CAIXA GERAL DE DEPÓSITOS GROUP CONSOLIDATED OPERATIONS

31 MARCH 2013

Unaudited accounts

www.cgd.pt

Caixa Geral de Depósitos

Caixa Geral de Depósitos, S.A. • Head Office: Av. João XXI, 63 – 1000-300 Lisboa
Share Capital EUR 5,900,000,000 • Registered with the Lisbon Companies Registry and Tax Payer no. 500 960 046

1 – Highlights

Results – March 2013

The promotion of household savings and development of international business continued to be the driving forces behind Caixa Geral de Depósitos Group's sustainability in first quarter 2013, in which strategy remains geared to improving returns over the short term, in a context of its continued support for the recovery of the country's economic activity.

Confirming this commitment, made in an environment of higher liquidity and solvency levels, the international markets have rewarded the Group with greater appetite for its capital market funding operations.

The first positive improvement as regards rating agencies was also noted with S&P reviewing its outlook on CGD rating from negative to stable.

1. Following a successful return to the capital market in November 2012 comprising an unguaranteed debt issue with a maturity of 3 years, Caixa once again witnessed a highly receptive attitude from the investor community with its launch of a € 750 million **covered bonds** issue with a maturity of 5 years and a fixed coupon rate of 3.75%. In its launch of this operation, which benefited from a highly receptive market expressed in demand of more than € 4 billion and the participation of around 200 investors, 90% of which international, Caixa reopened the covered bonds market for Portugal, contributing to the access of other Portuguese issuers to this important source of medium and long term funding.

2. Over the course of first quarter 2013 Caixa's **funding policy** remained geared to greater autonomy, reducing resources taken from the ECB from € 6,950 million to € 4,750 million between December 2012 and March 2013. Reference should be made to the amount of available assets, totalling € 11,185 million, with an eligible pool of € 16,075 million at the end of the first quarter.

3. This was possible on account of the stability of Caixa's broad depositors' base which continues to reward its renewed commitment to this segment with its confidence and loyalty. Notwithstanding the sharp fall in disposable income, household deposits were once again up in March (1.4%) in comparison to the same period 2012.

4. A first positive movement was also recorded from the rating agencies when Standard & Poor's revised its outlook on CGD from negative to stable.

5. Caixa's strategy remains geared to the productive sector, particularly the most dynamic sectors of the Portuguese economy, confirmed by the expansion of portfolio loans to "PME Líder", up 5.2% year-on-year and expansion of market share of "PME Crescimento" Lines 2013 (27%), "Sub-linha Exportação" line (30%) and "PME Investe" Lines 2012/13 (16.8%).
   Greater penetration of the best Portuguese SMEs segment has been facilitated by the consolidation of the Caixa Empresas service model on the branch office network, underpinned by a personalised management service concept encompassing more than 24 thousand customers, comprising turnover of € 3,623 million.

6. The persistence of Euribor rates at all-time lows in first quarter 2013 continued to have a markedly penalising effect on Caixa's returns, notably in the continuous drop of its **net interest income including income from equity instruments** which, notwithstanding an improved performance by **income from equity instruments** (€ 10 915 million against € 4 580 million in the first three months of the preceding year), was down 46.8% over March 2012. The evolution of Euribor rates has a highly relevant effect on Caixa's profitability owing to the still dominant proportion of mortgage lending whose interest rates are indexed to Euribor.

7. **Non-interest income,** up 8.6% over March 2012 to € 270.0 million, maintained the positive trajectory visible in past periods. This was particularly due to the favourable performance of **income from financial operations** which, net of gains on own debt repurchasing operations totalled € 100.5 million in March 2013 (against € 14.8 million for the same period 2012) as well as the growth of 7.1% in net commissions to € 126.1 million.

8. 10% growth of **operating costs and depreciation** in first quarter 2013 breaks a sequence of various periods of a reduction of this account, resulting from the cost rationalisation policy and improved efficiency in progress within the Group. This increase particularly derives from an extraordinary factor resulting from the reintroduction of holiday and Christmas subsidies, with its consequent accounting impacts. The other administrative expenses maintained their descending trajectory, totalling € 2.5 million (-1.8%, over March 2012). This evolution of costs associated with the already referred to decline in net operating income had the effect of reducing **gross operating income** (down 58.6% over March last year).

   Notwithstanding the fact that Caixa continues to attribute high levels of priority to operational rationalisation and greater efficiency, the above referred to extraordinary facts, in conjunction with the reduction of **net operating income from banking and insurance operations**, contributed to the unfavourable evolution of **cost-to-income** of 72.9% in March against 57.7% in December 2012.

9. Facing a situation of prolonged economic fragility, the Group continues to maintain a highly prudent provisioning policy reflected in still high amounts of **credit impairment net of reversals** of € 147.3 million in the quarter in question.

10. The unfavourable evolution of net interest income and still strong impact of impairment associated with the non-recurring increase in staff costs translated into a lower level of consolidated **net income** comprising losses of €36.4 million.

11. The Group's **shareholders' equity** was up 23.7% by € 1,411 million at the end of March to € 7,363 million, in which a contributory factor was the € 750 million increase in share capital. Another important contribution was the € 1,316 million increase in **fair value reserves**.

12. The total **capital ratio** at the end of March 2013 was 13.7% and the **Core Tier 1 ratio** on a consolidated basis, including retained earnings, attained 11.5%, according to Bank of Portugal regulations. The ratio in accordance with European Banking Authority (EBA) regulations was 9.4%.

    The Group therefore enjoys a robust solvency situation whose respective indicators are higher than those required under regulatory capital requirements.

13. CGD Group's **net assets** were down 3.3%, to € 114,845 million year-on-year, in line with the evolution of loans and advances to customers.

14. **Loans and advances to customers (gross)** were slightly down by 0.8% over December 2012 to € 78,305 million, whereas, in terms of domestic activity, lending of € 22,694 million to companies was practically the same as last year, with CGD maintaining its strategic objective of continuing to make an active contribution to funding the economy.

15. **Customer deposits** were slightly up (by € 324 million) over March 2012 to € 65,329 million. **Individual customers' deposits** in Portugal continued to increase (up 1.4% by €611 million over the end of first quarter 2012). This evolution was particularly significant in the current economic and social climate and only possible owing to the confidence and security which continue to be provided by Caixa's extensive and stable customer base.

16. The **loans-to deposits ratio,** measured by net credit to customer deposits was 113.3%.

17. The recessionary economic environment continued to have a markedly penalising effect on credit quality, with a **credit more than 90 days overdue ratio** of 5.6% and respective coverage level of 98.8%. The **credit at risk** ratio was up from 9.4% at the end of 2012 to 9.5%.

18. Caixa Seguros e Saúde continues to lead the domestic insurance market, retaining top position with a global market share of 26.6%.

2 – Key Indicators

(EUR million)

RESULTS	Mar/12 (*)	Dec/12 (*)	Mar/13	Change Mar/13 Mar/12	Change Mar/13 Dec/12
Net interest income	386.4	-	197.0	-49.0%	-
Net interest income incl. income from equity investm.	391.0	-	207.9	-46.8%	-
Commissions (net)	117.8	-	126.1	7.1%	-
Non-interest Income	248.5	-	269.9	8.6%	-
Technical margin on insurance operations	111.2	-	92.8	-16.5%	-
Net operating income from banking and insurance oper.	750.7	-	570.6	-24.0%	-
Operating costs	379.0	-	416.8	10.0%	-
Gross operating income	371.7	-	153.8	-58.6%	-
Income before tax and non-controlling interest	41.0	-	-39.8	-197.1%	-
Net income	8.8	-	-36.4	-	-
BALANCE SHEET					
Net assets	118,749	116,859	114,845	-3.3%	-1.7%
Cash and loans and advances to credit institutions	5,378	5,423	4,913	-8.7%	-9.4%
Securities investments (including Assets with Repurchase Agreement)	25,767	28,697	27,859	8.1%	-2.9%
Loans and advances to customers (net)	79,286	74,735	74,008	-6.7%	-1.0%
Loans and advances to customers (gross)	82,868	78,924	78,305	-5.5%	-0.8%
Central banks' and credit institutions' resources	13,516	12,227	10,109	-25.2%	-17.3%
Customer resources	71,100	71,355	71,176	0.1%	-0.3%
Debt securities	13,754	10,591	10,570	-23.1%	-0.2%
Technical provisions for insurance operations	4,465	4,224	4,254	-4.7%	0.7%
Shareholders’ equity	5,952	7,280	7,363	23.7%	1.1%
RESOURCES TAKEN FROM CUSTOMERS	86,852	89,307	88,989	2.5%	-0.4%
PROFIT AND EFFICIENCY RATIOS					
Gross return on equity - ROE (1) (2)	2.69%	-5.69%	-2.33%	-	-
Net return on equity - ROE (1)	1.40%	-5.34%	-1.71%	-	-
Gross return on assets - ROA (1) (2)	0.14%	-0.31%	-0.14%	-	-
Net return on assets - ROA (1)	0.07%	-0.29%	-0.10%	-	-
Cost-to-income (consolidated) (2)	50.5%	57.7%	72.9%	-	-
Employee costs / Net operating income (2)	27.8%	30.8%	43.9%	-	-
Other administrative expenses / Net operating income	17.8%	21.3%	22.9%	-	-
Operating costs / Average net assets	1.26%	1.41%	1.43%	-	-
Net operating income / Average net assets (2)	2.49%	2.44%	1.96%	-	-

