Corporate Governance Report

Introduction

The objective of the present report is to describe the Corporate Governance practices followed by Banco Comercial Português, in a clear and comprehensive way.

For purposes of increased transparency and an easier comparison and search, the present report was elaborated according to the format annexed to the CMVM (Portuguese Stock Market Regulator) Regulation 7/2001, with the changes introduced by the CMVM Regulation 5/2008, and has taken into consideration the recommendations included in the Corporate Governance Code.

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CHAPTER 0

Compliance Statement

Indication of the place where the texts on corporate governance codes are available to the public, and to which the issuer is subject and, if applicable, those to which it has voluntarily chosen to be subjected.

The activities of the Bank and Group Millennium bcp follow the rules of conduct established by the Bank of Portugal and CMVM, applicable to credit institutions and to the members of their governing bodies, as well as a set of own regulations ensuring that management is based on the principle of risk diversification and application security, taking into account the interests of depositors, investors and other Stakeholders. In this respect, the professional secrecy regime is adhered to, applicable to members of management and supervisory bodies, employees, attorneys and any service providers, who may not reveal or use information relative to facts or elements involving the institution or its relationships with customers.
The Code of Conduct, the Internal Regulations Relative to Financial Intermediation Activities, the Terms of Reference of the Supervisory Board, Executive Board of Directors and the Compliance Manual describe the duties and obligations applicable not only to the activities of Banco Comercial Português, as a cohesive entity, but also to the individual behaviour of each employee and member of the management and supervisory bodies of the Bank and Group, in the exercise of their respective functions.

The Code of Conduct enumerates the principles and rules to be observed in banking practice, regarding financial activities as well as operations involving securities and related assets traded in organised markets, particularly with respect to matters regarding conflict of interests, secrecy and incompatibilities. The above-mentioned code is disclosed to all employees, who are given a copy at the time of their respective contracting and to which permanent access is ensured through the internal portal (Intranet).

The Internal Regulations Relative to the Financial Intermediation Activities establish the fundamental rules and procedures, as well as general rules of conduct to be observed in activities developed by the Bank as a financial intermediary and are disclosed to employees via the internal portal (Intranet).

The Terms of Reference of the management and supervisory bodies establish their duties and scope of action and regulate the functioning of these bodies and standards of conduct of the respective members, complementing the Bank’s Articles of Association, the Group’s Code of Conduct and Internal Regulations Relative to the Financial Intermediation Activities.

These documents are provided to the members of each of these bodies upon their election or appointment.

The Compliance Manual enumerates a set of principles, the objective of which is to ensure that the members of the management and supervisory bodies and other employees of the Group guide their actions by the applicable internal and external laws and regulations, both in spirit and wording, business standards of the Bank and its associates, in order to prevent the risk of financial loss or damage to image and reputation. In all countries where the Group is present through a controlled entity, compliance with country legislation is ensured, with the local Compliance Officer being responsible for this compliance. This Manual is disclosed to all employees via the internal portal (Intranet).
Description of the recommendations contained in the Corporate Governance Code of the CMVM

<table>
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<tr>
<td><strong>I. GENERAL MEETING</strong></td>
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<tr>
<td><strong>I.1 GENERAL MEETING BOARD</strong></td>
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<tr>
<td>1.1.1 The Chair of the General Meeting Board shall be equipped with the necessary and adequate human resources and logistic support, taking the financial position of the company into consideration.</td>
<td>Complied</td>
<td>Chapter I Introduction</td>
</tr>
<tr>
<td>1.1.2 The remuneration of the Chair of the General Meeting Board shall be disclosed in the annual report on corporate governance.</td>
<td>Complied</td>
<td>Chapter I 1.3</td>
</tr>
<tr>
<td><strong>I.2 PARTICIPATION AT THE MEETING</strong></td>
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<tr>
<td>1.2.1 The obligation to deposit or block shares before the General Meeting, contained in the articles of association, shall not exceed 5 working days.</td>
<td>Complied</td>
<td>Chapter I 1.4</td>
</tr>
<tr>
<td>1.2.2 Should the General Meeting be suspended, the company shall not compel share blocking during that period until the meeting is resumed and shall then follow the standard requirement of the first session.</td>
<td>Complied</td>
<td>Chapter I 1.5</td>
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### I.3 VOTING AND EXERCISING VOTING RIGHTS

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<tr>
<td>1.3.1 Companies may not impose any statutory restriction on postal voting.</td>
<td>Complied</td>
<td>Chapter I I.8</td>
</tr>
<tr>
<td>1.3.2 The statutory deadline for receiving early voting ballots by mail shall not exceed 3 working days.</td>
<td>Complied</td>
<td>Chapter I I.10</td>
</tr>
<tr>
<td>1.3.3 The company’s articles of association shall provide for the one share-one vote principal.</td>
<td>Not Complied</td>
<td>Each 1,000 euros of capital corresponds to 1 vote and the shares have the nominal value of 1€ each. Considering the number of shareholders present in the last General Meetings of the Bank, between 350 and 950 and those present or represented, between 1,500 and 3,500, and since shareholders holding less than 1,000 € of capital may form groups and in this way be represented at the Meeting, the adoption of this measure will not achieve any effective benefit in the defence of shareholders’ rights. To the contrary, its adoption may transform the General Meetings into overcrowded meetings, difficult to control, which would effectively be harmful to the defence of shareholder rights, by making any intervention requests as well as the sheer number uncontrollable, facilitating chaos and preventing a more thorough and clarifying debate on Company related issues which require greater and more in-depth detail in the debate.</td>
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## I.4 Quorum and Resolutions

### I.4.1 Companies shall not set a constitutive or deliberating quorum that outnumbers that which is prescribed by Law.

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<td></td>
<td>Not complied</td>
<td>The statutory constitutive quorum is 1/3 of the share capital, except for Meetings resolving on mergers, demergers or transformation in which the constitutive quorum is half of the share capital. The deliberative quorum established in the articles of association corresponds to the one established by law, with the exception of resolutions on the company’s merger, demerger and transformation, operations which require 3/4 of the votes issued in order to be approved. The Bank considers it potentially harmful to the interests of its shareholders for the General Meeting to be held with whatever number of shareholders is present, also being of the opinion that for the best defence of the shareholders, resolutions which significantly and in a potentially irreversible manner affect the company’s structure, should necessarily deserve the approval of a relevant number of shareholders.</td>
</tr>
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## I.5 Attendees List, Minutes and Information on Resolutions Passed

### I.5.1 The minutes of the General Meetings shall be made available to shareholders on the company’s website within a 5 day period, irrespective of the fact that such information may not be legally classified as material information. The list of attendees, agenda items of the minutes and resolutions passed during such meetings shall be kept on file on the company’s website for a 3 year period.

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<td>Complied</td>
<td>The Bank maintains, on its Internet site, historical records of the attendances, agendas, resolutions adopted and percentage of votes cast, of the last 3 years, having sent the minutes of the General Meetings free of charge to shareholders requesting such, as well as provided access to the attendance lists.</td>
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<td><strong>I.6 MEASURES ON CORPORATE CONTROL</strong></td>
<td>Complied</td>
<td>The company considers that no measures whatsoever exist, in detriment of the interests of the company and majority of its shareholders, seek to prevent the success of public takeover bids. In contrast, the existence of a limitation on voting rights (10% of the votes corresponding to the entirety of share capital), far from seeking to prevent the success of public takeover bids, ensures that small and medium-sized Shareholders are entitled to have a more effective influence on decisions which, on these or other matters, are submitted to the General Meeting.</td>
</tr>
<tr>
<td><strong>I.6.1 Measures aimed at preventing successful takeover bids, shall respect both the company’s and the shareholders’ interests.</strong></td>
<td>Complied</td>
<td>The company considers that no measures whatsoever exist, in detriment of the interests of the company and majority of its shareholders, seek to prevent the success of public takeover bids. In contrast, the existence of a limitation on voting rights (10% of the votes corresponding to the entirety of share capital), far from seeking to prevent the success of public takeover bids, ensures that small and medium-sized Shareholders are entitled to have a more effective influence on decisions which, on these or other matters, are submitted to the General Meeting.</td>
</tr>
<tr>
<td><strong>I.6.2 In observance to the principle of the previous sub-paragraph, the company’s articles of association that restrict/limit the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the General Meeting, (5 year intervals, at least) on whether that statutory provision is to prevail – without super quorum requirements as to the one legally in force – and that in said resolution, all votes issued be counted, without applying said restriction.</strong></td>
<td>Complied</td>
<td>In the 2008 Annual General Meeting was approved by 99.99% of the votes expressed a proposal that, objectively, changed the referred limitation, which started to be measured not in relation to the share capital present at each moment in the General Meeting, but in relation to the totality of the share capital. All the shareholders affected by the mentioned vote limitation voted this proposal favourably.</td>
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<tr>
<td><strong>I.6.3. In cases such as change of control or changes to the composition of the Board of Directors, defensive measures should not be adopted that instigate an immediate and serious asset erosion in the company, and further disturb the free transmission of shares and voluntary assessment of the performance of the Board of Directors by the shareholders.</strong></td>
<td>Complied</td>
<td>There are no measures whatsoever with these characteristics.</td>
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<td>II. Management and Supervisory Boards</td>
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<td>II.1. GENERAL POINTS</td>
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<td>II.1.1. STRUCTURE AND DUTIES</td>
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<tr>
<td>II.1.1.1 The Board of Directors shall assess the adopted model in its governance report and pin-point possible hold-ups to its functioning and shall propose measures that it deems fit for surpassing such obstacles.</td>
<td>Compiled</td>
<td>Chapter II Introduction</td>
</tr>
<tr>
<td>II.1.1.2 Companies shall set up internal control systems in order to efficiently detect any risk to the company’s activity by protecting its assets and keeping its corporate governance transparent.</td>
<td>Compiled</td>
<td>Chapter II II.4</td>
</tr>
<tr>
<td>II.1.1.3 The Management and Supervisory Boards shall establish internal regulations and shall have these disclosed on its website.</td>
<td>Compiled</td>
<td>As follows from the consultation to the Bank’s institutional internet site.</td>
</tr>
<tr>
<td>II.1.2 GOVERNANCE INCOMPATIBILITY AND INDEPENDENCE</td>
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<tr>
<td>II.1.2.1 The Board of Directors shall include a number of non-executive members that ensure the efficient supervision, auditing and assessment of the executive members’ activity.</td>
<td>Not applicable</td>
<td>In the governance model adopted by the Bank, the supervision of the executive directors is committed to an autonomous body called the Supervisory Board. The majority of the members of this body is independent, being mandatorily composed of a number of members greater than that of the Executive Board of Directors, therefore it is considered that the objective of the present recommendation has been achieved.</td>
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<td>II.1.2.2 Non-executive members must include an adequate number of independent members. The size of the company and its shareholder structure must be taken into account when devising this number and may never be less than a fourth of the total number of Directors.</td>
<td>Not applicable</td>
<td>In the governance model adopted by the Bank the present recommendation should be considered as regarding the Supervisory Board, the majority of members of which is independent, therefore it is considered that the objective of the present recommendation has been achieved.</td>
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<tr>
<td><strong>II.1.3 ELIGIBILITY CRITERIA FOR APPOINTMENT</strong></td>
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</table>
| II.1.3.1 Depending on the applicable model, the Chair of the Audit Board, the Audit Committee or the Financial Matters Committees shall be independent and be adequately capable to carry out its duties. | Complied | Chapter II  
Annex VI |
| **II.1.4 POLICY ON THE REPORTING OF IRREGULARITIES** | | |
| II.1.4.1 The company shall adopt a policy whereby irregularities occurring within the company, are reported. Such reports should contain the following information: i) the means through which such irregularities may be reported internally, including the persons that are entitled to receive the reports; ii) how the report is to be handled, including confidential treatment, should it be required by the reporter. The declarant. | Complied | Chapter III  
II.3 Client Ombudsman  
II.22 |
| II.1.4.2 The general guidelines on this policy should be disclosed in the corporate governance report. | Complied | Chapter II  
II.3 Client Ombudsman  
II.22 |
### II.1.5 Remuneration

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| II.1.5.1 The remuneration of the members of the Board of Directors shall be aligned with the interests of the shareholders. Thus: i) The remuneration of Directors carrying out executive duties should be based on performance and a performance assessment shall be carried out periodically by the competent body or committee; ii) the level of remuneration shall be consistent with the maximization of the long term performance of the company, and shall be dependent on sustainability of the levels of the adopted performance; iii) when the remuneration of non-executive members of the Board of Directors is not legally imposed, a fixed amount should be set. | Complied | Chapter II II.18  
Chapter II II.20 |
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<td>II.1.5.2 The Remuneration Committee and the Board of Directors shall submit a statement on the remuneration policy to be presented at the Annual Shareholders General Meeting on the Management and Supervisory bodies and other directors as provided for in Article 248/3/b of the Securities Code. The shareholders shall be informed on the proposed criteria and main factors to be used in the assessment of the performance for determining the level (share bonuses; option on share acquisition, annual bonuses or other awards).</td>
<td>Complied</td>
<td>Chapter II II.18 Annex III There are not any remuneration criteria or other that distinguish the directors in the meaning of the nr. 3 of the article 248.-B of the Securities Markets Code of the remaining senior management members of the Group, so: The respective remuneration comprises the base remuneration of the Collective Labour Agreement (ACT) classification level, added of a complement that integrates the compensation corresponding to the exemption of working hours, to the principle of exclusive dedication, to the diurnality and other subsidiary included in the ACT. The individual differentiation equally adopted by the remaining employees of the Bank is based on the following criteria; ACT classification level; Level of Seniority; Individual Merit; Level of responsibility. The process of bonus attribution is based on the same principles of the other employees and varies individually according to the following factors: Result of the individual performance, in terms of degree of realisation of objectives; Value of the gross monthly remuneration.</td>
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<tr>
<td>II.1.5.3 At least one of the Remuneration Committee’s representatives shall be present at the Annual Shareholders’ General Meeting.</td>
<td>Complied</td>
<td>Both members of the Remunerations and Welfare Board elected by the General Meeting, as well as the members of the Nomination and Remuneration Committee of the Supervisory Board have always been present at the General Meetings of the Bank.</td>
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<td>II.1.5.4 A proposal shall be submitted at the General Meeting on the approval of plans for the allotment of shares and/or options for share purchase or further yet on the variations in share prices, to members of the Management and Supervisory Boards and other Directors within the context of Article 248/3/B of the Securities Code. The proposal shall mention all the necessary information for its correct assessment. The proposal shall contain the regulation plan or in its absence, the plan's general conditions. The main characteristics of the retirement benefit plans for members of the Management and Supervisory Boards and other Directors within the context of Article 248/3/B of the Securities Code, shall also be approved at the General Meeting.</td>
<td>Compiled</td>
<td>At present none of these plans exist, however, during the periods when they did exist they were not addressed to the members of the corporate bodies (Management or Supervisory), but were submitted to the General Meeting. Chapter II II.18 Annex IV The principles ruling the retirement conditions of the directors, in the meaning of the nr. 3 of the article 248.º-B of the Securities Market Code are common to all the Bank’s employees.</td>
</tr>
<tr>
<td>II.1.5.5 The remuneration of the members of the Management and Supervisory Boards shall be individually and annually disclosed and, information on fixed and variable remuneration must be discriminated as well as any other remuneration received from other companies within the group of companies or companies controlled by shareholders of qualifying holdings.</td>
<td>Compiled</td>
<td>The Bank considers that the global disclosure of the remuneration of the Executive Board of Directors, as well as the remuneration policy of the Executive Directors which by itself is clear concerning the repartition of the remuneration between the several Executive Directors mainly in years in which, as the current one, and in the sequence of the proposal of Executive Board of Directors itself the Executive Board of Directors will not receive variable remuneration, is the appropriate and sufficient method to fully meet the objective of the present recommendation, while safeguarding the privacy of the majority of the members of the Board of Directors. Regarding the remuneration of the members of the Supervisory Board, it is important to note that it was approved, in individual terms, by the General Meeting of 28th May 2007, being the proposal then approved by 99.85% Annex I.</td>
</tr>
<tr>
<td>II.2. BOARD OF DIRECTORS</td>
<td>Not applicable</td>
<td>Since the board of Directors is Executive, there is no delegation of duties in the strict sense of the term, although there is a clear distribution of responsibilities, as noted in Page 171 Therefore it is considered that the objective of the present recommendation has been achieved.</td>
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<td>II.2.2 The Board of Directors shall ensure that the company acts in accordance with its goals, and should not delegate its duties, namely in what concerns: i) definition of the company’s strategy and general policies; ii) definition of the corporate structure of the group; iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved.</td>
<td>Not applicable</td>
<td>The Executive Board of Directors does not delegate any of the duties referred to in the present recommendation, since it is certain that, under the terms of the law and the bank’s articles of association, and due to the two-tier model adopted by the company, the matters identified in sub-paragraphs i), ii) and iii) are necessarily submitted for appraisal to the Supervisory Board. Therefore it is considered that the objective of the present recommendation has been achieved.</td>
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<tr>
<td>II.2.3 Should the Chair of the Board of Directors carry out executive duties, the Board of Directors shall set up efficient mechanisms for coordinating non-executive members that can ensure that these may decide upon, in an independent and informed manner, and furthermore shall explain these mechanisms to the shareholders in the corporate governance report.</td>
<td>Not applicable</td>
<td>By guaranteeing total autonomy between the Supervisory Board and the Executive Board of Directors, the governance model adopted by the Bank, by definition, meets the objective of the present recommendation. Therefore it is considered that the objective of the present recommendation has been achieved.</td>
</tr>
<tr>
<td>II.2.4 The annual management report shall include a description of the activity carried out by the non-executive Board Members and shall mention any restraints encountered.</td>
<td>Not applicable</td>
<td>Given that the governance regimen adopted by the Bank does not apply, the questions that the present recommendation aims to cover are in the Supervisory Board, which is part of this Report.</td>
</tr>
<tr>
<td>II.2.5 The management body should promote member replacement for financial matters at least after a 2 year term-of-office.</td>
<td>Complied</td>
<td>All the members of the Executive Board of Directors are still completing their first term-of-office.</td>
</tr>
<tr>
<td>II.3 CHIEF EXECUTIVE OFFICER (CEO), EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS</td>
<td>Complied</td>
<td>This recommendation is fully complied with, as results from the opinions of the Supervisory Board and the Committee on Financial Matters, as well as the opinion of the Statutory Auditor and External Auditor.</td>
</tr>
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</table>
## II.3.2 The Chair of the Executive Committee shall send the convening notices and minutes of the meetings to the Chair of the Board of the Directors and, when applicable, to the Chair of the Supervisory Board or the Auditing Committee.

