downwards of the discounting curve.

[5] Loan-to-Value

The Current Unindexed LTV is calculated by dividing the outstanding balance of the loan by the value of the underlying property (last physical valuation).
The Current Indexed LTV is calculated by dividing the outstanding balance of the loan by the latest valuation amount of the underlying property (i.e. indexed value or last physical valuation).
A full valuation of the underlying properties must have been performed by an independent appraiser, at origination or after, prior to the inclusion of the mortgage loan in the cover pool.
Properties (both residential and commercial) should also be revalued regularly:
- For commercial assets this must be done on an annual basis;
- Residential properties must be revalued at least every 3 years - if the individual mortgage credit value exceeds € 500.000
-Also the value of the mortgage property should be checked on a frequent basis, at least every three years, in order to identify the properties that require appraisal by an expert (this procedure can be done using statistcal models approved by the Bank of Portugal).

[6] Insured Property

All mortgages must have property damage insurance covering fire and floods.

[7] Delinquencies

A loan is considered to be delinquent if any payment is in arrears by more than 30 days. According to the Portuguese covered bonds legislation, any loan which is in arrears by more than 90 days must be removed from the pool and substituted by another loan which fulfills the elegibility criteria. Therefore, there are no NPL's included in the cover pool.