(%)

CREDIT QUALITY AND COVER LEVELS	Mar/12 (*)	Dec/12 (*)	Mar/13	Change Mar/13 Mar/12	Change Mar/13 Dec/12
Overdue credit / Total credit	4.6%	5.7%	6.2%	-	-
Credit more than 90 days overdue / Total credit	4.0%	5.3%	5.6%	-	-
Non-performing credit / Total credit (2)	5.0%	6.4%	6.8%	-	-
Non-performing credit (net) / Total credit (net) (2)	0.7%	1.1%	1.4%	-	-
Credit at risk / Total credit (2)	7.4%	9.4%	9.5%	-	-
Credit at risk (net) / Total credit (net) (2)	3.2%	4.4%	4.3%	-	-
Overdue credit coverage	94.5%	92.8%	88.5%	-	-
Credit more than 90 days overdue coverage	109.2%	100.6%	98.8%	-	-
Credit impairment (P&L) / Loans and adv. to customers (av. balance)	1.15%	1.24%	0.74%	-	-
STRUCTURE RATIOS					
Loans and advances to customers (net) / Net assets	66.8%	64.0%	64.4%	-	-
Loans and advances to customers (net) / Customer deposits (2)	122.0%	114.0%	113.3%	-	-
SOLVENCY RATIOS					
Solvency (2)	11.7%	13.6%	13.7%	-	-
Tier 1 (2)	9.2%	11.2%	11.1%	-	-
Core Tier 1 (2)	9.6%	11.6%	11.5%	-	-
Core Tier 1 (EBA)	-	9.4%	9.4%	-	-

(1) Considering average shareholders' equity and net assets values (13 observations).
(2) Ratios defined by the Bank of Portugal (Instruction no. 23/2012).
(*) Pro forma accounts, considering the amounts in Caixa Seguros e Saúde, SA’s healthcare area as a non-current asset held for sale and the entities comprising the form of jointly owned entities being integrated by the equity accounting method.

3 – Economic-Financial framework

The world economy grows at a slower pace

Optimism over the growth of the world economy, which marked the start of 2013, cooled over the course of the 1st quarter, when a series of indicators, particularly US and Chinese, raised doubts over the evolution of these economies, accentuated by the resurgence of fears over the sovereign debt crisis in the euro area, both on account of the political situation in Spain and, latterly in Italy and uncertainties over the terms of the financial assistance agreement negotiated between the European Commission, IMF and Government of Cyprus which became the 5th euro area member to apply for financial assistance.

Negotiation of the financial assistance to Cyprus

Business confidence indicators in the euro area, continued to be unfavourable, even worsening towards the end of the quarter. Unemployment once again made a particularly negative contribution in hitting its highest level of the last 23 years in March (12.1%). Year-on-year inflation in the euro area fell for the first time in 10 quarters to less than 2.0%.

Year-on-year inflation in the euro area below 2.0%

In Portugal, notwithstanding the fact that the data continued to indicate contraction, the performance of the coincident and economic climate indicators was less negative, benefiting from a certain improvement in confidence levels, both of businesspeople and consumers. March unemployment was the same as February at 17.5%, according to Eurostat, the highest ever percentage since the said body has published information. As regards inflation, the year-on-year change tended to slow, sinking to its lowest level of the last 4 years at 0.5% at the end of the quarter.

In Portugal:

- less negative climate indicators, both in business people and consumers
- the highest ever percentage of unemployment (17,5%)
- inflation at its lowest level of the last 4 years (0,5%)

The first three months of the year were also marked by uncertainty over the evolution of several emerging countries, namely China and India, which recorded moderate economic growth. Notwithstanding the decrease in inflationary pressure, the central banks of these economies gave no signs of initiating a new round of growth *stimuli*. Reference should be made to the Central Bank of Brazil, where the continuous acceleration of inflation led to a situation in which, over the course of the 1st quarter, bank officers were warning of a probable increase in interest rates in 2013.

Improvement in the financial markets continues through the first four months of 2013

The positive performance of indicators in certain regions in the first half of the quarter, namely in the US and particularly the willingness of several central banks in the developed economies to further stimulate economic activity, allowed the improvement in financial markets, starting in the preceding quarter, to continue through the first three months of 2013. This was visible in the value increases of risk assets, namely the performance of equity indices which, in the US, closed at their highest ever levels and the stabilising of debt spreads in Europe, notwithstanding the uncertainties generated by the nature of the Cyprus rescue.

Interest rates in the interbank money market stabilised

Interest rates in the interbank money market stabilised in 1st quarter 2013 in remaining practically unchanged following five successive quarter drops coming after a certain decline of surplus liquidity deriving from the start of the redemption of LTROs organised by the ECB at the end of 2011 and start of 2012.

Stabilization of sovereign debt spreads

Fresh falls in sovereign yields continued to be witnessed in the public debt market in the first quarter of the year, not only in the economies of central Europe but also those on the periphery. There was an across-the-board dip in spreads on public debt securities in the euro area, even in Italy where, after increasing economic uncertainties and doubts of a political nature related with political parties' failure to reach agreement over the formation of a new government which were, in the

The spread on Portuguese debt fell to a lower level than noted at the time of the request for financial assistance

Portugal returns to the international capital markets for medium-term maturities

meantime, resolved, the country sold 10 year debt at the end of April at its lowest yield since October 2010. The spread on Portuguese debt fell in comparison to Germany as was the case with Spain for the 5th consecutive quarter, to a lower level than noted at the time of the official request for economic and financial assistance from the European Commission and the IMF at the end of March. Reference should accordingly be made to Portugal's return to the debt markets over the longer maturities when, at the end of January, its resumption of 5 year treasury bonds issues was heavily oversubscribed.

In the commodities market reference should be made to a new quarter of falling oil prices, down at the end of the same period to close to USD 100 per barrel. The price of the ounce of gold should also be highlighted, having fallen for the 2nd successive quarter, an event which had not been witnessed since 2001.

In terms of foreign exchange, note should be taken of the performance of the Japanese yen. Notwithstanding measures taken by the Central Bank of Japan in the form of new strong monetary *stimuli,* the currency depreciated heavily against both dollar and euro for a second consecutive quarter, leading the Japanese currency to close at minimum values against the euro since 2009.

4 – Evolution of CGD Group

Reference should be made to the following in the development of CGD Group in first quarter 2013:

- Caixa Seguros e Saúde, SGPS, SA completed the sale of HPP - Hospitais Privados de Portugal, SGPS, S.A. the owner of six nationwide hospitals and responsible for the management of Cascais Hospital, to the Brazilian Amil healthcare group following a comprehensive check of the respective administrative and government conditions;
- The Macau offshore branch was authorised and came into operation. This change in the form of CGD's corporate presence in the said territory will enable it to be better prepared to provide for its customers' needs.
- Work continued on the rationalisation of the domestic branch office network to optimise the installed potential and improve efficiency, reinforcing complementary aspects of the service provided to personal customers with an effective range of automatic and online channels.
- The Group is also rationalising its operations in Spain, by redimensioning its branch office network, upon which work began in 2012 as well as the reorientation of its business model aligning it with the Group's global strategy and specific needs and opportunities, particularly driving from Iberian business.