<table>
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<tbody>
<tr>
<td>Not applicable</td>
<td>Given that the governance regimen adopted by the Bank does not apply, the questions that the present recommendation aims to cover are fully safeguarded, as results form the answer to the recommendation II.3.3. Therefore it is considered that the objective of the present recommendation has been achieved.</td>
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## II.3.3 The Chair of the Executive Board of Directors shall send the convening notices and minutes of the meetings to the Chair of the General and Supervisory Board and to the Chair of the Financial Matters Committee.

<table>
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<tr>
<td>Complied</td>
<td>The folder relative to each meeting of the Executive Board of Directors, including the draft minutes for approval, agenda and supporting documents, are sent to the Office of the Chairman of the Supervisory Board, structure that also supports the Financial Matters Committee, on the same date as it is distributed to the Executive Directors.</td>
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## II.4. General and Supervisory Board, Financial Matters Committee, Audit Committee and Audit Board

### II.4.1 Besides fulfilling its supervisory duties, the General and Supervisory Board shall advise, follow-up and carry out on an on-going basis, the assessment on the management of the company by the Executive Board of Directors. Besides other subject matters, the General and Supervisory Board shall decide on: i) definition of the strategy and general policies of the company; ii) the corporate structure of the group; and iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved.

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<td>Complied</td>
<td>Compliance with this recommendation results from the duties attributed by law and by the articles of association to the Supervisory Board. Due to its legal and statutory duties, it is the responsibility of the Supervisory Board to express an opinion on all matters referred to in i), ii) and iii). Therefore it is considered that the objective of the present recommendation has been achieved.</td>
<td></td>
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### II.4.2 The annual reports and financial information on the activity carried out by the General and Supervisory Committee, the Financial Matters Committee, the Audit Committee and the Audit Board shall be disclosed on the company’s website together with the financial statements.

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<td>Complied</td>
<td>As results from the contents of the page on the Bank’s Internet site relative to the General Meeting.</td>
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<td>Recommendation</td>
<td>Degree of compliance</td>
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<tr>
<td>II.4.3 The annual reports on the activity carried out by the General and Supervisory Board, the Financial Matters Committee, the Audit Committee and the Audit Board shall include a description on the supervisory activity and shall mention any restraints that they may have come up against.</td>
<td>Complied</td>
<td>Volume II Supervisory Board and Audit and Risk Committee Reports, that is part of this Report.</td>
</tr>
<tr>
<td>II.4.4 The Financial Matters Committee, the Audit Committee and the Audit Board (depending on the applicable model) shall represent the company for all purposes at the external auditor, and shall propose the services supplier, the respective remuneration, ensure that adequate conditions for the supply of these services are in place within the company, as well as being the liaison officer between the company and the first recipient of the reports.</td>
<td>Complied</td>
<td>The Audit and Risk Committee is the first receiver of the Reports of the Statutory Auditor and External Auditors, regularly meeting with the CFO, Risk Officer, Compliance Officer and Person Responsible for the Internal Audit, having the capacity to question any person responsible as considered appropriate. The Supervisory Board, through the Audit and Risk Committee, also selects the Statutory Auditor and the External Auditor whose election is proposed at the General Meeting, supervising the establishment of the respective remuneration and conditions for the appropriate exercise of the respective functions.</td>
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<tr>
<td>II.4.5 According to the applicable model, the Financial Matters Committee, Audit Committee and the Audit Board, shall assess the external auditor on an annual basis and advise the General Meeting that he/she be discharged whenever justifiable grounds are present.</td>
<td>Complied</td>
<td>Volume II Audit and Risk Committee</td>
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<td><strong>II.5. SPECIAL COMMITTEES</strong></td>
<td>Compiled</td>
<td>The Supervisory board created three Committees within it, aimed at achieving the objectives of the present recommendation: Committee for Financial Matters, named Audit and Risk Committee. The Nomination and Remunerations Committee and the Corporate Governance Committee Chapter II II Volume II Supervisory Board Report, which is part of this Report.</td>
</tr>
<tr>
<td><strong>II.5.1 Unless the company is of a reduced size and depending on the adopted model, the Board of Directors and the General and Supervisory Committees, shall set up the necessary Committees in order to:</strong></td>
<td>Compiled</td>
<td>Both Remuneration and Welfare Board members and Nomination and Remunerations Committee members are independent from the management board.</td>
</tr>
<tr>
<td>1) ensure that a competent and independent assessment of the Executive Directors’ performance is carried out, as well as its own overall performance and further yet, the performance of all existing Committees; 2) study the adopted governance system and verify its efficiency and propose to the competent bodies, measures to be carried out with a view to its improvement.</td>
<td></td>
<td>Compliance with this recommendation results from the terms of reference of these committees.</td>
</tr>
<tr>
<td><strong>II.5.2 Members of the Remuneration Committee or alike, shall be independent from the Members of the Board of Directors.</strong></td>
<td>Compiled</td>
<td></td>
</tr>
<tr>
<td><strong>II.5.3 All the Committees shall draw up minutes of the meetings held.</strong></td>
<td>Compiled</td>
<td></td>
</tr>
<tr>
<td>Recommendation</td>
<td>Degree of compliance</td>
<td>Development of the issue in the present Report and justification of non-compliance.</td>
</tr>
<tr>
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<tr>
<td>III. Information and Auditing</td>
<td>Complied</td>
<td></td>
</tr>
<tr>
<td>III.1 GENERAL DISCLOSURE DUTIES</td>
<td>Complied</td>
<td>Chapter III III.12</td>
</tr>
<tr>
<td>III.1.2 Companies shall maintain permanent contact with the market thus upholding the principle of equality for shareholders and ensure that investors are able to access information in a uniform fashion. To this end, the company shall create an Investor Assistance Unit.</td>
<td>Complied</td>
<td>As results from consulting the site</td>
</tr>
<tr>
<td>III.1.3 The following information that is made available on the company’s Internet website, shall be disclosed in the English language: a) The company, public company status, headquarters and remaining data provided for in Article 171 of the Commercial Companies Code; b) Articles of Association; c) Credentials of the members of the Board of Directors and the Market Liaison Officer; d) Investor Assistance Unit – its functions and access tools; e) Accounts Reporting documents; f) Half-Yearly Calendar on Company Events; g) Proposals sent through for discussion and voting during the General Meeting; h) Notices convening meetings.</td>
<td>Complied</td>
<td></td>
</tr>
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</table>

The considerations relative to the independence of the members of the corporate boards to which this qualification is applicable, are in the declaration of the Corporate Governance Commission inserted in the Chapter I and Chapter II of this Report.
CHAPTER I

General Meeting

The General Meeting is the highest corporate body, representing all shareholders. This body is responsible for electing and dissolving its own Board, members of the management and supervisory bodies, approving alterations to the articles of association, resolving on reports, accounts and proposals on the appropriation of profits, on any matters submitted at the request of the management and supervisory bodies and, in general, on all matters specifically attributed to it by the law or the company’s articles of association, or which have not been attributed to other corporate bodies.

The resolutions of the General Meeting are taken by simple majority of votes issued, except in cases where legal or statutory provisions require a qualified majority. Resolutions on alterations to the articles of association being a particular example of the latter, which should be approved by two thirds or three quarters of the votes cast, in accordance with article 21 of the abovementioned articles of association.

The Chairman of the Board of the General Meeting is provided with the respective supporting human and logistical resources, throughout the entire year by the Company Secretary and respective Office and, in each General Meeting and its preparatory period, by a Work Group especially constituted for the effect which, in addition to the Company Secretary, includes members of the Operations, Information Technology, Mobile Internet DBD and Audit Departments. International External Audit services are also contracted to certify the voting procedures.

I.1. Identification of the members of the board of the general meeting

The Board of the General Meeting is composed by:

Chairman - António Manuel da Rocha e Menezes Cordeiro (independent)

Vice-Chairman – Manuel António de Castro Portugal Carneiro da Frada (independent)

Due to her functions as Company Secretary, Ms. Ana Isabel dos Santos de Pina Cabral, also acts as the Board Secretary.

I.2. Indication of the beginning and end of the respective term-of-offices

The current term-of-office of the elected members of the Board of the General Meeting is 2008/2010.

I.3. Indication of the remuneration of the chairman of the board of the general meeting.

The annual remuneration of the Chairman of the Board was established by the Remunerations and Welfare Board, for 2008, at 150 thousand euros.

I.4. Indication of the time required in advance for the deposit or blocking of shares for participation in the general meeting.
The Financial Institution where the shares are registered confirms the legitimacy for the exercise of voting rights. The document certifying the quantity of shares held by the shareholder on the the 5th business day before the date of the General Meeting, and the blocking of the shares on that same date, should be received at the Bank by 17:00 hours on the second last business day before the meeting date.

I.5. Indication of the rules applicable to the blocking of shares in the case of the suspension of the general meeting.

Whenever the Meeting is suspended for continuation on a later date, the shareholders should send the Bank a new statement confirming their quality on the 5th business day before the date booked for the continuation of the General Meeting, since the certificate for the blocking of shares issued by the entities registering the shares is valid only for the date of the initial session of the Meeting.

I.6. Number of shares corresponding to one vote.

Each 1,000 euros of capital corresponds to one vote. Shareholders holding a smaller number of shares may group themselves in order to complete the minimum required and are represented by a person with full legal capacity.

Each share has the nominal value of 1 euro.


The Bank ensures the effective exercise of the corporate rights of its Shareholders through a series of mechanisms, in particular those relative to participation in General Meetings and exercise, therein, of voting rights.

Hence, for each General Meeting, the Bank ensures the full and timely disclosure of the event:

a) by sending the Shareholders mentioned in the list prepared by the Bank, updated as near as possible to the date booked for the Meeting, a copy of the respective call notice, as well as a letter of the Chairman of the Board explaining the various possible ways of participating in the General Meeting (through attendance, representation, or voting by postal ballot or electronic means) and forms to be used in each of these circumstances. A pre-paid envelope (SASE) addressed to the Bank is enclosed with this documentation.

b) by providing, at least during the entire month prior to the date of the meeting, on the Bank's Internet site (www.millenniumbcp.pt), all the relevant information, such as the agenda, proposals and documents to be submitted to the Meeting, letters requesting the blocking of shares for participation in the Meeting and proxy letters, postal ballot and forms for voting by electronic means.

This relevant information is placed on the General Meeting's own webpage created on the Bank's institutional Internet site on wherein, complying with the legal deadlines, it is possible not only to consult and print all the documentation which, being known to the company, is destined to the Shareholders, as well as an explanatory note on how to participate in the meeting, indicating the steps
the Shareholders will have to take in order to assure their presence at the Meeting and exercise their right to vote.

c) under the terms of the law and the Bank’s Articles of Association, the call notice of the General Meeting clearly and unequivocally indicates not only the date, time and location of the General Meeting, but also:

- The respective agenda;

- The mechanisms to confirm the quality of the Shareholder;

- The number of shares corresponding to one vote;

- The possibility of the shareholders being represented by any person of their choice provided that this person possesses full legal capacity;

- The possibility of exercising voting rights by postal ballot;

- The possibility of exercising voting rights through electronic means.

The Shareholders of Banco Comercial Português are not subject to reservations on the free transmission of their shares, since the letter confirming the blocking of the shares must only be received at the company until 17:00 hours of the second last business day before the date of the Meeting. The Bank has accepted all formal requests for the cancellation of the blocking which have arrived by 17:00 hours of the day before the date of the Meeting.

Likewise, there has been no limitation on the exercise of voting rights, with the exception of the quantitative limitation established in no. 10 of article 16 of the Articles of Association, which limits the votes which may be cast by each Shareholder or Group of related Shareholders to 10% of the totality of the votes corresponding to the share capital.

The abovementioned restrictions do not include votes cast by a shareholder in representation of another or others, without prejudice to the application of the limitations provided for therein to the represented entity or entities.

There are no special rights, voting or other, and the shares representing the share capital of the Bank are of a single category.

There are no restrictions on the transmission of shares, nor is the company aware of any shareholders’ agreements that may lead to restrictions on matters concerning the transmission of securities or voting rights.


Under the terms of no. 13 of article 16 of the Articles of Association, the exercise of voting rights by postal ballot includes all the matters contained in the call notice, under the terms and conditions established therein.

The methodology to adopt for the exercise of voting rights by postal ballot is publicised, both in the call notice of the General Meeting, as well as on the Bank’s Internet site, with the voting form being sent to the Shareholders by mail and provided at the Bank’s registered office and on the respective Internet site.

Both the form for voting by postal ballot and the form for voting by electronic means are updated on the Internet page dedicated to the Meetings, both relative to the proposals received as well as regarding any alteration in the agenda.

I.10. Requirement of a period of time between the reception of the votes by correspondence and the date of the general meeting.

The Bank has established the deadline for the reception of the postal ballot at 17:00 of the second last business day before the date of the General Meeting, thus coinciding with the deadline for the reception of the rest of the documentation for the Meeting.


The exercise of voting rights through electronic means includes all the matters contained in the call notice, under the terms and conditions established therein.

The methodology to adopt for the exercise of voting rights through electronic means is publicised, both in the call notice of the General Meeting, as well as on the Bank’s Internet site, with the document to request the respective voting code being sent by mail and provided on the Internet.

Voting though electronic means, as defined by the Bank, may be exercised between the fourth and second last business day before the date of the General Meeting, by shareholders who have requested the respective code in due time.

I.12. Information on the intervention of the general assembly with respect to the company’s remuneration policy and assessment of the performance of the members of the management body.

The General Meeting, in the annual meeting held on 27th May 2008, proceeded with the consultative appraisal of the new Remuneration Policy for the Executive Board of Directors, approved on April 2008, by the Nomination and Remunerations Committee (Committee appointed by the Supervisory Board under the terms of no. 1 of article 13 of the Articles of Association and article 429 of the Companies Code), once that, with the alteration of the Bank’s statutory model in 2006, the Supervisory Board was created, to which the law and articles of association attribute competence to resolve on the remunerations of the Executive Board of Directors.

The General Meeting, at its annual meeting, is responsible for proceeding with the general appraisal of the company’s management and supervision, with the amplitude established by the law.

Both the Regulations on the Remuneration of the members of the Executive Board of Directors and the Regulations on the Retirement of the Directors were altered in the current year.
Therefore, they shall be submitted to the forthcoming General Meeting with a consultive character. Those documents constitute Annexes III and IV of this Report.

I.13. Indication of defensive measures which have the effect of automatically causing serious erosion in the value of company assets in the event of the transfer of control or change of composition of the management board.

Not applicable.

I.14. Significant agreements to which the company subscribes and which enter into force, are altered or cease in the case of change of control of the company, as well as the respective effects, except if, due to their nature, their disclosure would be seriously harmful to the company, unless the company is specifically forced to divulge this information due to other legal imperatives.

Not applicable.

I.15. Agreements between the company and members of the management body and directors, in compliance with no. 3 of article 248-B of the Securities Code (compensation payments in the case of resignation, dismissal without fair cause or work severance following an alteration of control of the company).

Not applicable.

Chapter II

Management and Supervisory Bodies

Banco Comercial Português has made permanent efforts to incorporate the evaluation criteria of Good Corporate Governance - equity, transparency, internal alignment and accountability – simultaneously with the adoption of practices which enable achieving the objectives of the best models of Corporate Governance - separation of functions, specialisation of supervision, financial and management control, risk control, conflicts of interest and orientation towards sustainability.

Therefore, this Board considers that the two-tier model adopted since June 2006 allows the strict separation between management and supervision, ensuring that non-executive members hold the latter and that these members are independent in relation to the company, in accordance with the criteria established by the Companies Code.

The Executive Board of Directors does not detect any constraints to its action, by which it judges not to justify to propose any acting measures having in view to change the Corporate Governance regimen adopted.

II.1. Identification and composition of the company's management and supervisory bodies.

Having adopted the two-tier model, the management and supervision of the Bank is structured as follows:
Executive Board of Directors;

Supervisory Board;

Statutory Auditor

The Group also counts with a company of External Auditors that carry out audits to the consolidated accounts and of the various Group companies.

The Bank also has its own corporate body composed of shareholders, who are responsible for the special monitoring of the company’s activities.

