

BANCO ESPÍRITO SANTO, S.A.**RELEASE CONCERNING THE WITHDRAWAL OF BES' BANKING AUTHORISATION**

Pursuant to and for the purposes of article 1, item d), of CMVM's regulation no. 5/2008, Banco Espírito Santo, S.A. ("BES") informs that the European Central Bank notified BES, on the 13th of July of 2016, of its decision to withdraw BES license for the pursuit of banking activity.

The decision to withdraw BES' authorisation involves the dissolution and commencement of the liquidation of the bank, in line with numbers 1 and 2 of article 5 of Decree-Law no. 199/2006, of August 14, and the withdrawal of the authorisation produces the effects of the declaration of insolvency.

The next steps are as follows:

- (i) Banco de Portugal shall request, under the applicable law, before the competent court, the commencement of BES' judicial liquidation, and that request will be forwarded together with Banco de Portugal's proposal for the appointment of a judicial liquidator or a liquidation committee, to be appointed by the judge;
- (ii) The judge will then issue its order for the judicial liquidation to proceed and appoints the liquidator or the liquidation committee;
- (iii) Only after the judge's order will the subsequent steps of the judicial liquidation proceeding ensue, which will be governed by the provisions of Decree-Law no. 199/2006, of August 14 and, subsidiarily, by the provisions of the Portuguese Insolvency and Corporate Recovery Code.

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Lisbon, 19 July 2016

BANCO ESPÍRITO SANTO, S.A.