Caixa Seguros e Saúde completed the sale of HPP to Amil

The Macau offshore branch came into operation

Work continued on the rationalisation of CGD's domestic branch office network

The Group is also rationalising its operations in Spain, as well as the reorientation of its business model

Prizes and Distinctions

CGD's activity, in 2012, earned it the "Most Sustainable Bank in Portugal in 2012". distinction, at the beginning of 2013 from the prestigious *The New Economy,* reflecting its ongoing commitment to sustainability and demonstrating CGD's leadership and innovation in its integration of social, environmental and corporate criteria in its current activity. CGD continues to further a structured, comprehensive sustainability programme, recognised by domestic and international entities which regularly monitor and audit its performance.

CGD came in first position with the "Best Mobile Banking App" distinction awarded by the "European Financial Management & Marketing Association", for its Caixadirecta App.

CGD's activity, in 2012, earned it the "Most Sustainable Bank in Portugal in 2012" distinction

CGD came in first position with the "Best Mobile Banking App" distinction

5 – Financial Analysis: Consolidated Operations

Summary

First quarter 2013 continued to witness a deteriorating macroeconomic environment

First quarter 2013 continued to witness a deteriorating macroeconomic environment, markedly reflected in terms of corporate activity and household disposable income.

Interest rates at all-time lows

The fact that the international scenario, particularly in the eurozone, also failed to show signs of the expected recovery, kept interest rates at all-time lows.

Still dominant proportion of CGD's mortgage loans indexed to Euribor

The above described context continued to have a markedly penalising effect on the profitability of CGD whose balance sheet is enormously sensitive to the evolution of interest rates, owing to the still dominant proportion of mortgage loans in its credit portfolio, almost all of which are indexed to Euribor with very low average spreads.

The continuing decline in economic activity also continued to make itself felt in significant provisioning requirements, albeit less markedly so than in previous periods, on account of the prudent impairment policy adopted by the Group since the onset of the crisis.

Credit impairment net of reversals was 147.3 M€

Credit impairment net of reversals was € 147.3 million in March 2013 owing to the conditions in the financial markets in the period under analysis.

Group's net income, resulting in losses of 36.4M€

The combination effect of the evolution of Euribor rates and provisioning requirements, together with the non-recurring increase in staff costs, reflected unfavourably in the Group's net income, resulting in losses of € 36.4 million in first quarter 2013.

Results Analysis

Net interest income, including income from equity instruments was down over March 2012

Net interest income, including income from equity instruments, notwithstanding the improved performance of income from equity instruments (€ 10.9 million against € 4.6 million in the first three months of the preceding year), was down 46.8% over March 2012. The evolution of Euribor rates has a highly relevant effect on Caixa's profitability owing to the still dominant proportion of mortgage loans indexed to Euribor plus a spread which, notwithstanding increases in the case of new operations, is still very low for the portfolio balance.

The cost of CoCo bonds contributed negatively to the net income

Another contribution to the unfavourable evolution of this margin was the registration of the cost of CoCo bonds.

Non-interest income maintained its positive trajectory

Non-interest income (up 8.6% over March 2012 to € 270 million) maintained its positive trajectory already evidenced in past periods namely owing to the favourable performance of income from financial operations as well as the 7.1% growth of net commissions to € 126.1 million.

NET COMMISSIONS – BY BUSINESS AREAS

(EUR million)

	Mar/12	Mar/13	Change (%)
CGD Portugal	87.1	89.5	2.7%
International activities	26.2	31.3	19.3%
Investment banking	7.2	14.2	97.8%
Asset management	5.4	4.7	-13.2%
Other	-8.2	-13.6	-
Total	**117.8**	**126.1**	**7.1%**

Income from financial operations of € 102.2 million was very close to the € 111.2 million registered for the same quarter of the preceding year. However, as opposed to 2012 in which the income was particularly based on own debt repurchases (gains of € 96.4 million in 1st quarter 2012) the 2013 results reflect the good performance of regular trading activities and asset management in a context of greater stability in public debt markets.

Good performance of income from financial operations totaled 102.2M€

The technical margin on insurance operations, down 16.5%, to € 92.8 million in March 2013, also reflected a decline of economic activity.

The technical margin on insurance operations decreased

Notwithstanding the reduction of the base salary for CGD Portugal employees (approximately 9%), the consolidated employee costs increased above € 40 million. This increase was due to the extraordinary reintroduction of the holiday and Christmas subsidies, with its consequent accounting impacts. The other administrative expenses maintained their descending trajectory, totalling € 2.5 million (-1.8% over March 2012) after several periods of consecutive reduction.

OPERATING COSTS AND DEPRECIATION

(EUR million)

			Change	
	Mar/12	Mar/13	Total	(%)
Employee costs	208,411	250,921	42,510	20.4%
Other administrative expenses	133,613	131,142	-2,471	-1.8%
Depreciation and amortisation	36,936	34,763	-2,173	-5.9%
Total	**378,960**	**416,826**	**37,866**	**10.0%**

Depreciation and amortisation decreased 5,9%, year-on-year.

This evolution of costs associated with the already referred to decrease in net operating income had the effect of reducing gross operating income by 58.6% over March of the preceding year.

Notwithstanding the fact that Caixa continues to afford high priority to operational rationalisation and efficiency improvements, the above referred to extraordinary factors translated into an unfavourable evolution of cost-to-income which was 72.9% in March in comparison to 57.7% in December 2012).

Maintenance of the cost rationalisation policy and improved efficiency

Balance Sheet Analysis

CGD Group's consolidated net assets were down 1.7% over the end of 2012

CGD Group's consolidated net assets were down 1.7% over the end of 2012 to € 114,825 million, in line with CGD's deleveraging policy.

There was also a 20.6% reduction of € 863 million in cash and cash equivalents and loans and advances to credit institutions over the same quarter 2012 and an increase of € 2,093 million in the securities portfolio over March 2012 (including assets with repo agreements) to € 27,859 million.

Reduction of the borrowings from the ECB

On the liabilities side, reference should be made to the effect of Caixa's reduction of its borrowings from the ECB which made a highly significant contribution to the reduction of € 3,407 million in comparison to March of the preceding year in the central banks' and credit institutions' resources account. There was also a reduction of € 3,184 million in debt securities at the end of quarter to € 10,570 million.

Loans and advances to customers (gross) decreased slightly

Loans and advances to customers (gross) excluding repo operations were slightly down by 0.8% (€ 619 million) over December 2012 to € 78,171 million in March 2013.

LOANS AND ADVANCES TO CUSTOMERS [(a)]

(EUR million)

				Change Mar/13 vs. Mar/12		Change Mar/13 vs. Dec/12	
	Mar/12	Dec/12	Mar/13	Total	(%)	Total	(%)
CGD's operations in Portugal	**63,684**	**61,454**	**60,660**	**-3,024**	**-4.7%**	**-794**	**-1.3%**
Corporate	23,536	22,770	22,694	-842	-3.6%	-76	-0.3%
General government	4,269	3,481	3,440	-829	-19.4%	-41	-1.2%
Institutionals and other	1,627	1,954	1,641	14	0.9%	-313	-16.0%
Individual customers	34,253	33,249	32,885	-1,367	-4.0%	-363	-1.1%
Mortgage loans	32,862	31,957	31,647	-1,215	-3.7%	-310	-1.0%
Other	1,391	1,292	1,239	-153	-11.0%	-54	-4.2%
Other CGD Group companies	**18,068**	**17,336**	**17,511**	**-557**	**-3.1%**	**176**	**1.0%**
Total	**81,752**	**78,790**	**78,171**	**-3,581**	**-4.4%**	**-619**	**-0.8%**

(a) Before impairment and excluding repos operations.

Mortgage loans were down 1.0%

Mortgage loans for CGD's operations in Portugal were down 1.0% by € 310 million over December 2012 and down 3.7% over March 2012, to € 31,647 million in March 2013.

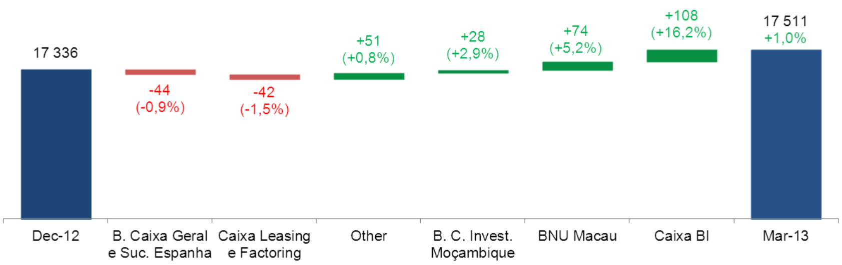
In the first 3 months, CGD's new credit operations in Portugal were up 3.6% to € 100.7 million, comprising 1,333 operations (down 2.1%).