Executive Board of Directors

The Executive Board of Directors (EBD) is responsible for the management of the company, being composed of an odd number of members, of at least seven and no more than thirteen, elected by the General Meeting for a period of three years, and who may be re-elected one or more times. The company’s articles of association establish the possible election of a director to represent minority shareholders under the terms of numbers 1 to 5 of article 392 of the Companies Code.

The Executive Board of Directors has broad competences established in the law and articles of association of the company, which covers, amongst others, the following attributions:

- manage the Bank, practising all acts and operations included in its corporate object;

- freely decide, observing all prescriptions laid down by the law, on the participation of the company in share the capital of companies with any object and in companies regulated by special laws or in joint ventures or any other form of entrepreneurial association;

- mobilise financial resources and carry out legally permitted credit operations;

- constitute attorneys to carry out certain acts;

- implement and ensure compliance with legal and statutory prescriptions and resolutions of the General Meeting;

- define the Bank's organisation and work methods, prepare regulations and determine instructions as considered appropriate;

- represent the Bank in and out of court, actively and passively:

- appoint, amongst its members, one or more Vice-Chairmen, who, by order of appointment, will replace the Chairman in his absence or inability to carry out his functions, without prejudice to the exercise of the rest of the functions attributed by the Board.

The current Executive Board of Directors of the Bank was elected at the General Meeting of Shareholders held on 15th January 2008 and is composed of the following members:
Chairman: Carlos Jorge Ramalho dos Santos Ferreira (59 years old)

Vice-Chairmen: Armando António Martins Vara (54 years old)
               Paulo José de Ribeiro Moita de Macedo (45 years old)

Voting members: José João Guilherme (51 years old)
                 Nelson Ricardo Bessa Machado (49 years old)
                 Luís Maria França de Castro Pereira Coutinho (46 years old)
                 Vítor Manuel Lopes Fernandes (45 years old)

All the Directors show the technical competence, knowledge and professional experience appropriate to the exercise of their respective functions, employing in the exercise of their functions the diligence required of a careful and throughout manager, observing the duties of loyalty in the interest of the company and taking into account the long-term interests of the Shareholders and other stakeholders. For this effect, see the Curricula annexed to this report.

In compliance with the Bank’s Articles of Association and current terms of reference of the Executive Board of Directors, all Executive Directors are obliged to observe a strict regime of exclusivity, being prohibited from exercising functions, of any nature, by appointment or corporate position or work contract in any other commercial company in which the Group headed by Banco Comercial Português has no interests or without the explicit authorisation of the Supervisory Board.

The term-of-office of the Executive Board of Directors is 2008/2010.

**Supervisory Board**

The Supervisory Board is a supervision body, responsible for the following, under the terms established by the law and the Articles of Association of the Bank:

- permanent monitoring of the activities of the Statutory Auditor and external auditor of the company, proposing their election and appointment to the General Meeting, respectively, expressing an opinion on their independence and other relationships with the company, as well as the respective exoneration, a decision which, to the extent permitted by the law, will be binding, with the corporate bodies being required to proceed in conformity.

- permanent monitoring of the company’s systems and process of financial reporting and risk management and of the activities of the Statutory Auditor and external auditor;

- evaluate and monitor the internal procedures on accounting matters, effectiveness of the risk management system, internal control system and internal audit system, including the reception and processing of claims and related doubts, received, or not, from employees;
- permanent monitoring of the company's management activities and provision of advice and assistance to the Executive Board of Directors on the above activities;

- express, on its own initiative or when requested by the Chairman of the Executive Board of Directors, an expert opinion on the annual vote of confidence on the directors (article 455 of the Companies Code);

- monitor and appraise issues concerning corporate governance, sustainability, ethics, codes of conduct and systems for the evaluation and resolution of conflicts of interests.

The Supervisory Board is composed of 11 full members and one alternate, including also, as inherent to the function, the Chairman of the Senior Board. All the members of this Board are, due to the nature of the actual governance model adopted, non-executive and most of its members are independent. Of the 5 Board Members who do not meet the requisites of independence, four are related to entities with holdings greater than 2% of the Bank's share capital and one was elected for more than 2 consecutive term-of- offices to the Bank's supervisory body. All the members comply with the rules on incompatibility established in no. 1 of article 414-A, including sub-paragraph f) and exercise their respective functions thoroughly, in accordance with the high standards of professional diligence and duties of loyalty, in the interest of the company.

The Supervisory Board was elected at the General Meetings of Shareholders of 13th March 2006 (beginning of the 2006-2008 three-year period) and 15th January 2008 (occupation of vacancies), having the following composition:

Chairman: Gijsbert J. Swalef (68 years old) (Not Independent)

Vice-Chairman: António Manuel Ferreira da Costa Gonçalves (68 years old) (Independent)

Voting Members: António Luís Guerra Nunes Mexia (51) (Not Independent)
Francisco de la Fuente Sánchez (66) (Not Independent)
João Alberto Ferreira Pinto Basto (77) (Independent)
José Eduardo Faria Neiva Santos (71) (Independent)
Keith Satchell (57) (Independent)
Luís Francisco Valente de Oliveira (71) (Independent)
Luís de Melo Champalimaud (56) (Independent)
Manuel Domingos Vicente (52) (Not Independent)
Mário Branco Trindade (72) (Not Independent)

Alternate Voting Member: Ângelo Ludgero da Silva Marques (70) (Independent)
The term-of-office of the Supervisory Board ended on 31st December 2008.

Statutory Auditor

Under the current two-tier regime of Banco Comercial Português, the supervision of the Bank's business, without prejudice to the responsibilities of the Bank of Portugal, is exercised by a Statutory Auditor, elected by the Shareholders at the General Meeting for a 3-year term, being particularly responsible for:

- verifying the integrity of the accounting ledgers and records,
- verify the accuracy of the financial documents;
- verify the adopted accounting policies and valuation criteria, being responsible for preparing an annual report on his/her supervisory action.
- Make a monthly report on its supervision actions.

The Statutory Auditor, effective and alternate, was elected at the annual General Meeting of 2008, to exercise functions over the 2008/2010 triennial.

Effective: Vítor Manuel da Cunha Ribeirinho, Statutory Auditor, no. 1087 / KPMG & Associados – Sociedade de Revisores Oficiais de Contas, SA,


At the time of the making of this report a lawsuit has been brought before Vila Nova de Gaia Comercial Court requiring the nullity of the resolution which proceeded to the election of Statutory Auditor, Effective and Alternate.

Remunerations and Welfare Board

The Remunerations and Welfare Board was elected at the Annual General Meeting held on 15 January 2008 to exercise function during the triennial 2008/2010 and is responsible for resolving on the remuneration of the members of the corporate bodies, with the exception of the Executive Board of Directors, whose remuneration is established by the Supervisory Board under proposal of the Nomination and Remunerations Committee.

The Remunerations and Welfare Board is composed as follows:

Chairman: José Manuel Rodrigues Berardo (65 years old)

Voting Members: Luis de Melo Champalimaud (56 years old)
Manuel Pinto Barbosa (65 years old)

Senior Board
The Senior Board is a specific corporate body of the Bank's organisation structure, being composed exclusively of shareholders associated to qualified, institutional, minority, national and foreign Shareholders, including the Chairman of the Board of the General Meeting, all the members of the Supervisory Board and the Chairman of the Executive Board of Directors.

The Senior Board is responsible for the monitoring of the company and by issuing prior opinions, comment on aspects of the activities of the Bank and the Group, such as:

- general management policy;
- annual activities plan, budgets and investment plans,
- requests for calling a General Meeting and proposals or reports to be submitted to it, annual management report and accounts, important extensions or reductions of the company's activities and
- important alterations to the company's organisation
- change of the registered office, increases of share capital and company demerger, merger and transformation projects.

On 31st December 2008, the Senior Board had the following composition:

Chairman: António Manuel Ferreira da Costa Gonçalves (68 years old)

Vice-Chairmen: Gijsbert J. Swalef (68 years old)
               João Alberto Ferreira Pinto Basto (77 years old)

Voting Members:

Ângelo Ludgero da Silva Marques (70 years old)
António Augusto Serra Campos Dias da Cunha (75 years old)
António Luís Guerra Nunes Mexia (51 years old)
Dimitrios Contominas (69 years old)
E. Alexandre Soares dos Santos (74 years old)
Francisco de la Fuente Sánchez (66 years old)
Henrique Jaime Welsh (74 years old)
Hipólito Mendes Pires (61 years old)
José de Sousa Cunhal Melero Sendim (44 years old)
José Manuel Pita Goes Ferreira (71 years old)
Josep Oliu Creus (59 years old)
Keith Satchell (57 years old)
Luís Manuel de Faria Neiva dos Santos (66 years old)
Luís Francisco Valente Oliveira (71 years old)
Luís de Melo Champalimaud (56 years old)
Maarteen W. Dijskshoorn (58 years old)
Manuel Alfredo da Cunha José de Mello (60 years old)
Manuel Domingos Vicente (52 years old)
Manuel Roseta Fino (84 years old)
Mário Branco Trindade (72 years old)
Mário Fernandes da Graça Machungo (68 years old)
Ricardo Herculano Freitas Fernandes (48 years old)
Vasco Luís Quevedo Pessanha (66 years old)

As inherent to the functions:

The Chairman of the Board of the General Meeting - António Manuel da Rocha e Menezes Cordeiro (55 years old)

The Chairman of the Executive Board of Directors - Carlos Jorge Ramalho dos Santos Ferreira (59 years old)

The term-of-office of the Senior Board ended on 31st December 2008.

II.2. Identification and composition of other committees with company management or supervisory responsibilities.

In accordance with the legal requirements and the Bank’s Articles of Association, the Supervisory Board created three specialised or monitoring committees. These committees have their own regulations and resolve by the majority of the votes of the Board members present.

A) Audit and Risk Committee (ARC) - This Committee corresponds to the commission on financial matters referred to in no. 2 of article 444 of the Companies Code, being responsible, in compliance with the above-mentioned legal requirement, for supervising the Management, financial reports, Internal Control Systems, Risk Management policy and Compliance policy. It is also responsible for ensuring the independence of the Statutory Auditor, respective election proposal, contracting and remunerative conditions, as well as receiving notifications of irregularities presented by shareholders, employees or others.
This committee is composed as follows:

Chairman: Luís Francisco Valente de Oliveira (Independent)
Vice-Chairman: João Alberto Ferreira Pinto Basto (Independent)
Member: José Eduardo Faria Neiva dos Santos (Independent)

Assisting this Committee as an Expert:

Jeff Medlock (Expert)

Professor Luís Francisco Valente de Oliveira, is qualified as an Independent and, as result of his curriculum annexed to the present Report, he has the knowledge and professional experience appropriate to the exercise of his function.

B) Corporate Governance Committee (CGC) – This Committee assists and advises the Supervisory Board on matters relative to Corporate Governance policies.

Its essential mission is to coordinate the ponderation on the Bank's governance model, in order to recommend the most appropriate governance solutions to its management, culture and strategy needs, namely following international best practices.

The CGC has the following composition:

Chairman: Francisco de la Fuente Sánchez (Non-independent)
Vice-Chairman: João Alberto Ferreira Pinto Basto (Independent)
Member: Lúis Champalimaud (Independent)

Assisting this Committee as Experts:

Carlos Jorge Ramalho dos Santos Ferreira (Chairman of the Executive Board of Directors)
António Augusto Serra Campos Dias da Cunha (Expert)
José de Sousa Cunhal Melero Sendim (Expert)
Morais Leitão, Galvão Teles , Soares da Silva & Associados - Sociedade de Advogados, represented by Miguel Galvão Teles (Expert)

C) Nomination and Remunerations Committee (NRC):

As a Committee established by the SB for all nomination issues, this Committee assists and advises the Supervisory Board on matters relative to the definition of competence profiles and composition of internal structures and bodies issues, formation of lists of members for the corporate bodies of the Bank and subsidiary companies and opinions on the annual vote of
confidence in members of the Management Body. It also issues opinions on the appointment of Corporate Officers and Senior Managers.

As a Committee established by the SB for all remuneration issues, it pertains to the NRC the definition of the remunerations and welfare policy of the members of the EBD, individually establish the remuneration and welfare policy of the members of the EBD and respective package of remuneration and welfare, as well as remuneration conditions applicable in case of the termination of the respective work contracts; agree with the EBD the performance evaluation criteria relevant for the remuneration of the EBD members and monitor the compliance with the established performance criteria.

The NRC has the following composition:

Chairman: João Alberto Pinto Basto (Independent)

Vice-Chairman: Francisco de la Fuente Sánchez (Non-Independent)

Members: António Luís Guerra Nunes Mexia (Non-Independent)

Keith Satchell (Independent)

Assisting this Committee as Experts:

Ângelo Ludgero da Silva Marques

Luís Manuel de Faría Neiva dos Santos

II.3. Organisational diagrams or functional charts relative to the distribution of competences of the different corporate bodies, committees, and/or departments of the company, including information on the scope of the delegations of competences or distribution of areas of responsibility amongst members of the management and supervisory bodies and list of matters that cannot be assigned.

Corporate Governance Model of the Banco Comercial Português.

The two-tier model adopted by the Bank seeks to guarantee separation between the management and supervision carried out by non-executive and mostly independent members in relation to the company and its management body.
Given that the numbers above have presented in detail the areas of competence of the General Meeting, Senior Board, Supervisory Board and its delegate Committees as well as the Remunerations and Welfare Board, this number addresses the scope of action of the Ombudsman, the distribution of responsibilities amongst the members of the Executive Board of Directors and the main structures reporting directly to it.

CLIENT OMBUDSMAN

The Ombudsman is an independent entity whose mission is the defence and promotion of the legitimate rights, guarantees and interests of the Customers of Millennium bcp who address it, by recommending the alteration of practices or procedures. Its actions are governed by the Ombudsman Regulations, by the principles of impartiality, celerity, free of charge and confidentiality.

During 2008, the Ombudsman monitored the evolution of 2,640 dossiers related to requests and corresponding claims, the processing of which is assured with the collaboration of the Direct Banking Department and, acting as an appeals entity, analysed 80 appeals. A recommendation was formulated addressed by the Ombudsman to the Executive Board of Directors on the payment of cheques with irregular endorsements through the forged signature of the beneficiary, which did not obtain the agreement of the Executive Board of Directors.
The deadlines for a response to the claims and appeals filed, as dictated by the Ombudsman Regulations, respected its provisions, since the overall average response time was 23 days. The claims were granted in 58% of the cases and the appeals were granted in 19% of the cases. In the case of eleven appeals that were granted it was not necessary for the pertinent recommendation to be addressed to the Supervisory Board – due to their not overly complex nature – and were directly implemented in the relevant areas of the Bank.

The functions of the Ombudsman are appropriately disclosed on the portal of the Millennium bcp via the “Ombudsman” link that mainly provides information on how claims or complaints should be expressed, with direct access to the Ombudsman Regulations.

The Ombudsman has his own autonomous office and functional structures with three full-time employees, with functions of technical, operational and administrative support to the Ombudsman. During 2008, the Ombudsman Office provided a traineeship to a Law course finalist.

EXECUTIVE BOARD OF DIRECTORS

The distribution of responsibilities amongst the members of the Executive Board of Directors is indicated in the figure below.
COMPANY SECRETARY

The Executive Board of Directors appoints the Company Secretary and his/her Alternate, with their functions ceasing upon the termination of the term-of-office of the Board that elected them. Their essential function is to provide secretarial services in corporate body meetings, certify their actions, as well as the powers of the respective members, meet legitimate requests for information by Shareholders, certify copies of minutes and any other corporate documents.

Company Secretary: Ana Isabel dos Santos de Pina Cabral
Alternate Company Secretary: António Augusto Amaral de Medeiros.

Both the Company Secretary and Alternate Company Secretary are Law graduates and were renominated to their respective functions by the current Executive Board of Directors.

COMMITTEES, COMMISSIONS AND CORPORATE AREAS

Regarding the company's internal organisation and decision-making structure, it is important to note the existence of a series of Committees and Commissions which, in addition to the Directors who have been entrusted with the special follow-up of matters within their scope of action, also include the Employees of the Bank or Group responsible for the respective areas.

COORDINATION COMMITTEES

Currently there are five Coordination Committees, whose objective is to facilitate the articulation of current management decisions, involving the senior Management of all the units included in each of the Business Areas and Banking Services Unit, with the mission of aligning perspectives and supporting management decision-making on behalf of the Executive Board of Directors.

RETAIL COORDINATION COMMITTEE, composed of 10 members, includes, in addition to the Directors with the related Areas of Responsibility, Nelson Machado and José João Guilherme, the persons responsible for the North Commercial Division, Centre-South Commercial Division, Centre-North Commercial Division, South Commercial Division, Direct Banking, Commercial Area Management Information Division, Innovation and Commercial Promotion Division and ActivoBank7.

The mission of this Committee is the coordination of the Bank’s Retail business in Portugal, being responsible for the definition of commercial strategy and its implementation at the level of the various distribution channels. This Committee is also responsible for the Innovation and Commercial Promotion Division, which serves the Retail Network and all other Commercial Networks for cross-selling products and the Bank’s Direct Banking area. The Committee proposes guidelines within the context of the management of the respective area of action to the Executive Board of Directors, being responsible for their articulation with the other functional areas of the Bank.

PRIVATE BANKING AND ASSET MANAGEMENT COORDINATION COMMITTEE, composed of seven members, includes, in addition to the Directors with the related Areas of Responsibility, Luís Pereira Coutinho and Nelson Machado, the persons responsible for the Private Banking
Division, Commercial Area Management Information Division, Millennium Banque Privée, Asset Management and Wealth Management Unit (WMU).

The mission of this Committee is to monitor the areas responsible for the Private Banking and Asset Management businesses. Its competences include the evaluation of aspects related to the management of each of the areas under its sphere of action, particularly business analysis, the valuation of entrusted assets, results obtained and analysis of the sales and performance of investment funds. This Committee also includes the Heads of subsidiary companies that at a domestic and multi-domestic level pursue their activities in the sphere of action of the Committee.

COMPANIES AND CORPORATE COORDINATION COMMITTEE, composed of 10 members, includes, in addition to the Directors with the related Areas of Responsibility, Armando Vara and José João Guilherme, the persons responsible for the Corporate, Enterprises, International Division, Factoring, Leasing, Commercial Area Management Information Division, Corporate Marketing and one Investment Banking representative.

Its mission is to serve, in Portugal, the Customers of the Corporate, Enterprises and Investment Banking segment, pursuing its personalised monitoring as well as attracting potential Customers, developing competences in terms of design, management and support to the sale of products and services, proactively creating instruments to enable optimising Customer management, with the objective of maximising the respective value created and level of satisfaction. It is also responsible for the monitoring and management of the international area, and supply of Leasing, Renting and Factoring products, Real Estate Promotion, Protocol Loans and/or Re-financed, throughout the Group.

It also manage the relations established with the several Chambers of Commerce of which the bank is a member and the relations established with Public Entities such as the IAPMEI, AICEP, and mutual guarantee companies.

EUROPEAN BANKING COORDINATION COMMITTEE, composed of six members, includes, in addition to the Directors with the related Areas of Responsibility, Luís Pereira Coutinho and Nelson Machado, the head of the Group's Banks in Poland, Romania, Greece and Turkey.

Its mission is to monitor, coordinate and articulate the management of European subsidiary companies, by implementing procedures for activities and financial development reporting to enable a systematic and harmonized approach of the different operations, both at the level of the control of budgetary implementation, financial activity and evolution, as well as in terms of support for decision-making and the subsequent implementation of resolutions on restructuring, investment and disinvestment.

BANKING SERVICES COORDINATION COMMITTEE: composed of 14 members, includes, in addition to the Directors with the related Areas of Responsibility, Armando Vara, Paulo Macedo and Vítor Fernandes, the heads of the Banking Services Planning and Control Division, Operations Division, Procurement Division, Prevention and Security Office, Credit Division Credit Recovery Division, IT Division and Banking Services Division of the Banks in Greece, Romania and Poland.

Its mission is to serve the Business Units in Portugal and other geographic areas, by contributing in a sustainable manner to cost reductions and service quality improvement,
ensuring a degree of innovation compatible with the Group growth targets. The Committee analyses the proposals presented and submit them for decision on subjects related to the management of the Credit, Credit Recovery, Operations, Procurement, Assets and Security, Banking Services Planning and Control and IT Departments.

COMMISSIONS

The Executive Board of Directors has created 4 Commissions, essentially with global and transverse attributions, responsible for the study and evaluation of the policies and principles that should guide the actions of the Bank and the Group's actions in each area of intervention.

PLANNING AND ALLOCATION OF CAPITAL AND MANAGEMENT OF ASSETS AND LIABILITIES COMMISSION (CALCO): CALCO is responsible for the monitoring and management of assets and liabilities and for the allocation of capital, including the definition of appropriate liquidity and market risk management policies of the Group.

All the members of the Executive Board of Directors are included in this Commission, as well as: the Head of Treasury; the Head of the Information and Management Department – Commercial Areas; the Head of the Corporate Centre; the Head of the Risk Office; and the Chief Economist.

RISK COMMISSION: The Risk Committee is responsible for monitoring overall global risk levels incurred (credit, market, liquidity and operational risks), ensuring that they are compatible with the objectives and strategies approved for the development of the Group’s activities.

All the members of the Executive Board of Directors are included in this Commission, as well as: the Head of Treasury; the Head of the Corporate Centre; the Head of the Risk Office; the Head of the Audit Division, the Head of the Compliance Office and the head of the Credit Department.

PENSIONS FUND MONITORING COMMISSION: The Pensions Fund Monitoring Commission is responsible for the risk monitoring and management of the Group's Pensions Funds, including the definition of appropriate hedging strategies and investment policies.

In addition to the Directors Carlos Santos Ferreira, EBD Chairman, Paulo Macedo, EBD Vice Chairman and Nelson Machado, EBD Member, the Commission also includes: the Head of the Corporate Centre; the Head of the Risk Office; the General Manager of Pensões Gere (Pensions Fund management company); the Head of the Staff Management Support Department as well as the F&C (fund management company Advisor of the Pensions Fund management company).

STAKEHOLDERS COMMISSION: This Commission establishes relations with Stakeholders, functioning as a privileged channel for the dissemination of company internal information and as a forum for debate and strategic advisory services for the Executive Board of Directors. Its members are elected by groups Stakeholder panels (Employees and Shareholders) or invited - individuals of recognised merit and prestige.

This Commission comprises the following members: Carlos Santos Ferreira; EBD Chairman, Armando Vara; EBD Vice-Chairman, the Chairman of the General Meeting; the Ombudsman; the Representative of the Workers Commission; Luís Mota Freitas (Representative of Fundação
Amongst all the corporate areas, the Compliance Office, Risk Office and the Audit Division are presented below, due to not having been addressed earlier in this Report and their specific sphere of action.

**COMPLIANCE OFFICE.** Its main attributions are as follows: ensure strict compliance with the law and all internal and external rules and regulations applicable to the Bank and its associated companies; ensure that the internal rules and regulations reflect the alterations introduced to the legislation in force; ensure compliance with international best practices on matters relative to Know your Counterpart, Know your Transactions, Know your Process and Due Diligence. The Compliance Office has representatives at the various business areas in Portugal and the Bank’s operations abroad.

Compliance Officer: Carlos Antonio Torroaes Albuquerque.
AUDIT DIVISION. This Division is responsible for the internal audits of Banco Comercial Português. It carries out its mission through the adoption of internal audit principles that are acknowledged and accepted at an international level, aiming to assess if the processes of identification of risk management, internal control systems and corporate procedures in the Bank and Group are adequate, effective and designed to:

1. Duly identify and manage risks;
2. Implement controls that are correct and proportional to the risks;
3. Ensure that the several management boards interact adequately, effectively and efficiently;
4. Verify that operations are registered correctly and operational, financial and management information is rigorous, reliable and updated;
5. Adequately safeguard the interests and assets of the Bank and the Group or those entrusted to it.
6. The staff of the Audit Division perform their duties in accordance with the internal policies and rulings and the remaining applicable legal requirements:
7. The resources are acquired in an economic manner, are used efficiently and are properly protected;
8. The programs, plans and goals defined by the management are complied with;
9. The organization’s global quality and its continuous improvement are enhanced by the internal control systems;
10. The legal and regulatory issues with impact in the organization are recognized, clearly understood and duly handled.

The activity of the Audit Division contributes to the achievement of the targets defined in Notice no. 5/2008 of the Bank of Portugal for the internal control system of institutions under the General Credit Institutions and Financial Companies Act. It should ensure the existence of:

- An adequate control environment;
- A solid risk management system;
- An efficient information and communication system; and
- An effective monitoring process.

Head: António Pedro Nunes de Oliveira
RISK OFFICE. Its main function is to support the Executive Board of Directors in the development and implementation of the risk management and control processes.

Risk Officer: José Miguel Bensliman Schorcht da Silva Pessanha

II.4. Description of the internal control and risk management systems implemented in the company, in particular concerning the process of disclosure of financial information.

The Internal Control System

The Internal Control System (ICS) is defined as the set of principles, strategies, policies, systems, processes, rules and procedures established in the Group aimed at ensuring:

- The efficient and profitable performance of its activities, in the medium and long term, to guarantee the effective use of assets and resources, business continuity and the actual survival of the Group, namely through the appropriate management and control of the activity risks, prudent and correct evaluation of the assets and liabilities, as well as the implementation of mechanisms of prevention and protection against non-authorised actions, whether intentional or negligent;

- The existence of financial and management information which is complete, pertinent, reliable and timely, to support decision-making and control processes, both at the internal and external level;

- Observance of the applicable legal and regulatory provisions, including those relative to the prevention of money laundering and financing of terrorism, as well as of the rules and professional and ethical rules and practices, internal and statutory rules - rules of conduct and on customer relations, guidelines of the corporate bodies and recommendations of the Basel Committee on Banking Supervision and Committee of European Banking Supervisors (CEBS), so as to preserve the image and reputation of the institution before its customers, shareholders, employees and supervisors.

To achieve these objectives, the ICS is based on the functions of Compliance, Risk Management and Internal Auditing, centralised and transversal to the Group, with the respective persons in charge being appointed by the Executive Board of Directors of BCP and to which they report directly.

The ICS is based on:

- An appropriate internal control environment;

- A solid risk management system, which identifies, evaluates, monitors and controls all risks that might influence the activities of the Millennium Group;

- An efficient information and communication system, instituted to ensure the collection, processing and transmission of relevant, complete and consistent data, within deadlines and in a manner allowing for the effective and timely performance of the management and control of the institution's activities and risks;
An effective monitoring process, implemented with a view to ensuring the appropriateness and efficiency of the internal control system over time, to guarantee, in particular, the immediate identification of any deficiencies (defined as the existing, potential or real ones, or opportunities for the introduction of improvements to strengthen the internal control system).

Strict compliance with all the legal and regulatory provisions in force, by the Group's employees in general, and by the persons holding management or head positions and members of the management bodies in particular, as well as compliance with the Group's Code of Conduct and other codes to which activities related to banking, financial, insurance and intermediation of securities and derivatives are subject.

The Risk Management, Information and Communication systems

The ICS includes 2 internal control sub-systems: the Risk Management System (RMS) and Information and Communication System (ICS).

The former is responsible for taking into consideration risks related to credit, market, interest rates, exchange rates, liquidity, compliance, operations, information systems, strategy and reputation, as well as all risks that, in light of the specific situation of the Group's institutions, might be materially relevant.

The activities of the RMS include the evaluation, monitoring and control of risks, consisting of appropriately and clearly defined policies and procedures, aimed at ensuring that the institution's objectives are achieved and that the necessary actions are taken to respond appropriately to the previously identified risks.

The respective function of the ICS is to ensure the existence of substantive, up-to-date, complete, timely and reliable information providing an overall and encompassing view of the financial situation, development of the activities, compliance with the defined strategy and objectives, risk profile and conduct of the institution and perspectives on the evolution of relevant markets.

The financial information process is supported by the accounting and management support systems which record, classify, associate and archive all the operations carried out by the institution and its subsidiaries in a timely, systematised, reliable, complete and consistent manner, in accordance with the definitions and policies issued by the Executive Board of Directors.

The Risk Office, Corporate Centre and areas responsible for the accounts in the different subsidiaries manage these 2 sub-systems of the ICS, respectively. The activities of the Risk Office are transversal to the Group and include the coordination of the local risk management structures. The Corporate Centre receives and centralises the financial information of all the subsidiaries.

Therefore, the Risk Office and Corporate Centre ensure the implementation of the procedures and means required to obtain all the relevant information for the process of consolidation of information at the level of the Group – both in terms of accounts, as well as management support and risk monitoring and control – which should cover, in particular:
- The definition of the contents and format of the information to be reported by the Entities included in the consolidation perimeter, in accordance with the accounting policies and guidelines defined by the Executive Board of Directors, as well as the dates on which the reporting is required;

- The identification and control of intra-Group operations;

- The guarantee that the management information provided by the different Entities is coherent, so that it is possible to measure and monitor the evolution and profitability of each business, verify the achievement of the established objectives, as well as evaluate and control the risks incurred by each Entity, both in absolute and relative terms.

Responsibilities of the Executive Board of Directors in the context of the ICS

Within the context of the Internal Control System and, more specifically the RMS, the Executive Board of Directors (EBD) of BCP should ensure that it has sufficient knowledge on the types of risks to which the institution is exposed and processes used to identify, evaluate, monitor and control these risks, as well as the legal obligations and duties to which the institution is subject, being responsible for the development and maintenance of an appropriate and effective risk management system. Therefore, the EBD is responsible for:

- Defining and reviewing the global objectives and the specific objectives for each functional area, with respect to the risk profile, decision levels and degree of tolerance relative to the risk;

- Approving specific, effective and appropriate policies and procedures for the identification, evaluation, monitoring and control of the risks to which the institution is exposed, ensuring their implementation and compliance;

- Approving, prior to their introduction, the institution's new products and activities, as well as their respective risk management policies;

- Verifying, in a regular manner, compliance with risk tolerance levels and risk management policies and procedures, evaluating their effectiveness and continued appropriateness to the institution's activities, so as to enable the detection and correction of any deficiencies;

- Requesting and subsequent appraising of accurate and complete periodic reports on the main risks to which the institution is exposed and reports which identify the control procedures implemented to manage these risks;

- Ensuring the effective implementation of its guidelines and recommendations on corrections and improvements to be made to the RMS;

- Ensuring that the risk management activities have sufficient independence, status and visibility and are subject to periodic reviews;
- Issuing an opinion on the reports prepared by the Risk Management and Compliance functions, in particular, on the recommendations for the adoption of corrective measures.

The EBD is also responsible for ensuring the implementation and maintenance of information and communication processes appropriate to the institution's activities and risks, definition of the accounting policies to be adopted, establishment of guidelines and definition of the choices which should be made within the context of these policies, and approving the reporting or external disclosure outputs produced by the Corporate Centre.

II.5. Powers of the management body, namely with respect to resolutions of capital increases.

In accordance with the Bank's articles of association, the Executive Board of Directors may, if considered appropriate and having obtained the favourable opinion of the Supervisory Board and of the Senior Board, increase the share capital, one or more times, up to the total amount of increase corresponding to three quarters of the existing share capital at the date on which the authorisation was granted or on the date of each of any renewals.

The Executive Board of Directors has already used part of this authorisation in 2008, with it currently being reduced to 1,625,226,742 €

II.6. Indication on the existence of regulations regarding the functioning of the company's bodies, or other rules relative to internally defined incompatibilities and maximum number of positions that may be accumulated and location where they may be consulted.

Both the Supervisory Board and Executive Board of Directors have Internal Terms of Reference that may be consulted on the Bank's Internet/Intranet.

With respect to the rules on incompatibilities and the maximum number of positions that can be accumulated, Banco Comercial Português, apart from complying with the applicable legislation on these matters, has its own specific statutory limitations, contained in article 12, transcribed below:

Article 12

INCOMPATIBILITIES

1 – The exercise of functions in any corporate body is incompatible:

a) with the exercise of functions, of any nature whatsoever, by appointment to a corporate position or by employment contract, in another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal, in a controlled or group relationship with it;

b) with direct or indirect ownership of more than 2% of the share capital or voting rights in another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal.
2 – The exercise of functions in any corporate body is also incompatible:

a) with the concurrent quality of legal person, or legal or natural person, related to a concurrent legal person, of the Bank.

a) with the indication, even if only factual, for member of a corporate body by a concurrent legal person or legal or natural person, related to the concurrent legal person of the Bank.

3 – For the effects of the present articles of association, a person related to a concurrent legal person is defined as:

a) one whose voting rights are imputable to him under the terms of article 20 of the Securities Code or any legislation which may modify or replace it;

b) one who, directly or indirectly, owns, in a concurrent legal person, in a company, controlled or in a relationship with it, as configured in article 21 of the Securities Code or any legislation which may modify or replace it, or in a relationship of dependency, directly or indirectly, with the same company, holdings equal to or greater than 10% of the voting rights corresponding to the share capital of the participated company.

4 – The position of director is further incompatible with the exercise of functions, of any nature whatsoever, by appointment to a corporate position or by employment contract, in any other commercial company.

5 – Excluded from the provisions in the previous numbers is the holding of positions in corporate bodies or the ownership of holdings in companies in which Banco Comercial Português has direct or indirect holdings greater than 2%, or in the case of the holding of a corporate position, if the appointment has been made with the vote of the Bank or company controlled by the Bank, or if the Bank or such company has previously expressed prior agreement.

6 – The incompatibilities set forth in the previous numbers constitute an impediment to the exercise of functions in Banco Comercial Português for which the person has been elected; if the impediment lasts for six months, without it having been ended, this will determine loss of office.

7 – The incompatibilities referred to in the previous numbers of this article, to the extent permitted by the law, through prior favourable deliberation of the General Meeting before the election or of the Senior Board, in any other cases, may not apply to the functions of elected members of the Senior Board or Supervisory Board provided that, cumulatively:

a) the concurrent legal person or legal or natural person, related to a concurrent legal person has no registered office, domicile, delegation or representation on Portuguese territory, nor exercises concurrent activities therein in any manner.

b) the relationship of concurrence is explicitly referred to and accurately identified in the election proposal;

c) the shareholder concurrent legal person or natural or legal person, related to the concurrent legal person, or, necessarily, the last legal person controlling the concurrent legal person when
it is a company dependent on another legal person, has signed with the company a contract in
favour of it and of a third party, of which the other shareholders of the company are also
beneficiaries or at least those which have been proposed for election as members of the Senior
Board are beneficiaries, under terms which oblige him, with the exception of the case of consent
deliberated through a vote of more than half of the shares held by the beneficiaries, to not
acquire or hold, directly or indirectly, shares which, under the terms of article 20 of the
Securities Code, or any legislation modifying or replacing it, corresponds to a percentage
greater than 10% of the votes corresponding to the share capital of the company.