Expansion of the volume of portfolio credit for Leading SMEs

In the corporate segment the expansion of the volume of portfolio credit for "PME Líder" was confirmed with a year-on-year increase of 5.2% and reinforcement of "PME Crescimento" lines 2013 (27%), "Sub-linha Exportação" line (30%) and "PME Investe" lines 2012/13 (16.8%).

LOANS AND ADVANCES TO CUSTOMERS - OTHER GROUP COMPANIES

EUR million)



Loans made by other Group units represented more than 22% of total credit.

The Group's banks in Africa posted a slight growth of 0.2% to € 2,438 million in the first three months of 2013. Reference should be made to BCI in Mozambique with a 2.9% increase of € 28 million over December 2012.

The Group's banks in Africa posted a slight growth of 0.2% to €2,438 million

In Macau BNU achieved a 5.2% increase of € 74.5 million over December 2012.

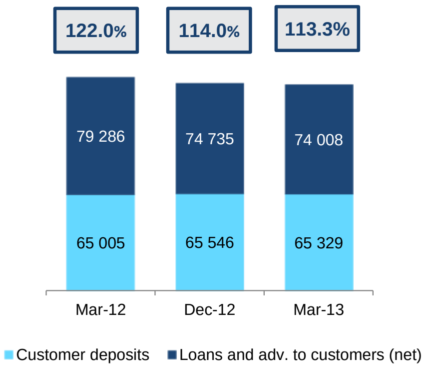
In Europe, the France branch was up 0.3% by € 12.5 million, bucking the downwards trend in 2012. Group units in Spain continued to drop (by 0.9% and 6.4%) over December and March 2012, respectively.

The France branch was up 0.3% by €12.5 million, bucking the downwards trend in 2012

As regards other Group units headquartered in Portugal, reference should be made to CaixaBI with an increase of more than € 100 million in loans, comprising growth of 16.2%.

LOANS-TO-DEPOSIT RATIO

(EUR million)



The decline of loans and advances to customers, together with the increase in deposit-taking translated into a slight reduction of the loans-to deposits ratio to 113.3% in March against 114% in December 2012.

The loans-to deposits ratio reached 113.3%

The deteriorating economic and financial situation has still not allowed credit quality to be stabilised. This is reflected in a deterioration of the respective indicators, with a total overdue credit ratio of 6.2% at the end of March in comparison to 5.7% in December 2012. The credit more than 90 days overdue ratio was 5.6% against 5.3% at the end of 2012.

The credit at risk and non-performing credit ratios, calculated in accordance with the Bank of Portugal's Instruction 23/2012 were 9.5% and 6.8% respectively at the end of March 2013, against 9.4% and 6.4% respectively at the end of 2012.

Credit impairment net of cancellations and reversals for the period under analysis represented 0.74% of the average credit portfolio, down 0.50 pp over the end of 2012.

The amount of accumulated impairment on loans and advances to customers (regular and overdue) was up 20.% by € 715.0 million over the same date 2012 to € 4,297.4 million, resulting in a credit for more than 90 days overdue coverage ratio of 99.8% against 100.6% at the end of 2012.

The securities portfolio (including assets with repo agreements) totalled € 27,859 million in the 1st quarter, taking advantage of the increases in value of the debt component, CGD adopted a capital gains strategy in reducing the portfolio by 2.9% (€ 837 million).

SECURITIES INVESTMENTS [(a)]

(EUR million)

			Variação	
	Mar/12	Mar/13	Abs.	(%)
Banking	**17,150**	**18,686**	**1,536**	**9.0%**
Fin. assets at fair value through profit or loss	4,135	3,862	-273	-6.6%
Available for sale financial assets	13,015	14,824	1,809	13.9%
Insurance	**8,617**	**9,173**	**556**	**6.5%**
Fin. assets at fair value through profit or loss	89	58	-31	-34.3%
Available for sale financial assets	5,384	5,499	116	2.1%
Investm. assoc. with unit-linked products	609	1,150	541	88.8%
Investments to be held to maturity	2,535	2,465	-70	-2.8%
Total	**25,767**	**27,859**	**2,092**	**8.1%**

(a) After impairment and including assets with repo agreements

Funding and Liquidity Management

CGD's early redemption of a part of its borrowings from the ECB, namely the 3 year LTRO

Reduction of resources taken from the ECB by CGD in the quarter was around 2,200M€

The total eligible assets pool was 16,075M€

Having met bank recapitalisation requirements and with greater stability in the sovereign debt markets, the first three months of 2013 were characterised by an increase in liquidity in the interbank markets, leading to the CGD's early redemption of a part of its borrowings from the ECB, namely the 3 year LTRO. This strategy was also adopted by several other banks.

The total reduction of resources taken from the ECB by CGD in the quarter was around € 2,200 million, down from € 6,950 million in December 2012 to € 4,750 million in March 2013. The total eligible assets pool at the said date was € 16,075 million, with the amount of available assets up by around € 1,400 million in the same period to € 11,185 million.

The gradual decrease in borrowing from the ECB has been possible owing to the favourable performance of individual customers' deposits and a reduction of borrowing needs. Reference should be made in the quarter to the confirmation of the reopening of the international capital markets.

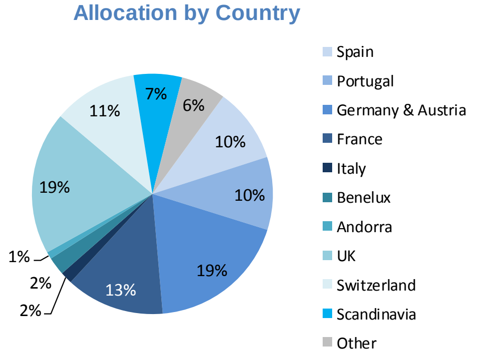
Committed to a repositioning strategy with investors, rating agencies and market operators in general, CGD, following the launch of its unsecured debt issue in November 2012, returned to the market in January 2013 with its 4th public issue under the covered bonds programme, after this market had been closed to Portuguese issuers for practically 3 years. The issue, for an amount of € 750 million with a maturity of 5 years and coupon rate of 3.75%, was heavily oversubscribed for more than € 4,000 million. The excellent appetite for this issue, ensured by favourable pricing conditions took the form of a placement with more than 200 investors with 90% of the amount being placed outside Portugal, namely with investors from the United Kingdom, Germany, Austria, France and Switzerland.

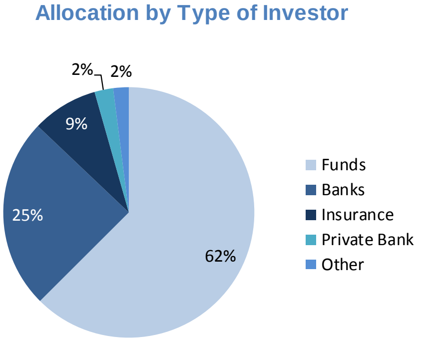
CGD returned to the covered bonds market:

- 750M€
- 5 years
- coupon 3.75%

90% of the largely diversified placement across-borders

ISSUE OF COVERED BONDS





The DBRS rating agency allocated its "A" rating to the covered bonds issue of 11 January 2013 and confirmed its "A" rating on all covered bonds series previously issued under CGD's covered bonds programme.

With the launch of a new issue of covered bonds CGD reopened this market segment and also facilitated access to other Portuguese issuers.

The total resources taken by the Group balance (excluding the interbank money market) remained relatively stable in comparison to the same quarter last year at around € 100,000 million. Excluding funding from institutional investors and the Portuguese state, there was an increase over March 2012 to € 88,989 million.

The total resources taken by the Group increased to 88,989M€

The customer deposits balance was up 0.5% over March 2012 to € 65,329 million.

Individual customers' deposits in the branch office network, in Portugal, were up year-on-year by 1.4% to € 44,271 million at the end of March 2013.

Individual customer deposits were up 1.4% year-on-year.

72% or € 47,026 million of the global customer deposits balance comprised term and savings deposits, up 0.5% by € 243 million since the start of the year, reflecting the active promotion of deposit-taking from customers and accordingly contributing towards a decline in CGD's borrowing requirements from the wholesale market.