8 – The contracts referred to in sub-paragraph c) of the number above should be approved by
the Senior Board as a requisite for the effectiveness of the election, which is considered met
under this suspensive condition.

9 – Members of the Senior Board or Supervisory Board elected under the terms of number 7 of
this article may not attend or participate in meetings, or in the parts of meetings, where matters
on risk or competition sensitivity are discussed, particularly including matters related to markets
where there is competition with the company, nor may they have access to the respective
information and documentation, with the Senior Board and especially its chairman being
responsible for ensuring compliance with the present rule and application of the provisions in
number 5 of article 33 to it.

10 – In addition to the specific provisions in these articles of association, the legal and
regulatory provisions aimed at preventing intervention in situations of conflict of interests will
always be applicable to all corporate bodies.

II.7. Rules applicable to the appointment and replacement of members of the
management and supervisory bodies.

The members of the Supervisory Board and Statutory Auditor may only be elected at the
General Meeting. If there are vacancies the same cannot be occupied by the elected alternate
members, only the General Meeting may proceed with their respective occupation through a
new election.

Regarding the absence or temporary unavailability of any members of the Executive Board of
Directors, who are also elected at the General Assembly, the Senior Board and the Supervisory
Board are responsible for providing for their replacement, which should be ratified at the
following General Meeting.

II.8. Number of meetings of the management and supervisory bodies and of other
committees with competences on management and supervisory matters during the year
in question.

Number of meetings held during the 2008 financial year:

Executive Board of Directors 55
Supervisory Board 8
Senior Board 8
Audit and Risk Committee 13
II.9. Identification of the members of the board of directors, and other committees constituted within the former, distinguishing executive and non-executive members and, amongst these, detailing the members who comply with the rules on incompatibility established in no. 1 of article 414-A of the Company Code, with the exception established in sub-paragraph b), and independence criteria established in no. 5 of article 414, both of the Companies Code,

In view of the corporate governance model adopted, the present number is not applicable.

II.10. Professional qualifications of the members of the board of directors, indication of the professional activities exercised by them, at least, over the last five years, number of company shares they hold, date of their first appointment and end date of the term-of-office.

An annex to the present report indicates the respective professional qualifications and activities exercised over the last five years, as well as the number of company shares held.

The Executive Board of Directors was elected at the General Meeting held on January 15, 2008 for the 2008/2010 term-of-office. It is foreseeable that the Annual General Meeting to be held in 2010 up to the end of May will be an elective one.

II.11. Functions exercised by members of the management board in other companies, detailing those exercised in other companies of the same group.

The functions that members of the management board exercise in other companies are indicated in an annex to the present report.

Regarding this matter, it should be noted that, under the terms of the Articles of Association of the Bank, the position of Director is incompatible with the exercise of functions, of any nature whatsoever, by appointment to a corporate position or by employment contract, in another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal, controlled or in a group relationship with it, with direct or indirect ownership of more than 2% of the share capital or voting rights of another credit institution with a registered office in Portugal or with an affiliate or branch in Portugal or proposed as a member of corporate body, even if only factual, by a concurrent legal person.

II 12 to 14 – Not applicable

II.15. Identification of the members of the supervisory board, and other committees constituted within the former, detailing the members who comply with the rules on incompatibility established in no. 1 of article 414-A, including sub-paragraph f), and independence criteria established in no. 5 of article 414, both of the Companies Code,

Information already provided in point II.1 above

II.16. Professional qualifications of the members of the supervisory board and other committees constituted within the former, indication of the professional activities exercised by them, at least over the last five years, number of company shares they hold, date of their first appointment and end date of the term-of-office.
An annex to the present report indicates the respective professional qualifications and activities exercised over the last five years, as well as the number of company shares held and date of their first appointment.

II.17. Functions that members of the senior board and supervisory board, and other committees constituted within them exercise in other companies, detailing those exercised in other companies of the same group.

The functions that members of the senior board and supervisory board exercise in other companies are indicated in an annex to the present report.

II.18. Description of the remuneration policy, particularly including the means to align the interests of the executive to those of the non-executive members, and a summary and explanation of company policy relative to the terms of compensation negotiated through contract or though transaction in the case of removal from office and other payments linked to the early termination of contracts.

In the governance model adopted by the Bank, the Supervisory Board is responsible for establishing the remuneration of the Executive Directors as well as for approving the retirement regulations. The retirement of the Executive Directors will be established by its remunerations committee, in strict compliance, however, with the statutory provisions that determine that the remunerations of the Executive Board of Directors consist of a fixed part and a variable part, with the latter expressed in participation not in excess of 2% of the profits for the year. The Supervisory Board should submit a statement on the remuneration policy, with a consultative nature, for the appraisal of the Annual General Meeting.

Both the remuneration of the members Executive Board of Directors’ policy, and the respective Retirement Regulations were altered in the 2008 financial year, being its current version transcribed in annex III of this Report in order to be submitted to the General Meeting with a consultative nature.

II.19. Indication of the composition of the remunerations committee or equivalent body, when it exists, identifying the respective members who are also members of the management body, as well as their spouses, family members and similar in direct line up to the 3rd degree, inclusively.

In light of the governance model adopted by the Bank, there is a Remunerations and Welfare Board, which is responsible for setting the remunerations of the elected members of the General Meeting and of the members of the Supervisory Board and Senior Board and a Nomination and Remunerations Committee which advises the Supervisory Board in setting the remuneration of the Executive Board of Directors.

As previously mentioned, the respective composition is the following:

**Remunerations and Welfare Board:** Chairman: José Manuel Rodrigues Berardo; Voting Members: Luís de Melo Champalimaud and Manuel Pinto Barbosa.

**Nomination and Remunerations Committee:** Chairman: João Alberto Pinto Basto; Vice Chairman: Francisco de la Fuente Sánchez; Members: António Luís Guerra Nunes Mexia, Keith Satchell.
None of the persons identified above is spouse, family member and similar in direct line up to the 3rd degree inclusively of the members of the Executive Board of Directors, being the members of the Remunerations and Welfare Board and Luís de Melo Champalimaud members of the Supervisory Board.

II.20. Indication of individual or collective remuneration, defined in the broad sense to include, in particular, performance bonuses gained during the year in question by members of the management bodies.

The fixed remunerations that were paid to the members of the Executive Board of Directors in 2008 totalled 3,413 thousand euros, of which 367 thousand euros were supported by subsidiary companies or by companies in which corporate bodies represent interests of the Group. By its own proposal addressed to the Remunerations and Welfare Board, the members of the Executive Board of Directors will not receive any annual variable remuneration regarding the 2008 financial year.

In the extent that some members of the Executive Board of Directors had functions in the Management of the Bank and in the Group during 2007 and, until their election as Directors, during 2008, they were paid in this quality fixed and variable remunerations, relating to the year of 2007, in the amount of 1.001 thousand euros.

Regarding the members of the Executive Board of Directors that have ended functions in 2008, besides the remunerations due, were paid, where appropriate, compensation decurring from the termination by mutual agreement of the labour contracts or expenses related with retirement responsibilities, in the amount of 28,179 thousand euros, already reflected in the 2007 financial statements.

Already in 2009 and relating to the variable remuneration, the Nomination and Remuneration Committee and the Supervisory Board, having recognized the merit of the EBD in the performance of its functions during the 2008 financial year ended on 31 December 2008, accepted the proposal made by the EBD itself in the sense that no annual variable Remuneration be attributed to it relating the 2008 financial year. Concerning the Pluri-annual Variable Remuneration, it determined that the same be not attributed as well. Thus, the 2008 financial year should be neutral and will not influence the computation of the average to assess in the following years.

II.21. Indication, in individual terms, of the established amounts to pay, independently of its nature, in the case of termination of functions during the term-of-office, when, these amounts exceed double the fixed monthly remuneration established

There is no contract with these characteristics.

II.22. Information on the communication of irregularities policy adopted in the company.

With the purpose of adopting the best practices of corporate governance and reinforcing the culture of responsibility and compliance that has ever guided the Bank's action, was established, namely for situations where the communication system through the hierarchy may not be able to achieve the desired objectives, a system for communicating irregularities allegedly occurred within the Bank.
In order to contribute to a climate of greater social responsibility, this communication should have a strict nature and be assumed as a contribution for that effect.

This way, the responsible for the communication should disclose his/her identity, using for the effect the internal email address that is affected to him/her. The Bank assures the total confidentiality of the communication.

In this sense, an e-mail address was especially created to exclusively receive the communication of irregularities (comunicar.irregularidade@millenniumbcp.pt). Where the communication relates to any of the members of the Supervisory Board or some of its specialized committees, the same should be done through a specific e-mail address (presidente.cgs@millenniumbcp.pt).

The management and redirecting of the communication of irregularities pertains to the Supervisory Board that has delegated it on the Audit and Risk Committee.
Chapter III

Information

III.1. Capital structure, including indications of shares not admitted for negotiation, different categories of shares, the rights and duties inherent to these shares and percentage of capital each category represents.

All shares issued by Banco Comercial Português are listed in the stock exchange, are of a single category and confer the same rights and duties. Consequently there are no Shareholders entitled to special rights.

III.2. Qualified holdings in the share capital of the issuer, estimated in accordance with article 20 of the Securities Code.

On 31 December 2008, the qualified holdings in the share capital of Banco Comercial Português, estimated in accordance with article 20 of the Securities Code and according to the information available at the Bank, were as follows:

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Nr. of shares</th>
<th>% of capital</th>
<th>% voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonangol</td>
<td>469,000,000</td>
<td>9.990%</td>
<td>10.000%(1)</td>
</tr>
<tr>
<td>Eureko Group(2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eureko BV</td>
<td>216,444,868</td>
<td>4.611%</td>
<td>4.626%</td>
</tr>
<tr>
<td>Achmea Holding NV</td>
<td>115,511,380</td>
<td>2.461%</td>
<td>2.469%</td>
</tr>
<tr>
<td>Total</td>
<td>331,956,248</td>
<td>7.071%</td>
<td>7.095%</td>
</tr>
</tbody>
</table>

Teixeira Duarte Group

Teixeira Duarte - Sociedade Gestora de Participações Sociais, S.A.

Teixeira Duarte - Gestão de Participações e Investimentos Imobiliários, S.A. (3) | 202,505,992 | 4.314% | 4.328% |
| C+P.A. - Cimentos e Produtos Associados, S.A. | 102,483,672 | 2.183% | 2.190% |
| Arenapor - Investimentos SGPS, S.A. | 23,000,000 | 0.490% | 0.492% |
| Other (Members of the Board of Directors) | 1,765,391 | 0.038% | 0.038% |
| Total | 329,755,255 | 7.025% | 7.048% |

Fundação José Berardo (4)

Fundação José Berardo | 198,324,440 | 4.225% | 4.239% |
| Fundação José Berardo ( Equity Swap with Banco Espírito Santo) | 29,710,526 | 0.633% | 0.635% |
| Total | 228,034,966 | 4.857% | 4.874% |

Metalgest - Sociedade de Gestão, SGPS, S.A. (4)

Metalgest - Sociedade de Gestão, SGPS, S.A. | 63,328,399 | 1.349% | 1.354% |
| Kendon Properties | 721,480 | 0.015% | 0.015% |
| Moagens Associadas S.A. | 13,245 | 0.000% | 0.000% |
| Cotraner - Comércio e transformação de cereais, S.A. | 13,245 | 0.000% | 0.000% |
| Bacalhôa, Vinhos de Portugal S.A. | 10,596 | 0.000% | 0.000% |
| Members of the Board of Directors of Metalgest, SGPS, S.A. | 19,547 | 0.000% | 0.000% |
| Total | 64,106,512 | 1.366% | 1.370% |

Banco Sabadell

Bansabadell Holding SL | 208,177,676 | 4.434% | 4.449% |
| Total | 208,177,676 | 4.434% | 4.449% |
### Shareholders

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Nr. of shares</th>
<th>% of capital</th>
<th>% voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Caixa Geral de Depósitos Group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caixa Geral de Depósitos, S.A. (participação estratégica)</td>
<td>153,830,235</td>
<td>3.277%</td>
<td>3.288%</td>
</tr>
<tr>
<td>Companhia de Seguros Fidelidade-Mundial, S.A.</td>
<td>23,179,492</td>
<td>0.494%</td>
<td>0.495%</td>
</tr>
<tr>
<td>Caixa Geral de Depósitos, S.A. (carteira de negociação)</td>
<td>366,262</td>
<td>0.008%</td>
<td>0.008%</td>
</tr>
<tr>
<td>Companhia de Seguros Império-Bonança, S.A.</td>
<td>203,235</td>
<td>0.004%</td>
<td>0.004%</td>
</tr>
<tr>
<td>Multicare</td>
<td>21,544</td>
<td>0.000%</td>
<td>0.000%</td>
</tr>
<tr>
<td>Via Directa - Companhia de Seguros, S.A.</td>
<td>7,098</td>
<td>0.000%</td>
<td>0.000%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>177,607,866</td>
<td>3.783%</td>
<td>3.796%</td>
</tr>
<tr>
<td><strong>EDP Group (5)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDP - Imobiliária e Participações, S.A.</td>
<td>123,509,341</td>
<td>2.631%</td>
<td>2.640%</td>
</tr>
<tr>
<td>OPTEP - Sociedade Gestora de Participações Sociais, S.A.</td>
<td>28,167,603</td>
<td>0.600%</td>
<td>0.602%</td>
</tr>
<tr>
<td>Members of the Board of Directors and Supervisory Committees</td>
<td>398,783</td>
<td>0.008%</td>
<td>0.009%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>152,075,727</td>
<td>3.239%</td>
<td>3.250%</td>
</tr>
<tr>
<td><strong>Sogema SGPS, S.A.</strong></td>
<td>125,766,734</td>
<td>2.679%</td>
<td>2.688%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>125,766,734</td>
<td>2.679%</td>
<td>2.688%</td>
</tr>
<tr>
<td><strong>Privado Financeiras, S.A.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Privado Financeiras, S.A. - own portfolio</td>
<td>108,599,093</td>
<td>2.313%</td>
<td>2.321%</td>
</tr>
<tr>
<td>Banco Privado Português, S.A. - Clients' portfolio under management</td>
<td>2,808</td>
<td>0.000%</td>
<td>0.000%</td>
</tr>
<tr>
<td>Iberian Opportunities Fund</td>
<td>860,000</td>
<td>0.018%</td>
<td>0.018%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>109,461,901</td>
<td>2.332%</td>
<td>2.340%</td>
</tr>
<tr>
<td><strong>Stanley Ho Group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sociedade de Diversões e Turismo de Macau, S.A.</td>
<td>76,112,854</td>
<td>1.621%</td>
<td>1.627%</td>
</tr>
<tr>
<td>Stanley Hung Sun Ho</td>
<td>30,142,080</td>
<td>0.642%</td>
<td>0.644%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>106,254,934</td>
<td>2.263%</td>
<td>2.271%</td>
</tr>
<tr>
<td>SFGP - Investimentos e Participações, SGPS, S.A.</td>
<td>43,574,742</td>
<td>0.928%</td>
<td>0.931%</td>
</tr>
<tr>
<td>IPG - Investimentos, Participações e Gestão SGPS, S.A.</td>
<td>58,488,113</td>
<td>1.249%</td>
<td>1.250%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>102,062,855</td>
<td>2.174%</td>
<td>2.181%</td>
</tr>
<tr>
<td>Total Qualified Shareholdings</td>
<td>2,404,260,674</td>
<td>51.213%</td>
<td>51.386%</td>
</tr>
</tbody>
</table>

Source: Information received from the Shareholders + File from the Securities Centre

(1) According number 10 a) of Article 16 of Banco Comercial Português Articles of Association, votes exceeding 10% of the share capital are not considered.

(2) Although Eureko has entered into a series of derivative transactions with JP Morgan regarding 135,238,429 BCP shares, the Portuguese Securities Market Commission (CMVM) considers that the voting rights inherent to those shares should be attributed to Eureko, thus increasing its participation to 9.95% of total voting rights.

(3) Teixeira Duarte - Sociedade Gestora de Participações Sociais, S.A. informed, through an announcement dated December 12, that its subsidiary company Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A. has agreed to acquire 102,483,872 BCP shares from C+P.A. - Cimentos e Produtos Associados, S.A., and therefore the voting rights related to those shares should be attributable to the former.

(4) The shares and voting rights held by Fundação José Berardo and Metalgest are subject to reciprocal imputation.

(5) EDP Pension Fund held 52,805,044 BCP shares, corresponding to 1.125% of the bank share capital.

### III.3. Identification of shareholders entitled to special rights and description of these rights

There are no shareholders entitled to special rights.
III.4. Any restrictions on the transfer of shares, such as clauses of consent for divestiture or limitations to the holding of shares.

There are no statutory restrictions to the free transmissibility of Shares.

III.5. Shareholders agreements known to the company and which may lead to restrictions on matters concerning the transfer of securities or voting rights.

There are no shareholders agreements known to the company, which may lead to restrictions on matters concerning the transmission of securities or voting rights.