RESOURCE-TAKING BY THE GROUP - BALANCES

(EUR million)

	Mar/12	Dec/12	Mar/13	Change Mar/13 vs. Mar/12		Change Mar/13 vs. Dec/12	
				Total	(%)	Total	(%)
Balance sheet	**89,318**	**87,718**	**87,520**	**-1,799**	**-2.0%**	**-198**	**-0.2%**
Retail	**76,140**	**76,823**	**76,551**	**411**	**0.5%**	**-272**	**-0.4%**
Customer deposits	65,005	65,546	65,329	324	0.5%	-217	-0.3%
Other customer resources	11,136	11,278	11,222	87	0.8%	-55	-0.5%
Institutional investors	**13,178**	**9,995**	**10,069**	**-3,109**	**-23.6%**	**74**	**0.7%**
EMTN	5,847	5,357	4,911	-936	-16.0%	-446	-8.3%
Covered bonds	5,177	3,042	3,773	-1,404	-27.1%	731	24.0%
Other	2,154	1,596	1,385	-769	-35.7%	-211	-13.2%
Portuguese State - Contingent convertible (CoCo) bonds	**0**	**900**	**900**	**900**	**-**	**0**	**0.0%**
Off-balance sheet	**10,712**	**12,483**	**12,438**	**1,726**	**16.1%**	**-46**	**-0.4%**
Investm. units in unit trust investm. funds	4,262	4,588	4,473	211	5.0%	-115	-2.5%
Pension Funds	2,129	2,306	2,297	168	7.9%	-9	-0.4%
Wealth management [(a)]	4,321	5,589	5,668	1,347	31.2%	78	1.4%
Total	**100,030**	**100,201**	**99,958**	**-73**	**-0.1%**	**-244**	**-0.2%**
Total (excl. instit. inv. and Portuguese state)	**86,852**	**89,307**	**88,989**	**2,137**	**2.5%**	**-318**	**-0.4%**

(a) Does not include CGD companies' insurance portfolios

Resources taken from institutional investors were down 3,109M€ over March 2012

Off-balance sheet resources were up 16.1% year-on-year

Notwithstanding the greater market appetite felt since the end of 2012, enabling CGD to resume market operations with two debt issues, resources taken from institutional investors in the form of the own issues balance were down € 3,109 million over March 2012, with a slight increase of € 74 million in comparison to an end of year amount of € 10,069 million.

Off-balance sheet resources, up 16.1% year-on-year at the end of March to € 12,483 million translated the strong progression of the wealth management balance with a total change of € 1,347 million (€ 5,668 million in comparison to € 4,321 million at the end of first quarter 2012).

Shareholders' Equity and Solvency Ratio

The Group's shareholders' equity at the end of first quarter 2013 totalled € 7,363 million, following a substantial 23.7% increase of € 1,411 million over March 2012.

The increase in shareholders' equity in comparison to the same quarter last year derived from the € 750 million increase in CGD's share capital to € 5,900 million, following CGD's recapitalisation plan of last June, in addition to an improvement of € 1,316 million in fair value reserves.

SHAREHOLDERS' EQUITY

(EUR million)

	Mar/12	Dec/12	Mar/13	Change Mar/13 vs. Mar/12 Total	Change Mar/13 vs. Mar/12 (%)	Change Mar/13 vs. Dec/12 Total	Change Mar/13 vs. Dec/12 (%)
Share capital	5,150	5,900	5,900	750	14.6%	0	-
Fair value reserves	-1,415	-190	-99	1,316	-	90	-
Other reserves and retained earnings	1,164	979	596	-568	-48.8%	-383	-39.1%
Non-controlling interests	1,045	985	1,003	-42	-4.0%	18	1.8%
Net income	9	-395	-36	-45	-	358	-
Total	**5,952**	**7,280**	**7,363**	**1,411**	**23.7%**	**83**	**1.1%**

The solvency ratio on a consolidated basis, including retained earnings, was up from 13.6% at the end of 2012 to 13.7% in March 2013.

The Core Tier 1 ratio, on a consolidated basis, including retained earnings, was 11.5% in March 2013 against 11.6% in December 2012.

The Core Tier 1 ratio under the terms defined by the European Banking Authority (EBA) was 9.4% in the first quarter of 2013. The Tier 1 ratio was, in turn, 11.1% against the 11.2% registered in December 2012.

Rating

Standard & Poor's revised its outlook on Caixa's rating upwards (BB-/B). CGD witnessed the outlook on its debt improve from negative to stable, on 12 March 2013, following the same upwards revision of the outlook on the rating of the Portuguese Republic, on 6 March 2013.

Standard & Poor's revised its outlook on Caixa's rating upwards from negative to stable on 12 March 2013

	Short Term CGD	Short Term Portugal	Long Term CGD	Long Term Portugal	
Standard & Poor's	B	B	BB-	BB	Jul/2012
FitchRatings	B	B	BB+	BB+	Jul/2012
Moody's	N/P	N/P	Ba3	Ba3	Dec/2012
DBRS	R-2 (mid)		BBB (low)	BBB (low)	Dec/2012

6 – Main Business Area Developments

Retail Banking – Branch Office Network in Portugal

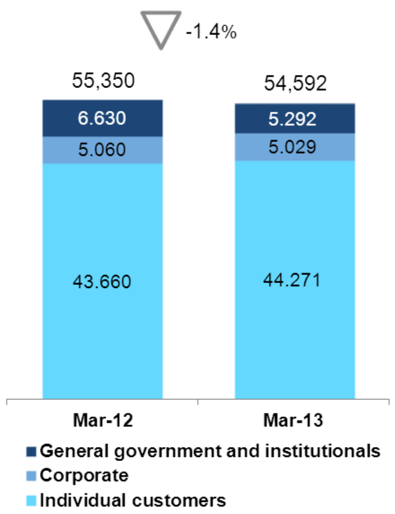
Branch office network, optimization reinforcing automatic and on-line platforms

1st quarter 2013 was marked by the continuity of the commercial transformation project, particularly the rationalisation and redimensioning of the branch office network, optimisation of service models reinforcing the quality of customer service and improving customer loyalty and satisfaction. At 31 March 2013, more than 831 thousand individual and corporate customers benefited from the management services of a dedicated commercial account officer with Caixa continuing to occupy the leading position in the domestic banking sector in terms of customer care and services.

The branch office network in Portugal, ended the quarter with 787 branches and 34 Caixa Empresas corporate offices, reflecting the optimisation methods adopted (811 branches and 36 corporate offices in December 2012).

DEPOSITS - BRANCH OFFICE NETWORK (PORTUGAL)

(EUR million)



Individual customers' deposits continued to increase

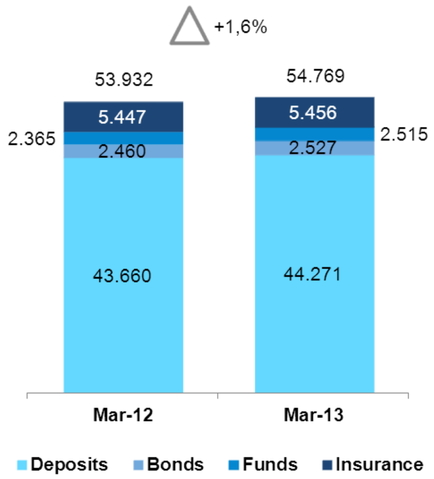
Notwithstanding the deterioration of household disposable income and higher unemployment, individual customers' deposits continued to increase (up 1.4% year-on-year) as an evident sign of the trust which customers continue to place in Caixa, namely in periods of greater difficulty and uncertainty. Total deposits of € 54,592 million in the branch office network were, however, to a certain extent affected by drops in several general government and institutionals (down 20.2%) and companies (down 0.6%) customer segments, whose year-on-year rate of change was down 1.4%.

Individual Customers

Resource-taking in the individual customers segment, was up 1.6%, year-on-year. Reference should be made to the growth of deposits, increase in unit trust investment funds (up 6.3%) and bonds (up 2.7%).

RESOURCE TAKING (INDIVIDUAL CUSTOMERS) - BRANCH OFFICE NETWORK (PORTUGAL)

(EUR million)



Resource-taking in the individual customers segment, was up 1.6%, year-on-year

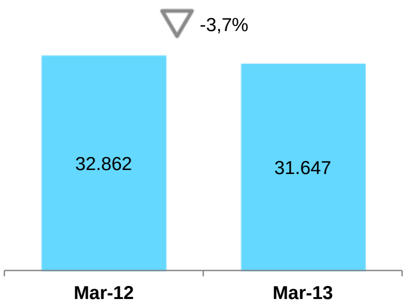
Caixa Geral de Depósitos' clear lead in terms of resource-taking reflects its credibility in the eyes of the Portuguese population as well as its successful strategy based on its offer of a series of solutions designed to encourage savings and targeted at customers from all segments, always ensuring high levels of security owing to its financial strength and contributing towards an increase in its liquidity.