III.6. Rules applicable to alterations of the company’s articles of association;

Constitutive quorum - article 18 of the Articles of Association

The General Meeting may only be held on first call when shareholders or their representatives holding more than one third of the capital are present. When the General Meeting intends to resolve on the merger, demerger and transformation of the company, the shareholders or their representatives present on first call, must hold shares corresponding to at least half of the share capital.

On its second call, the General Meeting may meet and resolve independently of the number of shareholders present or represented and the amount of capital allocated to them.

Deliberative quorum – article 21 of the Articles of Association

Whether the Meeting is held on its first or second call, any alterations to the articles of association require the approval of two thirds of the votes issued, with resolutions on the merger, demerger and transformation of the company requiring the approval of three quarters of the votes issued.

III.7. Control mechanisms established for any system of participation of workers in the capital whenever they do not directly exercise the voting rights.

No system has been established with these characteristics

III.8. Description of the evolution of listed market prices of the issuer’s shares, namely:

a) The issuing of shares or other securities providing share subscription or acquisition rights;

During April 2008 the Bank increased its share capital from 3,611,329,567 euros to 4,694,600,000 euros. This increase was fully subscribed and involved the issue of 1,083,270,433 ordinary, dematerialised nominative shares each of a par value of 1 euro, which were offered for subscription by the Bank’s shareholders in the exercise of their preference rights.

Total demand amounted to 2,364,219,647 shares, more than twice oversubscribed. Emphasis must be given to the strong support of shareholders in exercising their preference rights, who subscribed 1,071,230,855 shares, or about 98.9% of the total number of shares to be issued within the scope of the public offering. A total of 12,039,578 shares were available for pro rata
distribution, while applications for pro rata distribution totalled 1,292,988,792 shares. The 1,083,270,433 new shares were admitted to trading on Eurolist by Euronext Lisbon on May 6, 2008.

b) The disclosure of earnings;

SEE ANNEX VIII “Earnings Statement”

Main events and impact in the price of the share

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Price variation next day</th>
<th>Price variation over the next 5 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 17, 2008</td>
<td>Announcement of the sale of shares in Banco BPI</td>
<td>-0.62%</td>
<td>-0.75%</td>
</tr>
<tr>
<td>December 13, 2008</td>
<td>Announcement of notification in administrative offence proceedings</td>
<td>+0.99%</td>
<td>-6.05%</td>
</tr>
<tr>
<td>October 28, 2008</td>
<td>Publication of 3rd Quarter 2008 consolidated results</td>
<td>+5.35%</td>
<td>+6.98%</td>
</tr>
<tr>
<td>October 27, 2008</td>
<td>Announcement of the confirmation of Moody’s ratings</td>
<td>-1.71%</td>
<td>+1.14%</td>
</tr>
<tr>
<td>October 24, 2008</td>
<td>Announcement of the use of State guarantees</td>
<td>-3.31%</td>
<td>+0.88%</td>
</tr>
<tr>
<td>October 14, 2008</td>
<td>Announcement of the maintenance of the Standard &amp; Poor’s ratings</td>
<td>-2.67%</td>
<td>-8.09%</td>
</tr>
<tr>
<td>July 22, 2008</td>
<td>Publication of 1st Half 2008 consolidated results</td>
<td>+1.74%</td>
<td>+0.87%</td>
</tr>
<tr>
<td>June 26, 2008</td>
<td>Announcement of the small investor mediation procedure</td>
<td>-4.76%</td>
<td>-13.95%</td>
</tr>
<tr>
<td>May 27, 2008</td>
<td>General Meeting</td>
<td>-1.49%</td>
<td>-4.76%</td>
</tr>
<tr>
<td>May 15, 2008</td>
<td>Announcement of agreement with Sonangol</td>
<td>-0.87%</td>
<td>-0.29%</td>
</tr>
<tr>
<td>May 12, 2008</td>
<td>Publication of 1st Quarter 2008 consolidated results</td>
<td>0.00%</td>
<td>-2.84%</td>
</tr>
<tr>
<td>April 3, 2008</td>
<td>Announcement of the 2008 capital increase</td>
<td>-2.98%</td>
<td>-0.57%</td>
</tr>
<tr>
<td>February 19, 2008</td>
<td>Publication of 2007 consolidated profit</td>
<td>-4.27%</td>
<td>-0.27%</td>
</tr>
<tr>
<td>January 15, 2008</td>
<td>General Meeting</td>
<td>-6.76%</td>
<td>-19.55%</td>
</tr>
<tr>
<td>January 8, 2008</td>
<td>Meeting of the Supervisory Board and of the Senior Board</td>
<td>-0.36%</td>
<td>-3.27%</td>
</tr>
</tbody>
</table>
The following chart provides a graphic illustration of the performance of BCP shares during 2008.

c) The dividends paid by category of shares, indicating the net value per share.

The following table details the dividends paid by BCP since 2000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Paid in</th>
<th>Gross Dividend per Share (euros)</th>
<th>Net Dividend per Share (euros)</th>
<th>Payout ratio (1)</th>
<th>Dividend yield (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Residents</td>
<td>Non-residents</td>
<td>Residents</td>
<td>Non-residents</td>
</tr>
<tr>
<td>2000</td>
<td>2001</td>
<td>0.15</td>
<td>n.a.</td>
<td>0.15</td>
<td>n.a.</td>
</tr>
<tr>
<td>2001</td>
<td>0.10</td>
<td>0.12</td>
<td>0.10</td>
<td>0.12</td>
<td>61.1%</td>
</tr>
<tr>
<td>2002</td>
<td>0.10</td>
<td>0.08</td>
<td>0.07</td>
<td>0.07</td>
<td>49.2%</td>
</tr>
<tr>
<td>2003</td>
<td>0.06</td>
<td>0.055</td>
<td>0.045</td>
<td>0.045</td>
<td>44.7%</td>
</tr>
<tr>
<td>2004</td>
<td>0.03</td>
<td>0.0255</td>
<td>0.0255</td>
<td>0.0255</td>
<td>61.1%</td>
</tr>
<tr>
<td>2005</td>
<td>0.035</td>
<td>0.02975</td>
<td>0.02975</td>
<td>0.02975</td>
<td>41.3%</td>
</tr>
<tr>
<td>2006</td>
<td>0.033</td>
<td>0.02805</td>
<td>0.02805</td>
<td>0.02805</td>
<td>31.3%</td>
</tr>
<tr>
<td>2007</td>
<td>0.037</td>
<td>0.03145</td>
<td>0.03145</td>
<td>0.03145</td>
<td>39.0%</td>
</tr>
<tr>
<td>2008</td>
<td>0.037</td>
<td>0.0296</td>
<td>0.0296</td>
<td>0.0296</td>
<td>23.7%</td>
</tr>
<tr>
<td>Total</td>
<td>0.017</td>
<td>0.0136</td>
<td>0.0136</td>
<td>0.0136</td>
<td>18.7%</td>
</tr>
</tbody>
</table>

(1) Payout ratio is the percentage of net profit distributed to shareholders in the form of dividend;
(2) Dividend yield is the annual return, as a percentage, expressed by dividing the amount of the gross dividend by the share price at the end of the year to which the dividend refers;
(3) Paid in the form of script dividend through the issue of new shares and their proportional distribution to shareholders holding shares representing the Bank’s equity capital;
(4) On the basis of the net profit before setting aside general banking risk provisions in the sum of 200 million euros;
(5) Proposal to be submitted to the Annual General meeting.

III.9. Description of the dividend distribution policy adopted by the company, identifying, namely, the value of the dividend per share distributed in the last three years.
Maintaining the judicious principles and of prudence that characterize the policy of distribution of profits adopted by BCP, the Executive Board of Directors has proposed and the Supervisory Board meeting issued a favourable opinion on not to pay the interim dividend relative to 2008, having present, on one hand the high uncertainty as regards the international financial environment and the markets functioning and, on the other hand, either the level of results generated in a consolidated basis in the first three months, either the recent orientations relative to the level of own funds issued by the Bank of Portugal.

Notwithstanding this decision of not proceed to the distribution of the 2008 interim dividend, the Bank reiterates the maintenance of its policy of distribution of dividends already announced, having, as principle, the goal of distributing 40% of net income, a proposal that it will submit to the forthcoming General Meeting of Shareholders.

III.10. Description of the main characteristics of the share attribution plans and stock option plans adopted or in force in the year in question, namely justification for the adoption of the plan, category and number of beneficiaries of the plan, attribution conditions, clauses on restrictions on the divestiture of shares, criteria relative to share prices and the price of the exercise of options, period of time when the options may be exercised, characteristics of the shares to be attributed, existence of incentives for the acquisition of shares and/or exercise of options and competence of the management body to implement or modify the plan.

There are no share attribution plans or stock option plans

III.II. Description of the main elements of the business and operations carried out between the company on the one hand, and, on the other hand, its management and supervisory boards, qualified shareholders or companies in a controlled or group relationship, provided that they have economic significance to any of the parties involved, except with respect to business or operations which, cumulatively, are carried out under normal market conditions for similar operations and are part of the company’s current activities.

All operations in the context of this number were carried out under normal market conditions for similar operations and are part of the company’s current activities.

On this issue, it should be noted that the operations in question are not the object of resolution by the Executive Board of Directors since they are submitted for the opinion of the committee for financial matters of the Supervisory Board.

III.12. Reference to the existence of an Investor Support Office or other similar service:

Through the Investor Relations Department (IRD), the Bank establishes a permanent dialogue with the financial world - Shareholders, Investors and Analysts as well as the financial markets in general and respective regulatory entities.

d) Functions of the IRD;

The main functions of the IRD are to inform, foster and reinforce the trust of the different market agents in the Bank, through the disclosure of financial information and relevant facts to allow for a correct evaluation of the value of the BCP share and Bank.
e) Type of information provided by the IRD:

In 2008, the Bank developed wide-reaching communication activities with the market, thus adopting the recommendations of the CMVM (Portuguese Stock Market Regulator) and international best practices in terms of financial and institutional communication.

All information of institutional nature that is public and relevant is available on the Bank's site, in its institutional area.

Hence, as a principle, immediately after disclosure to the market of information relative to Privileged Information, General Meetings, Disclosure of Earnings and other announcements, the Bank provides the respective documents and presentations in the institutional area of its portal.

f) Access to the IRD

Telephone: + 351 21 113 10 80
Fax: + 351 21 113 69 82
Address: Av. Prof. Doutor Cavaco Silva, Edifício 1 Piso 0B 2744-002 Porto Salvo, Portugal
e-mail: investors@millenniumbcp.pt

g) Company Internet site;

www.millenniumbcp.pt

h) Identification of the representative for market relations.

Pedro Esperança Martins.

III.13. Indication of the amount of annual remuneration paid to the auditor and other natural or corporate entities belonging to the same network supported by the company or by corporate entities in a dominance or group relationship, as well as the breakdown of the percentage concerning specific services.

Relationship with the Independent Auditors

Activity Monitoring

Monitoring of the activity of the Group Auditor, KPMG & Associados, SROC, S.A. ('KPMG') is ensured by the Supervisory Board, through the Audit and Risk Committee, which is also responsible for proposing the appointment of the Group Auditor to the General Meeting of Shareholders, as well as issuing its opinion on the auditor's independence conditions and other relations between the Auditor and the Group.
The aforementioned monitoring is achieved through regular contact with KPMG, allowing the Supervisory Board and the Audit and Risk Committee to discuss solutions and criteria resulting from audit activities in a timely manner.

**Remuneration**

During the financial year of 2008, the Banco Comercial Português and/or corporate entities controlled by the Bank or as part of the same group contracted services from KPMG (in Portugal and abroad), whose corresponding fees totalled 7.63 thousand euros, distributed by the various types of services provided, as follows:

<table>
<thead>
<tr>
<th>KPMG Network</th>
<th>December 31st 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Portugal</td>
</tr>
<tr>
<td>Legal accounts review services</td>
<td>2,254</td>
</tr>
<tr>
<td>Other guarantee and reliability services</td>
<td>1,504</td>
</tr>
<tr>
<td>Fiscal consultancy services</td>
<td>546</td>
</tr>
<tr>
<td>Other services than legal review</td>
<td>446</td>
</tr>
<tr>
<td></td>
<td>4,750</td>
</tr>
</tbody>
</table>

A description of the main services included in each category of services provided by KPMG, relative to December 31st 2008, is presented.

a) Legal accounts review services

Includes fees charged by KPMG and by the Statutory Auditor within the scope of auditing and legal revision of consolidated accounts for the Group and its various companies, on an individual basis, auditing of subsidiaries for consolidation purposes and other services associated to legal accounts revision, including the audit relative to December 31st and the limited revision relative to June 30th.

b) Other guarantee and reliability services

Includes fees charged by KPMG within the scope of provision of services that, considering their characteristics, are associated to the auditing activity and should, in most cases, be provided by statutory auditors, namely: issuing of comfort letters (including in 2008 the work performed within the scope of the share capital increase) and opinions on specific themes (internal control under Notification Number 5/2008 and economic provisions within the scope of Bank of Portugal regulatory requirements and services associated to security operations and other accounting services).

c) Fiscal consultancy services
Includes fees charged by KPMG within the scope of fiscal support provided to the Group relative to the review of the fiscal obligations of the various existing companies, in Portugal and abroad.

d) Other services than legal review

Includes fees charged by KPMG within the scope of services that do not fall into the category of legal revision, allowed in accordance with the defined independence rules.

**ESTABLISHED REGIME IN ORDER TO SAFEGUARD THE AUDITOR’S INDEPENDENCE**

**Approval of services**

Millennium bcp has a very strict independence policy in order to avoid any conflicts of interest in using the services of External Auditors. As auditor for Group BCP, KPMG complies with the independence rules defined by the Group, as well as with the independence rules defined by KPMG, by the International Standards on Auditing and by the local independence rules when these are more demanding.

With the objective of safeguarding auditor independence and taking into account good practices, as well as national and international rulings, a series of regulatory principles was approved by the Supervisory Board, through the Bank’s Audit and Risk Committee, and KPMG, as described below:

- KPMG, companies or corporate entities belonging to the same (“Network”) will not be able to provide services that are considered prohibited to the Bank or Group;

- Contracting of remaining non-prohibited services by any Organic Unit of the Bank or company controlled by the Bank entails previous approval by the Bank’s Audit and Risk Committee. The referred approval is issued for a pre-defined series of services, for a renewable 12-month period. For the remaining services, a specific approval by the Audit and Risk Committee is required.

**KPMG Risk Management and Quality Control Process**

**Risk management**

KPMG responsibility is to ensure that these services don’t put their independence as an auditor for Grupo BCP at risk. The auditor’s independence requirements are determined based on a combination between the policies of Grupo BCP regarding the independence of external auditors, each country’s legal requirements, when these are more demanding, and KPMG’s internal rules. Every year KPMG reports to the Executive Board of Directors and the Audit and Risk Committee on all established measures to safeguard its independence as an auditor for the Grupo BCP.

KPMG implemented a system on its intranet, at an international level, designated “Sentinel”, which conditions service provision by any office of the KPMG network to authorization by the Global Lead Partner responsible for the customer. This procedure implies that the KPMG Units from which the service in question is requested must obtain previous authorization from the referred Global Lead Partner. Service requests must include presentation of a rationale for the
requested activities, namely factors allowing evaluation of compliance with applicable risk management rules and, consequently, KPMG independence.

The Global Lead Partner is also responsible for verifying that service proposals presented through “Sentinel” comply with service pre-approval rules and, when applicable, proceeds with any necessary diligences before the Audit and Risk Committee, so as to verify the strict compliance with applicable independence rules.

All KPMG employees must comply with the independence rules described in the KPMG International Risk Management Manual, besides being obliged to fully comply with the rules established by the Auditors Order and, when applicable, the Independence Standards Board, SEC and other regulatory entities.

KPMG professionals are responsible for maintaining their independence, being obliged to periodically review their financial interests, as well as their personal and professional relationships, to ensure strict compliance with KPMG and professional independence requirements. It is forbidden for KPMG employees to collaborate with any other entities or organisations (customers or not), as managers, executive members, independent professionals or employees.

In order to guarantee its independence and that of its professionals, in reality and appearance, KPMG developed an application – the KPMG Independence Compliance System (KICS) – that includes information concerning independence rules, a search engine allowing access to the list of restricted entities, where KPMG professionals are not allowed to hold financial interests, and an employee financial investment reporting system, where professionals record the names of the entities where they hold financial interests. This way, this application fulfils AICPA independence demands without compromising privacy policies.

An annual independence statement is required from all KPMG professionals, signed by occasion of their joining and renewed on an annual basis, where these commit not to acquire financial interests, directly or indirectly, in KPMG customers, keep all information they may access confidential, and avoid any relationships with customer employees that may compromise KPMG’s independence and objectiveness.

Quality control

Quality control by national office internal teams

So as to guarantee service quality to its customers, KPMG annually conducts quality control of the performed activities, which essentially consists of the following aspects:

- Revision of each activity by the involved team, allowing identification of areas requiring additional work on a particular component of the customer’s financial statements, before the work in question is concluded;

- Annual revision, by a team consisting of KPMG’s most experienced professionals, of a representative sample of customer’s documents, in order to ensure that work planning was performed in the most effective manner, as well as to ensure that the information collected at this stage allowed to structure and design adequate internal control tests, and that these
guaranteed the analysis of all risk areas identified in work planning stages and, eventually, in subsequent stages.

**Quality control by international office internal teams**

In addition to quality control activities continuously carried out by our professionals in Portugal, KPMG annually performs quality audits of general procedures, as well as of risk and quality evaluation procedures of the conducted work. These audits are performed by KPMG international office staff with adequate training to carry out these control activities.

These control activities allow to share and harmonize the knowledge of KPMG, worldwide, enabling the identification of risks and the use of determined assessment and risk minimization tools, already developed in other countries. The quality assessment and evaluation made by the professionals of the offices in Portugal and of those abroad are supported by another IT tool especially developed for that purpose – the Risk Compliance Checklist (RCC).
Annexes

to the

Corporate Governance Report
ANNEX I

Supervisory Board's Remuneration approved by the General Meeting of Shareholders of Banco Comercial Português, S.A. on 28/05/2007, approved by 99.85% of the shareholders present or represented.

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.
28/05/2007

PROPOSAL IN CONJUNCTION WITH ITEM 6 OF THE AGENDA

Considering

- The short term limit agreed upon the meeting of the Supervisory Board.
- The valuable contributions of Banco Comercial Português in the Group's history.
- The high responsibility that the members of the Supervisory Board have, as well as the high demands and duty.
- The performance of Banco Comercial Português.

We hereby propose that pursuant to article 440 of the Company Code, the remuneration of the members of the Supervisory Board, including the alternate member when he represents, exceed the amount of the Board, be established as follows and be divided into four annual and annual reviews:

<table>
<thead>
<tr>
<th>Role</th>
<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>366,000 €</td>
</tr>
<tr>
<td>Vice-Chairman of the Specialized Committees</td>
<td>3,800 €</td>
</tr>
<tr>
<td>Vice-Chairman of a Specialized Committee</td>
<td>2,590 €</td>
</tr>
<tr>
<td>Vice-Chairman of a Specialized Committee</td>
<td>2,590 €</td>
</tr>
<tr>
<td>Alternate Board member in a Specialized Committee</td>
<td>175,000 €</td>
</tr>
<tr>
<td>Senior Board member that is not a Specialized Committee</td>
<td>175,000 €</td>
</tr>
</tbody>
</table>

 Lisbon, 20 May 2007

The Presiding Chairman

António Luís de Almeida Neves
ANNEX II

Remuneration Policy of the members of the Supervisory Board

GENERAL MEETING OF SHAREHOLDERS OF

BANCO COMERCIAL PORTUGUÊS, S.A

(30/03/2009)

STATEMENT RELATING TO THE REMUNERATIONS POLICY OF THE MEMBERS OF CORPORATE BODIES

In accordance with the company’s articles of association it is a competence of the Remunerations and Welfare Board (RWB) to submit a statement on the remuneration policy of the members of corporate bodies to the appraisal of the General Meeting of Shareholders.

The current RWB was elected at the Annual General Meeting of 2008 with the following composition:

Chairman: José Manuel Rodrigues Berardo (non-independent)

Voting Members: Luís de Melo Champalimaud (independent);
Manuel Pinto Barbosa (independent).

In accordance with the articles of association, it pertains to the WRB to resolve on the remunerations of all corporate bodies.

In 2008, before the General Meeting that elected this Remunerations and Welfare Board, the Supervisory Board became responsible, in accordance with article 13 (1) of the Articles of Association, for establishing the remuneration conditions of the members of the Executive Board of Directors.

Considering the provisos of the articles of association, the RWB considers that it is not responsible for establishing the remunerations of the governance bodies that are not, at the same time, corporate bodies.

On the date this RWB was elected, the remunerations of the several corporate bodies exercising functions at the time had already been established.

Considering that the term-of-office of the current Supervisory Board ended on 31 December 2008, the forthcoming Annual General Meeting of Shareholders must elect a new one.

Hence, this is the right moment for the WRB to present before all Shareholders its remuneration policy, at least in what concerns the Supervisory Board to be elected.

The remuneration policy for the corporate bodies of Millennium BCP must be straightforward, transparent and competitive, thus assuring the creation of value for the shareholders and remaining stakeholders.
Considering the functions of the Supervisory Board, its remuneration should also guarantee the full independence of its members from the Bank’s executive bodies.

These remunerations shall be fixed and not accrue with any other remunerations for functions in other corporate and/or governance bodies of the Bank.

The RWB also deemed that the remunerations of the Supervisory Board should be established bearing in mind the Bank’s effort to meet the interests of Millennium BCP’s shareholders, obtained by substantially reducing the remunerations of the current Executive Board of Directors elected at the General Meeting of 15 January 2008.

Therefore, the RWB foresees a significant decrease of the costs with the functioning of the Supervisory Board – estimated at around 50%-, without incurring the risk of disturbing the Supervisory Board’s effective and efficient exercise of its functions.

Thus, bearing in mind the principles listed above, as well as the practices of large Portuguese companies, the responsibilities and functions of the members of the Supervisory Board and the present market conditions, the RWB adopted the following rules:

Chairman, autonomous remuneration;

Vice-Chairman, who is member of a Specialized Committee, between 50% and 75% of the Chairman’s remuneration;

Chairman of the ARC, between 50% and 75% of the Chairman’s remuneration;

Vice-Chairman, who is not member of a Specialized Committee, between 25% and 50% of the Chairman’s remuneration;

Effective member, who is member of a Specialized Committee, between 25% and 50% of the Chairman’s remuneration;

Effective member, who is not member of a Specialized Committee, between 10% and 25% of the Chairman’s remuneration;

Lisbon, 5 March 2009

THE REMUNERATIONS AND WELFARE BOARD
ANNEX III

Remuneration Policy for the members of the Executive Board of Directors

ANNUAL GENERAL MEETING OF BANCO COMERCIAL PORTUGUÊS, S.A.

(30/03/2009)

STATEMENT IN CONNECTION WITH ITEM 4 ON THE AGENDA

Whereas:

1. The Supervisory Board, using the capacity established by article 429 of
   the Companies Code and article 13 (1) of the Articles of Association of
   Banco Comercial Português, appointed a committee named Selection
   and Remunerations Committee granting it the powers required to
   establish the remuneration of the Executive Board of Directors;

2. The beginning of a new strategic and management cycle in Millennium
   BCP, as well as the renewal of the Executive Board of Directors and its
   new term-of-office initiated at the General Meeting of 15 January 2008,
   recommended a new remuneration policy for the Executive Board of
   Directors;

3. The remuneration policy for the Executive Board of Directors must: be
   simple, transparent and reflect the competitive position of Millennium
   bcp, both in Portugal and abroad; ensure the required alignment with
   the company’s global remuneration policy, focusing on the creation of
   value for the shareholder; promote and reward the accomplishment of
   the Bank’s results, in the short- and long-term, supporting the
   implementation of the strategy set forth.

4. At the General Meeting held on 27 May 2008, the Shareholders
   appraised a Statement on this matter, which was afterwards subject of
   amendment proposals regarding the Retirement Regulations of
   Executive Directors of Banco Comercial Português and other
   compensations;

In accordance with the provisos of art. 13 (5) of the Articles of Association of Banco
Comercial Português, S.A., we transcribe below the general guidelines for the
remuneration policy of the Executive Board of Directors, including the supplemental
plan for retirement and survivor pension plans.
REMUNERATION POLICY OF THE EXECUTIVE BOARD OF DIRECTORS

The global remuneration includes the following components:

- Fixed Remuneration, paid 14 times a year. The Selection and Remunerations Committee shall, based on international benchmarks, define the remuneration of the Chairman, being the remuneration of the Vice-Chairmen between 70% and 80% and that of the remaining members between 60% and 70% of the remuneration of the Chairman. The benchmark for the remuneration is based on the comparison with the Portuguese benchmark universe, composed by companies listed in PSI-20 with size or features similar to those of Millennium bcp.

- Variable Remuneration, has two components and was designed to incentive the Bank’s top performance in a sustained manner in the long term:
  
  o Annual Variable Remuneration, paid only once to the members of the Executive Board of Directors in effect in the month of the payment of dividends approved at the Annual General Meeting. This remuneration compensates the accomplishment of the annual results and may amount to 130% of the Annual Fixed Remuneration, depending on the compliance with the goals set forth. This remuneration depends on a benchmark based on the practices followed by the European financial sector.

  o Multiannual Variable Remuneration, computed for the three year term-of-office and paid only once in the year after the end of the term-of-office. This remuneration compensates the accomplishment of the annual results and may amount to 130% of the Fixed Annual Remuneration, depending on the compliance with the goals set forth. This remuneration depends on a benchmark based on practices followed by the European financial sector.

The variable remuneration, as a whole and for all the members of the Executive Board of Directors, cannot surpass 2% of the net income.

Criteria for granting the annual variable remuneration

The Annual Variable Remuneration is computed based on the Group’s results and on the individual performance of each Executive Director.

The Group’s results are computed in absolute terms, from a growth standpoint, and against the performance of the BEBANKS – Bloomberg Europe Banks and Financial Services Index, based on the growth indicators of Banking Product, the improvement of the Cost-to-Income ratio, the increase of net earnings, the Return on Equity and the total Shareholder Return. These indicators are pondered based on their level of strategic importance.

Besides verifying these indicators while assessing the Executive Board of Directors as a team (Group Earnings), the members’ individual performance is also appraised
(Individual Multiple) based on the performance and individual results achieved, as well as their contribution to the company’s image and reputation in their relation with the shareholders and with the stakeholders in general.

**Criteria for granting the multiannual variable remuneration**

This component of the Variable Remuneration aims to ensure the sustainability of Millennium bcp’s performance and to continuously bind the members of the Executive Board of Directors. Under these terms and conditions, this component shall not be paid in case of resignation or loss of mandate when caused by the member, except death or retirement on account of age or disability. Failure to be re-elected does not hurt the computation of the multiannual remuneration.

The Multiannual Variable Remuneration is also computed based on the Group’s results and on the individual performance of the Executive Directors during their term-of-office.

The Group’s results are computed in terms of absolute and relative performance against the BEBANKS, taking into consideration the average three-year growth of the indicators for Banking Product, Cost-to-Income ratio, Net Earnings, Return on Equity and Total Shareholder Return. These indicators are pondered based on their level of strategic importance.

The Individual Multiple is computed based on the appraisal of the individual performance during the term-of-office.

**Other compensations:**

The members of the Executive Board of Directors are only entitled to the compensations disclosed and shall receive no additional compensations for their functions. The existing benefits in terms of home loans, health insurance, occupational disease insurance, personal injury insurance, credit card and mobile phone remain in effect. Regarding cars, the benchmark is the average amount considered to be the practice in the benchmark market (companies listed in PSI-20 with similar size or features).

**Retirement Regime**

The supplements for the retirement and survivor pension are granted based on the functions as Director in the Bank’s executive management body, under the terms and conditions of the Regulations hereto attached.

Lisbon, 16 February 2009

THE SUPERVISORY BOARD
ANNEX IV

Retirement Regulations for Executive Directors of Banco Comercial Português, S.A.

(4/12/2008)

Article 1

(Object)

These Regulations set forth, in accordance with Art. 13 of the Articles of Association of Banco Comercial Português, S.A. (the Bank), the supplemental regime of benefits due to retirement, disability or survivorship, granted based on the functions as Director in the Bank's executive management body.

Article 2

(Scope)

1. Are within the scope of these Regulations the Beneficiaries, included in the Social Security General Regime or in the Social Security Private Regime for the Banking Sector in Portugal, who were members of the Bank's Executive Board of Directors during the terms-of-office as of 2008/2010, for purposes of protection in case of disability or retirement.

2. These Regulations also comprise the beneficiaries of the survivorship pensions referred in Article 5.

Article 3

(Supplemental retirement and disability pension)

1. The right to the supplemental retirement or disability pension is granted if the beneficiary retires due to old age or disability, under the terms of the applicable social security regime.

2. The value of the supplemental pension results from the transformation of the capital accrued in the Individual Account of the Pension Fund, after deducting the applicable taxes, into a monthly pension for life.

3. The supplemental pension will be granted by purchasing a lifelong pension policy from an insurance company, being the Director responsible for choosing the annual growth rate and the pension conversion in case of death.

Article 4

(Capital redemption)
As an alternative to the supplemental pension provided in Article 3, the Director may choose to redeem the capital under the terms and limits provided by law.

Article 5

(Survivorship supplemental pension)

If the Director is deceased before retirement, his/her legitimate heirs, if any, shall be entitled to the capital accrued in the Director’s Individual Account, in accordance with the laws of inheritance.

Article 6

(Financing)

1. The supplemental benefits plan regulated herein is financed through individual applications to an open pension fund.

2. The Bank’s annual contribution to the plan established in these regulations equals, before applying any income tax deductions for individuals, 23% of the difference between the annual gross fixed remuneration of the Director for being a member of the Bank’s Executive Board of Directors and the annual gross fixed remuneration used as base for the Bank’s mandatory contributions to the welfare system applicable to the Director in case of disability, old age or death (Social Security General Regime; Social Security Private Regime for the Banking Sector and the supplemental Plan for Employees of Banco Comercial Português, S.A.).

Article 7

(Accumulation of retirement benefits and remunerations)

The accumulation of retirement benefits due to old age and the remuneration earned as Director of the entity paying the pension is allowed, but while the Director remains in functions it will be deducted from his gross remuneration the net amount of the pension or the amount that would have been paid as an alternative to the capital redemption, without damaging the full payment of all amounts decided by the Remunerations and Welfare Board or Remunerations Committee in accordance with art. 13 of the Bank’s Articles of Association, when applicable, as variable remuneration or premiums for the functions exercised.

Article 8

(Application and Revision)

1. These Regulations, as adopted in 2008, shall apply to the benefits to grant after the date of their approval by the competent corporate body and approval by or notification to Instituto de Seguros de Portugal (Portuguese Insurance Institute), as required.
2. These Regulations shall be interpreted and applied by the Remunerations Board or Committee referred in the previous article.

3. The Remunerations Board or Committee must submit any amendments to these Regulations to the appraisal of the Annual General Meeting.
**ANNEX V**

Curricula Vitae of the Members of the Executive Board of Directors of Banco Comercial Português, S.A.

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**Carlos Jorge Ramalho dos Santos Ferreira**

*Personal data:*

- **Date of Birth:** 23 February 1949
- **Place of Birth:** Lisbon
- **Nationality:** Portuguese
- **Position:** Chairman of the Executive Board of Directors

- **Beginning of functions:** 16.01.2008
- **Term-of-office:** 2008/2010

*Management Positions presently held in Companies of the Group:*

**In Portugal:**

- Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
- Chairman of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
- Chairman of the Board of Directors of Fundação Millennium bcp.

**Abroad:**

- Member of the Supervisory Board of Bank Millennium, SA (Poland)

*Current positions outside the Group:*

- Member of the Board of Directors of Banco Sabadell, as representative of Banco Comercial Português SA (BCP)
- Member of the Supervisory Board of EDP – Energias de Portugal, S.A.

*Direct Responsibilities within the Group’s organization:*

- General Secretariat
- Relations with the Authorities
Communication Department

Staff, Professional Training and Development

Millennium Angola

Millennium 2010

Audit

Academic Education:

- 1971- Licentiate Degree in Law from the Faculty of Law of Universidade Clássica de Lisboa

- 1977 a 1988 - Lecturer in charge of overseeing the courses of Public Finances, Financial Law, International Economic Law and Currency and Credit in the Faculty of Law of the Universidade Clássica de Lisboa, in the Faculty of Law of the Universidade Católica Portuguesa and in the Faculty of Economics of the Universidade Nova.

Professional Experience:

- 1984/1988 - Member of the Tax Reform Commission


- 1977/1987 - Member of the Management Board of the state-owned company ANA - Aeroportos e Navegação Aérea

- 1987/1989 - Chairman of the Board of Directors of Fundição de Oeiras.


- 1992/1999 - In Group Champalimaud, Director and subsequently Chairman of the Board of Directors of the Insurance Company Mundial Confiança and Chairman of the Board of the General Meeting of Banco Pinto & Sotto Mayor.


- 1999/2003 - In Group BCP, Director of ServiBanca- Empresa de Prestação de Serviços, ACE; Vice-Chairman and Member of the Board of Directors of Seguros & Pensões Gere, SGPS, SA; Director and Chairman of
the Board of Directors of Império Bonança, of the insurance companies Ocidental and Ocidental Vida, Seguro Directo, ICI-Império Comércio Indústria, Companhia Portuguesa de Seguros de Saúde, Autogere- Companhia Portuguesa de Seguros, S.A., Corretoresgest, S.A. and of Pensões Gere – Sociedade Gestora de Fundos de Pensões, SA and Director of Eureko, BV.

2003/2005 - Vice-Chairman of Estoril- Sol SGPS, SA, Vice-Chairman of Finansol-SGPS, SA and Non-executive Chairman of Willis Portugal - Corretores de Seguros, SA.

2003/2005 - Member of the Board of Directors of Varzim Sol – Turismo, Jogo e Animação, SA.

2005 - Director of the Seng Heng Bank

2005/2008 - Chairman of the Board of Directors of Caixa Geral de Depósitos, SA

2005/2008 - Chairman of Banco Nacional Ultramarino, SA (Macau)

2005/2008 - Chairman of Caixa - Banco de Investimento, SA

2005/2008 - Chairman of Caixa Seguros, SGPS, SA

2005/2008 - Member of the Supervisory Board of EDP – Energias de Portugal, S.A.

Member of the Board of the Steering and Strategy Committee of Foment Invest, SGPS, S. de Portugal, SA

February to December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda
Armando António Martins Vara

Personal data:

Date of Birth: 27 March 1954

Place of Birth: Vinhais - Bragança

Nationality: Portuguese

Position: Vice-Chairman of the Executive Board of Directors

Beginning of functions: 16.01.2008

Term-of-office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

Vice-Chairman of the Board of Directors of Fundação Millennium bcp.