The individual customers turnover was down to € 86,356 million, with a year-on-year change of minus 0.6% at 31 march 2013 owing to the evolution of the mortgage loans portfolio which, owing to the current economic and social context and state of maturity already achieved by this market, has registered a reduction in the number of new contracts. The portfolio was therefore down 1% in the 1st quarter and 3.7% year-on-year.

Caixa Geral de Depósitos's clear lead in terms of resource-taking from individual customers

MORTGAGE CREDIT PORTFOLIO - BRANCH OFFICE NETWORK (PORTUGAL)

(EUR million)

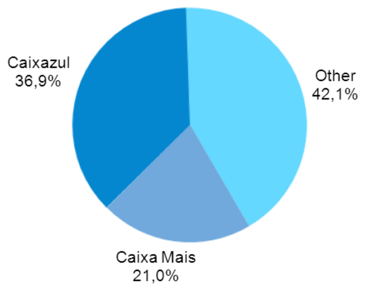


Reference should be made, in the individual customers' segment, to the Caixazul Service, geared to the personalised management of premium customers, consisting of financial advisory and decision-making support services, based on customised solutions and opportunity management. The service had 295 667 customers, at 31 March 2013 and contributed around 37% to turnover in the individual customers' segment. The branch office network had 571 branches with such dedicated spaces.

Permanently renewed, more personalised, proactive branch office service model based on a customer-centric relational management approach associated with:

- *Serviço Caixazul* geared to premium customers
- *Serviço Caixa Mais* centered on the customer with a relational management approach

TURNOVER (INDIVIDUAL CUSTOMERS) - BRANCH OFFICE NETWORK (PORTUGAL)



Further development work was carried out on the Caixa Mais service model in 2013, which is provided by 1,072 commercial operatives at all branches and has 495,678 customers. This new Caixa Mais service model is intrinsically associated with a permanently renewed, more personalised, proactive branch office service model based on a customer-centric relational management approach.

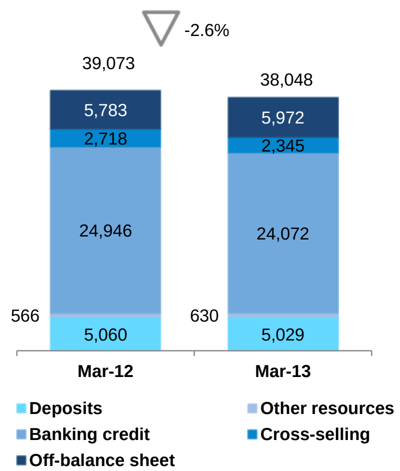
At the end of 1st quarter 2013, these service models accounted for 58% of turnover in the individual customers' segment.

Companies

Turnover of € 38,048 million in the corporate segment was slightly up by 0.9% in 1st quarter 2013 (off-balance sheet accounts up 5.8%, deposit-taking up 1.9% and sales down 0.4%) and a year-on-year reduction of 2.6% (off-balance sheet up 3.3%, deposit-taking up 0.6% and lending down 4.5%).

TURNOVER (CORPORATE CUSTOMERS) - BRANCH OFFICE NETWORK (PORTUGAL)

(EUR million)



Loans to companies in the first quarter of 2013 was down 0.3%

The current economic crisis in Portugal and in the eurozone as the country's main trading partner, is naturally reflected in corporate demand for credit. In these circumstances the rate of change of loans to companies in the first quarter of 2013 was down 0.3%.

Increase in the market share in the corporate segment

Notwithstanding this decrease, Caixa has maintained its corporate financing strategy as shown by the growth of its respective market share and especially by the expansion of its business in particularly dynamic and important segments for the Portuguese economy.

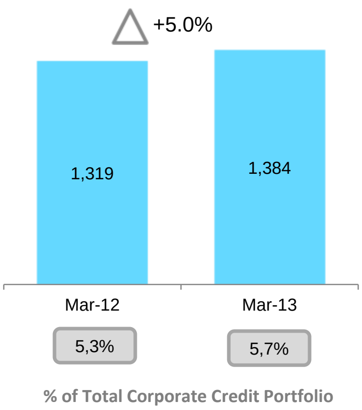
The volume of portfolio credit contracted by "PME Líder" companies totalled € 1,377 million at 31 March 2013, up 5.2% year-on-year

CGD was the leader of "PME Crescimento" line of credit in 2013, with a market share of 27% and comes second in the "Sub-linha Exportação" secondary exports line with a market share of 30%.

CGD leads "PME Crescimento" Lines of Credit in 2013, with a market share of 27% and has a market share of 30% in the secondary exports line of credit

CREDIT LINE - PME INVESTE

(EUR million)



Caixa's market share of "PME Investe" lines 2012/13 was 16.8% in terms of financing volume and 13.0% in number of operations.

Caixa's market share of "PME Crescimento" lines 2012/13 was 17.8% in terms of financing volume and 14.7% in number of operations.

Greater penetration in the best Portuguese SMEs segment has been facilitated by the consolidation of the Caixa Empresas service model on the branch office network, underpinned by a concept of a personalised management service for self-employed customers, small and medium-sized enterprises, whose credit managers ensure a relational, integrated approach to the corporate and individual needs of their customers. This service model had 24,144 customers at 31 March 2013 and a turnover of € 3,623 million.

Caixa's market share of "PME Investe" Lines of Credit 2012/13 is 16.8%.

Caixa's market share of "PME Crescimento" Lines of Credit 2012/13 is 17.8%.

International Area Activity

Caixa's commitment to developing its international operations has increasingly grown in importance, accentuated by the current context of domestic economic activity contraction.

International business is one of the Group's priority strategic thrusts, expressed in the good performance of Group units in jurisdictions such as Macao, Mozambique and South Africa whose economies are highly dynamic. The Group operates as a seamless network for all of its customers, promoting business flows between branches and subsidiaries spread out over the four continents in which it operates.

Subsidiaries in Africa and Asia contributed € 21.7 million to consolidated net income.

The Iberian Peninsula has been one of the major stages for international business promotion owing to the strong international bilateral relationships between Portugal and Spain, endeavouring to support and accompany the internationalisation of Portuguese companies on a joint network of around 1,000 branches.

International business is one of the Group's priority strategic thrusts

Good performance of Group units in highly performing jurisdictions such as Macao, Mozambique and South Africa

Significant increases in impairment of some operations, under the current context of economic activity contraction

CGD Group activity in Spain, however, has faced difficulties inherent to a economic downturn requiring significant increases in impairment on several operations. It should, however, be noted that a restructuring plan for CGD Group's operations in Spain is being implemented.

International activity made a negative contribution to the Group's consolidated net income for first quarter 2013, comprising losses of € 10.9 million against losses of € 12.6 million in March 2012.

Excluding the units in Spain which, in strategic terms the Group considers to be part of its domestic network, the referred to contribution would have been € 25 million and comprises an important supporting element for the Group's performance and minimisation of the negative effects generated by the domestic economic recession.

Reference should also be made to the markets making a special contribution to the Group's consolidated net income in first quarter 2013, namely Macao, Timor, France, Mozambique and South Africa, in which all entities made a positive contribution to the evolution in comparison to March 2012.

In complementary terms and in the sphere of a profound internal restructuring programme, Caixa has reorganised, increased and strengthened its capacities in the international business area with the objective of maximising growth potential, exploiting synergies and developing linkage between its domestic and international networks.

Caixa continued to fulfil all of its commitments under its medium and long term concessionary and commercial export support lines to Angola, Mozambique and Cape Verde

Caixa continued to fulfil all of its commitments under its medium and long term concessionary and commercial export support lines to Angola, Mozambique and Cape Verde, making a decisive contribution to energising the export sector, continuing to support its customers and overall economic growth.

Informational and support actions designed to improve the capacity of Portuguese companies in their internationalisation projects in strategic markets for Caixa Group were also reinforced in the first three months of 2013.

Global relationships with banks and financial institutions were marked by support for foreign trade activity

Furthering its defined objectives, CGD global relationships with banks and financial institutions were marked by support for foreign trade activity, confirming of transactions and promoting the confirming transactions originated in CGD, making it possible to energise this business segment.

A cooperation agreement was entered into with the Bank of Nova Scotia

In the period in question, aiming to improve CGD's offer in the Canadian market, a cooperation agreement was entered into with the Bank of Nova Scotia to improve coverage in this market with a differentiated offer.

As regards individual customers' business, Caixa continued to monitor and energise the business of customers resident abroad, through its domestic branch office network and specific customer care models for the segment, based on distance banking systems, but essentially based on its international structure, namely its representative offices, individual customers' area of Caixa Group retail banking branches, subsidiaries and units.

These international commercial units are located in the main countries with the presence of Portuguese communities, operating on a complementary and proximity approach in support of customers resident abroad.

This business area is going through a particularly challenging period owing to a demanding international economic context and the fact that Portugal has applied for an international bailout package, as well as to a growing wave of Portuguese emigration, characterised by very young, highly qualified individuals who are more demanding in terms of bank relationship. The aim is to provide customers with a value offer capable of responding to the significant environmental changes currently being witnessed.

In the period in question, the individual customers' resident abroad business in CGD recorded an increase in resource-taking of 0.6%, thus making a highly favourable contribution to this important Caixa aggregate.

The individual customers' resident abroad business in CGD recorded an increase in resource-taking of 0.6%

Of the main activities, reference should be made to systemised actions designed to promote knowledge on and satisfaction of customers in the segment, in terms of products and services, in addition to the launch of a specific commercial campaign directed at customers resident abroad.

The transformation of CGD’s former Macao offshore branch was completed in the first quarter of 2013.

Investment Banking

2013 started off positively for CaixaBI, which earned net income of € 7.1 million in the 1st quarter. Positive contributions were made by the evolution of net commissions, totalling € 14.7 million in the period and comprising growth of 50% over the same period last year. Income from financial assets, at € 5 million, was also responsible for a highly positive level of performance after adjustment for impairment on financial assets.

CaixaBI, earned net income of 7.1M€. Positive contributions were made by the evolution of net commissions, totalling 14.7M€ and comprising growth of 50% over the same period last year

CaixaBI's net operating income, adjusted for impairment on financial assets was up 4.3% over first quarter 2012 to € 26.3 million, when the non-recurring effect of the liquidation of the Renewable Energies Fund occurring in the same year is cancelled.

CaixaBI's net operating income, adjusted for non-recurrent effects was up 4.3% over first quarter 2012

The current macroeconomic environment continues to negatively impact the bank's results which have been strongly affected by increases in provisions and impairment totalling € 4.9 million for the quarter in comparison to € 1.6 million in 2012.

Adjusted cost-to-income. at 22.3%, remained clearly below that of its peers.

Adjusted cost-to-income remained clearly below that of its peers

Prizes and Rankings

- Best Investment Bank in Portugal in 2013

World Finance

CaixaBI earned “The Best Investment Bank in Portugal in 2013” distinction

Project Finance

Project finance activity particularly included the successful completion of the transfer of part of the ELOS contractual package to Parpública and the structuring and organisation of finance for Indaqua in Oliveira de Azeméis.

Structured Finance

Structured corporate finance operations particularly included financial advisory services to Tagus, a company 55% owned by the José de Mello Group and 45% by the Arcus European Infrastructure Fund, for the structuring and organisation of finance for the takeover bid and latter exit mechanism for non-controlling interests, tending to the CMVM's approval of the delisting of Brisa shares.

Corporate Finance – Debt

Reference should be made to the following bond market operations in which CaixaBI participated, in first quarter 2013:

- CGD**:** joint bookrunner and joint lead manager for the € 750 million covered bonds issue in what was the first international market operation access for covered bonds by a Portuguese bank since January 2010;
- REN: joint bookrunner and joint lead manager for the €300 million Eurobond issue, the only international issue by a Portuguese corporate in the market in first quarter 2013;
- Sonae Sierra and EDA: organisation and lead of bond issues for € 75 million and € 50 million respectively;
- Galp: organisation and lead of a € 600 million bond loan with a maturity of 4 years.

CaixaBI also organised and led five new commercial paper programmes and completed seventeen extensions and/or revisions of former years' programmes.

Equity Capital Market

On a capital market level, reference should be made to CaixaBI's participation as an advisor to Parpública and joint bookrunner for the sale of a 4.14% equity investment in EDP. This transaction which marked the completion of EDP's reprivatisation process was the most significant capital market operation in Portugal in the first three months of 2013, comprising the sale of a block of 151,517,000 EDP shares, based on an accelerated bookbuilding operation exclusively geared to domestic and international institutional investors.

CaixaBI consolidated its leading position in the Iberian capital market as the only domestic financial institution to be listed on the ECM Iberia league table in first quarter 2013, coming in fifth position.

Corporate Finance – Advisory Services

In the first three months of 2013, CaixaBI developed and successfully completed diverse projects of which special reference should be made to financial advisory services to Parpública for the sale of the referred to 4.14% equity investment in EDP in addition to closing the HPP Saúde[1] transaction which was signed at the end of 2012.

Syndication and Sales

CaixaBI was involved in the following primary market issues in first quarter 2013:

[1] Financial advisory services to Caixa Seguros e Saúde SGPS SA, concerning the sale of HPP Saúde

- Tap PGB 4.35% 2017 (MS+395): co-lead, with total demand of € 12,000 million for a final placement of € 2,500 million;
- CGD 3.75% 2018, Covered Bonds (MS+295): lead manager, with demand of more than € 4,000 million for a final placement of € 750 million;
- REN 4.125% 2018 (MS+320.4): lead manager, with demand of more than € 650 million for a final placement of € 300 million;

There were 72 commercial paper issues comprising a total amount of € 1,242 million in the first quarter.

Financial Intermediation

According to CMVM statistics, CaixaBI came 3rd in the respective ranking in February with a market share of 11.6% and growth in trading volume of 32% over the same period 2012. A contributory factor was CaixaBI's participation as a bookrunner in the accelerated bookbuilding operation on a 4.14% equity investment in EDP.

Trading – Public Debt and Liquidity Providing

CaixaBI's activity as a liquidity provider was marked, in the first quarter, by its inclusion in the Retail Matching Facility, the new segment created by NYSE Euronext to fuel the liquidity of retail investors? in which the bank is a pioneer.

This was accompanied by continued good performance of liquidity providing activity on a series of securities listed on Euronext Lisbon, such as Cofina, Orey Antunes, Altri, Inapa, Ibersol and SAG Gest. Euronext awarded CaixaBI its highest “A” ratings on all securities and categories.

Corporate Advisory and Risk Management Services

Of operations contracted for over the course of first quarter 2013 reference should be made to the credit hedge operation for the Luanda Shopping project, reinforcing CaixaBI's position as a derivatives competence centre for the Group's international area.

Owing to weak demand for interest rate hedges, CaixaBI has maintained its hedge risk structuring activity operations with tailor-made structured options and development of solutions for commodity hedges.

Venture Capital

Work continued in the first quarter on securing and analysing investment opportunities eligible for inclusion in the four venture capital funds managed by Caixa Capital. There was a total number of 48 projects up for appraisal. Approvals comprised potential investment of around € 46 million.

Insurance and Healthcare Activity

Caixa Seguros e Saúde, SGPS, S. A.

Caixa Seguros e Saúde earned net income of 42.8M€

According to the accounting rules applicable by CGD, Caixa Seguros e Saúde earned net income of € 42.8 million, in comparison to € 15.5 million in March 2012.

In first quarter 2013, the sale of HPP had an impact of € 38 million on Caixa Seguros e Saúde's accounts.

Insurance activity's net income of € 7.1 million also incorporated the impact of extraordinarily high claims rates owing to the weather conditions in the first quarter, as well as a positive contribution from the containment of general expenditure.

FINANCIAL INDICATORS [a]

(EUR million)

	Mar/12	Mar/13
Net assets	12,939	13,455
Shareholders' equity	917	1,542
Invest. properties, securities portfolio, bank deposits and cash	11,480	12,202
Technical provisions net of reinsurance	4,217	4,023
Liabilities for customer resources and other loans	6,458	6,817
Net income	16	43
	Mar/12	Mar/13
Component parts of solvency margin	1,157	1,470
Required solvency margin	632	636
Surplus solvency margin	525	834
Solvency margin cover rate	183.2%	231.2%

(a) The amounts comply with standards relating to the presentation of financial statements in IFRS/IAS format (CGD Group) and correspond to the consolidated accounts

In turn, Caixa Seguros e Saúde's statutory net income (as expressed in the insurance company's own accounts) totalled € 43.6 million in March 2013.

Insurance Activity

Leadership

Caixa Seguros e Saúde continued to lead the domestic insurance market

Caixa Seguros e Saúde continued to lead the domestic insurance market with a global market share of 26.6%, coming second in the life and first in the non-life insurance segments with market shares of 26.8% and 26.4% respectively

Caixa Seguros achieved an amount of € 793 million in direct insurance premiums from its activity in Portugal, down 12.3% over the preceding year, particularly deriving from the 15.7% downturn in life insurance.

Premium income from non-life insurance as a whole was down 5.7%, geared to motor, workman's compensation, multirisk commerce and industry and civil liability insurance, as a consequence of the economic slowdown and in line with the general performance of the main market operators.

Premium volumes in terms of international activity were up 13.8% to € 19 million in comparison to the same period last year owing to the 7.6% increase in life and 18.2% increase in non-life insurance portfolios.

DIRECT INSURANCE

(EUR million)

	Mar/12	Mar/13
Operations in Portugal		
Total market share	32.1%	26.6%
Life insurance	35.8%	26.8%
Non-life insurance	26.8%	26.4%
Direct insurance premiums	905	793
Life insurance	598	504
Non-life insurance	306	289
Foreign insurance operations		
Direct insurance premiums	17	19
Life insurance	7	7
Non-life insurance	10	12

(a) Pro forma accounts, excluding non-securing annulments in 2011 the decrease of turnover in 2012 would amount to 2.6% corresponding to 0.1% increase in market share

Results

The total technical margin, excluding financial activity was down € 19.7 million over the same period of the preceding year to € 46.6 million. Although life insurance was up € 4.5 million over the preceding year, the improvement was not sufficient to offset the increase in non-life insurance claims rates owing to weather conditions in the first two months of the year.

Income from financial activity, after allocations to customers, was € 51.3 million in comparison to losses of € 6.4 million in the same period of the preceding year which was influenced by the recognition of impairment related with Greek debt

Structural costs, excluding the provision for other risks and liabilities were down 4.0% over the same period 2012 to € 70.3 million.

In terms of the statutory accounts, net income attributable to the area under insurance management was down by around € 9.6 million over March 2012 to € 7.8 million, especially on account of the performance of the claims rate for the already referred to reasons.

Solvency

In consolidated terms, Caixa Seguros e Saúde significantly increased its solvency margin over the preceding year with a respective coverage rate of 231.2% against 183.2% in March 2012.

Caixa Geral de Depósitos

7th May of 2013

7 – Consolidated Balance Sheet

(at March of 2013)

(EUR million)

ASSETS	Mar/12 (*)	Dec/12 (*)	Mar/13	Change Mar/13 vs. Mar/12 Total	Change Mar/13 vs. Mar/12 (%)	Change Mar/13 vs. Dec/12 Total	Change Mar/13 vs. Dec/12 (%)
Cash and cash equivalents with central banks	1,178	1,603	1,576	398	33.7%	-27	-1.7%
Loans and advances to credit institutions	4,200	3,819	3,337	-863	-20.6%	-483	-12.6%
Loans and advances to customers	79,286	74,735	74,008	-5,278	-6.7%	-727	-1.0%
Securities investments	24,867	28,193	27,134	2,268	9.1%	-1,058	-3.8%
Assets with repurchase agreement	900	504	725	-175	-19.5%	221	43.8%
Invest. in subsidiaries and associated companies	222	218	224	2	0.7%	6	2.9%
Intangible and tangible assets	1,334	1,316	1,206	-129	-9.7%	-111	-8.4%
Current tax assets	83	61	64	-19	-22.6%	3	5.0%
Deferred tax assets	1,753	1,468	1,485	-269	-15.3%	17	1.1%
Technical provisions for outwards reinsurance	243	197	226	-16	-6.7%	29	14.7%
Other assets	4,683	4,744	4,861	178	3.8%	117	2.5%
Total Assets	**118,749**	**116,859**	**114,845**	**-3,904**	**-3.3%**	**-2,014**	**-1.7%**
LIABILITIES							
Central banks' and credit institutions' resources	13,516	12,227	10,109	-3,407	-25.2%	-2,118	-17.3%
Customer resources	71,100	71,355	71,176	76	0.1%	-179	-0.3%
Financial liabilities	2,020	2,217	2,048	29	1.4%	-169	-7.6%
Debt securities	13,754	10,591	10,570	-3,184	-23.1%	-20	-0.2%
Provisions	852	973	986	134	15.8%	13	1.4%
Technical provisions for insurance operations	4,465	4,224	4,254	-211	-4.7%	30	0.7%
Subordinated liabilities	1,978	2,889	2,921	943	47.7%	32	1.1%
Other liabilities	5,113	5,103	5,418	305	6.0%	315	6.2%
Sub-Total	**112,797**	**109,579**	**107,482**	**-5,315**	**-4.7%**	**-2,097**	**-1.9%**
Shareholders' Equity	**5,952**	**7,280**	**7,363**	**1,411**	**23.7%**	**83**	**1.1%**
Total	**118,749**	**116,859**	**114,845**	**-3,904**	**-3.3%**	**-2,014**	**-1.7%**

(*) Pro forma accounts, considering the amounts in Caixa Seguros e Saúde, SA's healthcare area as a non-current asset held for sale and the entities comprising the form of jointly owned entities being integrated by the equity accounting method.

8 – Consolidated Income Statement

(at March of 2013)

(EUR million)

			Change	
	Mar/12 (*)	Mar/13	Abs.	(%)
Interest and similar income	1,382,799	973,372	-409,427	-29.6%
Interest and similar costs	996,379	776,366	-220,012	-22.1%
Net interest income	386,420	197,006	-189,414	-49.0%
Income from equity instruments	4,580	10,915	6,334	138.3%
Net interest income including income from equity investments	**391,000**	**207,920**	**-183,080**	**-46.8%**
Income from services and commissions	157,135	162,235	5,101	3.2%
Costs of services and commissions	39,384	36,167	-3,217	-8.2%
Commissions (net)	117,750	126,069	8,318	7.1%
Income from financial operations	111,184	102,168	-9,016	-8.1%
Other net operating income	19,588	41,711	22,123	112.9%
Non-interest income	**248,523**	**269,948**	**21,425**	**8.6%**
Premiums net of reinsurance	310,406	289,538	-20,869	-6.7%
Investment income allocated to insurance contracts	33,131	34,203	1,072	3.2%
Claims costs net of reinsurance	212,652	214,584	1,932	0.9%
Commissions and other assoc. income and costs	-19,715	-16,381	3,334	16.9%
Technical margin on insurance operations	111,170	92,776	-18,394	-16.5%
Net operating income from banking and insurance operations	**750,694**	**570,644**	**-180,050**	**-24.0%**
Employee costs	208,411	250,921	42,510	20.4%
Other administrative expenses	133,613	131,142	-2,471	-1.8%
Depreciation and amortisation	36,936	34,763	-2,173	-5.9%
Operating costs and depreciation	378,960	416,826	37,866	10.0%
Gross operating income	**371,733**	**153,818**	**-217,916**	**-58.6%**
Provisions and impairment of other assets (net)	89,300	47,534	-41,766	
Credit impairment net of reversals	240,195	147,283	-92,912	-38.7%
Provisions and impairment	**329,494**	**194,817**	**-134,677**	**-40.9%**
Income from subsidiaries held for sale	**-1,206**	**0**	**1,206**	
Income from associated companies	**6**	**1,166**	**1,160**	
Income before tax and non-controlling interest	**41,039**	**-39,833**	**-80,872**	**-197.1%**
Tax	**19,693**	**-10,502**	**-30,195**	**-153.3%**
Current and deferred	12,260	-16,786	-29,046	-236.9%
Extraordinary contribution on the banking sector	7,433	6,284	-1,150	-15.5%
Consolidated net income for period	**21,346**	**-29,331**	**-50,676**	**-237.4%**
of which:				
Non-controlling interest	12,593	7,102	-5,491	-43.6%
NET INCOME ATTRIBUTABLE TO CGD SHAREHOLDER	**8,753**	**-36,432**	**-45,185**	

(*) Pro forma accounts, considering the amounts in Caixa Seguros e Saúde, SA's healthcare area as a non-current asset held for sale and the entities comprising the form of jointly owned entities being integrated by the equity accounting method.

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Caixa Geral
de Depositos