Chairman of the Board of Directors of Banco de Investimento Imobiliário, S.A.

Vice-Chairman of the Board of Directors of Banco Millennium bcp Investimento, S.A

Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.

Manager of BII Internacional, SGPS, Lda.

Manager of VSC- Aluguer de Viaturas sem Condutor, Lda

Vice-Chairman of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE

Abroad:

Vice-Chairman of the Board of Directors of BIM - Banco Internacional de Moçambique, S.A.

Functions within the organizational framework of the Group:

Corporate and Companies Coordination Committee

Banking Services Coordination Committee

Direct Responsibilities:
Corporate Network

Companies Network

Factoring and Leasing

Companies Marketing

Procurement, Assets and Security

Communication Department

Sale of Assets

Fundação Millennium bcp

Millennium Moçambique

Rea-estate Promotion Department

Academic Education:

2005 - Licentiate Degree in International Relations (UNI).

2004 - Post Graduate Degree in Business Administration (ISCTE).

Professional Experience:

February to December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda

2005/2008 - Member of the Board of Directors of Caixa Geral de Depósitos, S.A.

2005/2008 - Chairman of the Board of Directors of IMOCAIXA, S.A.

2005/2008 - Chairman of the Board of Directors of SOGRUPO, IV - Gestão de Imóveis, S.A.

2005/2008 - Member of the Board of Directors of CAIXA PARTICIPAÇÕES, SGPS, S.A.

2005/2008 - Member of the Board of Directors of CAIXATEC - Tecnologias de Comunicação, S.A.

2006/2008 - Member of the Board of Directors of Portugal Telecom, SGPS, S.A.

2001/2005 - Manager and Coordinator-Manager at Caixa Geral de Depósitos, S.A.

Sept/ 2000 to Dec/2000- Minister of Youth and Sport of the XIV Constitutional Government
Oct/1999 to Sept/2000 - Deputy Minister of the Prime Minister of the XIV Constitutional Government

1997/1999 - Deputy Secretary of State of Internal Administration of the XIII Constitutional Government

1995/1997 - Secretary of State of Internal Administration of the XIII Constitutional Government

Member of the Parliament during the IV, V, VI and VII Legislatures.

Vice-Chairman of the Social Equipment and Youth Parliamentary Commissions

1987/1991 - Member of the Parliamentary Assembly of the Council of Europe

1989/1991 - Member of the Parliamentary Assembly of the Western European Union

1992/1996 - Chairman of the Board of Directors of Fundação José Fontana

Councillor of Amadora Town Hall

Member of the Management of Instituto da Imprensa Democrática (Democratic Press Institute).

Member of the corporate bodies of Instituto Luso – Árabe de Cooperação (Portuguese- Arab Cooperation Institute).
Paulo José de Ribeiro Moita de Macedo

Personal data:

Date of Birth: 14 July 1963
Place of Birth: Lisboa
Nationality: Portuguese
Position: Vice-Chairman of the Executive Board of Directors
Beginning of functions: 06.01.08
Term-of-office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
Member of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
Vice-Chairman of the Board of Directors of Fundação Millennium bcp.

Abroad:

Member of the Supervisory Board of Bank Millennium, SA (Poland)
Member of the Board of Directors of BCP Holdings (USA), Inc. (USA)

Functions within the organizational framework of the Group:

Banking Services Coordination Committee

Direct Responsibilities:

Corporate Centre
Accounting and Consolidation
Relations with Investors
Risk Office
Compliance Office
Credit Recovery

Legal Department

Academic Education:

1986 - Licentiate Degree in Corporate Organization and Management at the School of Economics of Universidade Técnica de Lisboa

2001 - Company's Senior Management Programme - AESE

1986/1991 - Trainee Lecturer at the School of Economics and Management of Universidade Técnica de Lisboa – Management Department

1991/2002 - Guest Lecturer at the School of Economics and Management of Universidade Técnica de Lisboa – Management Department

Teacher of the Post-Graduate Degree on Tax Matters at the Instituto de Estudos Superiores Financeiros e Fiscais (School of Tax and Financial Studies).

Teacher of the Post-Graduate Degree on Tax Management at the School of Economics and Management of Universidade Técnica de Lisboa.

Teacher of the Post-Graduate Degree on Management of Banks and Insurance Companies at the School of Economics and Management of Universidade Técnica de Lisboa.

Teacher of the MBA of AESE.

Professional Experience:

February to December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda.


May 2004/July 2007 – Tax General Director and Chairman of the Tax Administration Board.

2003/2004 - Member of the Management Commission of Seguros e Pensões, SGPS, S.A.

2001/2004 - Member of the Board of Directors of Companhia Portuguesa de Seguros de Saúde, S.A (Médis).
2000/2001 - Director of Interbanco, SA

1998/2000 - Director of Comercial Leasing, SA

September 1993/1998 – Banco Comercial Português, S.A., having performed the following functions:

Manager – Strategic Marketing Unit;

Manager – Credit Cards Commercial Department;

Manager – Marketing of the Trade and Entrepreneurs Network;

Manager – Corporate Centre;

Manager – Euro Cabinet.

September 1986/September 1993 – Arthur Andersen (a company that, from August 2002 onwards merged its activities in Portugal with Deloitte, Portugal), Tax Advising Division, Assistant, Senior Assistant and Manager.

Other Activities:

1994/1996 - Member of the Tax Reform Commission.

1997 - Member of the Work Group for the Re-Assessment of Tax Benefits.
José João Guilherme

Personal data:

Date of Birth: 16 June 1957
Place of Birth: Coruche
Nationality: Portuguese
Position: Member of the Executive Board of Directors
Beginning of functions: 16.01.2008
Term of office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

Chairman of the Board of Directors of Banco Millennium bcp Investimento, S.A
Chairman of the Board of Directors of Banco Activobank (Portugal), S.A.
Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
Member of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
Member of the Board of Directors of Fundação Millennium bcp.

Abroad:

Member of the Board of Directors of BCP Holdings (USA), Inc. (USA)

Current positions outside the Group:

- Member of Executive Board of the “ELO- Associação Portuguesa para o Desenvolvimento Económico e a Cooperação” (Portuguese Association for the Economical Development and Cooperation), representing Banco Comercial Português, S.A.

Member of the Board of Directors of the Fund PVCi-Portugal Venture Capital Initiative as representative of BCP Internacional II.

Functions within the organizational framework of the Group:
Retail Coordination Committee

Corporate and Companies Coordination Committee

Direct Responsibilities:

Investment Banking

International Division

Commercial Innovation and Disclosure Department

MID-CA

ActivoBank7

Academic Education:

1981 - Licentiate degree in Economics from the Universidade Católica Portuguesa (Portuguese Catholic University).

Professional Experience:

1990/1994 - Manager of Banco Comercial Português de Investimento, SA

1991/1994 - Non-executive Director of CISF RISCO Companhia de Capital de Risco, S.A

1995 - Coordination Department – South, of NOVAREDE

1998/2001 - Member of the Board of Directors of Big Bank Gdansk SA

2000/2001 - Member of the Supervisory Board of the company Polcard (Poland), in the credit card business.

2003/2005 - Member of the Board of Directors of Seguros & Pensões SGPS

2001/2005 - Member of the Board of Directors of Ocidental - Companhia Portuguesa de Seguros, S.A.

2001/2005 - Member of the Board of Directors of Ocidental Vida Companhia de Seguros, S.A.

2002/2005 - Member of the Board of Directors of Seguro Directo Companhia de Seguros, SA

2005/2006 - General Manager of Banco Comercial Português, S.A.

October 2007/March 2008 - Chairman of the Board of Directors of Millennium bcp Teleserviços – Serviços de Comércio Electrónico, SA
October 2007/May 2008 - Member of the Board of Directors of Millennium bcp Gestão de Fundos de Investimento, SA

February to December 2008 - Manager of BCP Participações Financeiras, SGPS
Nelson Ricardo Bessa Machado

Personal data:

Date of Birth: 15 September 1959
Place of Birth: Oporto
Nationality: Portuguese
Position: Member of the Executive Board of Directors

Beginning of functions: 16.01.2008
Term-of-office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
Member of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
Member of the Board of Directors of Fundação Millennium bcp.
Vice-Chairman of the Board of Directors of Millennium bcp Fortis Grupo Segurador, SGPS, S.A.;
Vice-Chairman of the Board of Directors of Médis - Companhia Portuguesa de Seguros de Saúde, S.A.
Vice-Chairman of the Board of Directors of Ocidental - Companhia Portuguesa de Seguros, S.A.
Vice-Chairman of the Board of Directors of Ocidental - Companhia Portuguesa de Seguros de Vida, S.A.
Vice-Chairman of the Board of Directors of Pensões Gere- Sociedade Gestora de Fundos de Pensões, S.A.

Abroad:

Member of the Supervisory Board of Bank Millennium, SA (Poland)
Vice-Chairman of the “Conseil de Surveillance” of Banque BCP, S.A.S (France)
Member of the Board of Directors of Millennium Bank, SA (Greece)

Member of the Board of Directors of BCP Holdings (USA), Inc. (USA)

Functions within the organizational framework of the Group:

Retail Coordination Committee

Private Banking and Asset Management Coordination Committee

European Banking Coordination Committee

Direct Responsibilities:

Retail Network (Portugal)

Contact Centre

Insurances

Academic Education:

1982 - Licentiate Degree in Economics from the School of Economics of the University of Oporto.

Lecturer in the Faculty of Economics of Oporto between 1982/83 and 1986/87

Guest lecturer in the Faculty of Engineering in 1987/88.

Professional Experience:

September 1982/June 1983 - Department for Economic and Marketing Studies of Banco Português do Atlântico (6 months in the Centre for Studies and Marketing).


March 1987 - Returns to BPA to the Corporate Studies Department of DEMP.

January 1988 - Commercial Manager of PRAEMIUM – Sociedade Gestora de Fundos de Pensões, in charge of launching of the Pension Funds.

March 1989 - Deputy Director of PRAEMIUM.

1991 - Member of the Board of Directors of BPAVIDA, SA

1996 - Head of the Direct Banking Department of BPA.
1996 - Head of the Project “In Store Banking” leading to the opening of Banco Expresso Atlântico.

November 1996 - Coordinating Manager of NovaRede – North.

October 1997/October 2000 – additionally Head of Project NRSECXXI

December 2000/February 2000 - Member of the Board of Directors of Crédibanco – Banco de Crédito Pessoal, S.A.

October 2001/February 2002 - Member of the Board of Directors of Leasefactor, SGPS, SA

March 2002/June 2003 – Director of Interamerican Life Insurance Company – the largest life and health insurance company in Greece.

July 2003/July 2006 – Director and General Manager of NovaBank (later MillenniumBank) in Greece.

July 2003/July 2006 – Non-executive Director of Bank Europa (later MillenniumBank Turkey)

August 2006/January 2008 - General Manager of MillenniumBcp with the functions of Coordinating Manager of one of the retail coordination areas.

February/December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda
Luís Maria França de Castro Pereira Coutinho

Personal data:

Date of Birth: 2 March 1962
Place of Birth: Lisboa
Nationality: Portuguese
Position: Member of the Executive Board of Directors
Beginning of functions: 16.01.2008
Term-of-office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

- Member of the Board of Directors of Banco Activobank (Portugal), S.A.
- Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
- Member of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
- Member of the Board of Directors of Fundação Millennium bcp.

Abroad:

- Vice Chairman of the Executive Board of Directors of Bank Millennium (Poland)
- Member of the Supervisory Board of Millennium Leasing Sp. Z.o.o. (Poland)
- Member of the Supervisory Board of Millennium Dom Maklerski SA. (Polónia)
- Member of the Supervisory Board of Millennium Lease Sp. Z.o.o. (Poland)
- Chairman of the Board of Directors of Banque Privée BCP (Suisse), SA
- Vice-Chairman of the Board of Directors of Millennium Bank, SA (Greece)
- Chairman of the Board of Directors of BCP Holdings (USA), Inc. (USA)

Functions within the organizational framework of the Group:

- Private Banking and Asset Management Coordination Committee
European Banking Coordination Committee

Direct Responsibilities:

- Millennium Poland
- Millennium Greece
- Millennium Romania
- Millennium Turkey
- Millennium US.A.
- Private Banking
- Banque Privée (Switzerland)
- WMU London
- Asset Management

Academic Education:

1984 - Licentiate degree in Economics from the Universidade Católica Portuguesa (Portuguese Catholic University).

Professional Experience:

1985/1988 - Responsible for the Dealing-Room of Credit Lyonnais (Portugal)


1991/1993 - Member of the Board of Directors of Geofinança – Sociedade de Investimentos

1993/1998 - Member of the Executive Committee and of the Board of Directors of Banco Mello, SA

1998/2000 - Vice-Chairman of the Executive Committee and Member of the Board of Directors of Banco Mello

2000/2001 - General Manager of Banco Comercial Português, S.A.

2001/2003 - Head of the Office of the Chairman of the Board of Directors of Banco Comercial Português, S.A

2003/2008 - Vice-Chairman of the Board of Directors of Bank Millennium, SA (Poland)
February/December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda
Vítor Manuel Lopes Fernandes

Personal data:

Date of Birth: 13. November 1963
Place of Birth: Lisboa
Nationality: Portuguese
Position: Member of the Executive Board of Directors
Beginning of functions: January 2008
Term-of-office: 2008/2010

Management Positions presently held in Companies of the Group:

In Portugal:

Manager of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.
Member of the Board of Directors of Millennium bcp - Prestação de Serviços, ACE
Member of the Board of Directors of Fundação Millennium bcp.

Abroad:

Member of the Supervisory Board of Bank Millennium, SA (Poland)
Member of the Board of Directors of Millennium Bank, SA (Greece)
Member of the Board of Directors of BCP Holdings (USA), Inc. (USA)

Current positions outside the Group:

Member of the Board of Directors of SIBS – Sociedade Interbancária de Serviços, S.A, as representative of Banco Comercial Português, SA

Functions within the organizational framework of the Group:

Banking Services Coordination Committee

Direct Responsibilities:

IT
Management Planning and Control (IT)

Operations Department

Credit Department

Quality and Processes

Tax

Number of shares of Banco Comercial Português, SA held on 31 December 2008:

20,000

Academic Education:

1986 - Licentiate Degree in Business Management from the Faculty of Human Sciences of Universidade Católica Portuguesa (Portuguese Catholic University).

Chartered Accountant since 1992, registered in the Ordem dos Revisores Oficiais de Contas (Portuguese Chartered Accountants Association).

Professional Experience:


1992/September 2002 – Insurance Company Mundial – Confiança:

July/October 1992 – Advisor to the Board of Directors

October 1992/June 1993 – Audit Manager

June 1993/March 1995 - Technical General Manager

31 March 1995/17 June 1999 - Director

June 1999/June 2000 - Chairman

June 2000 - Vice-Chairman

April 2001/September 2002 - Chairman

April 2000/March 2001 - Director of the insurance company Fidelidade

April 2001/September 2002 - Chairman of the insurance company Fidelidade

June 2000/December 2007 - Member of the Board of Directors of Caixa Geral de Depósitos, S.A.
2002/2007 - Chairman of the insurance company Fidelidade Mundial, SA

January 2005/December 2007 - Chairman of the insurance company Império Bonança, Companhia de Seguros, SA

July 2005/December 2007 - Vice-Chairman of Caixa Seguros, SGPS, SA

January 2005/December 2007 - Chairman of Império Bonança, SGPS, SA

February 2006/December 2007 - Chairman of SOGRUPO, SGPS, SA

February to December 2008 - Manager of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda
ANNEX VI

Curricula Vitae of the Members of the Supervisory Board of Banco Comercial Português, S.A.,

Gijsbert J. Swalef

Age: 68 years old.

Current position in the Group: Vice-Chairman of the Supervisory Board of Banco Comercial Português, S.A. since March 2006, holding the position of Chairman since 1st January 2008, following the resignation of Jorge Jardim Gonçalves.

Academic qualifications: various diplomas from Business Management higher education institutions in Holland, his place of birth, and abroad.

Professional experience: his career began in the insurance sector in 1957, having been involved in the foundation of the company Equity & Law in 1970, of which he was a director.

In 1989 he was elected Chairman of the Board of Directors of Centraal Beheer and Chairman of the Board of Directors of the Achmea Group, a company that resulted from the merger of Centraal Beheer with various other institutions, a position held up to April 2000. Chairman of the Board of Directors of Eureko B.V. from December 2002 to October 2005. Among other positions, he was chairman and vice-chairman of the Comité Européen des Assurances (CEA) Paris, chairman of the Supervisory Board of Conyplex B.V., NV Bank voor de Bouwnijverheid and member of the board of directors of Koningin Juliana tot Steun Foundation and of Yura International Holding, B.V.. He is currently Chairman of the Executive Board of the Association Achmea and of the Administratiekantoor Achmea, Zeist Foundation.

António Manuel Ferreira da Costa Gonçalves

Age: 68 years old.

Current position in the Group: Vice-Chairman of the Supervisory Board and Vice-Chairman of the Senior Board of Banco Comercial Português, S.A..


Professional experience: promoting and founding member of Sociedade Portuguesa de Investimentos, of which he was Vice-Chairman of the General Council, Vice-Chairman of the Senior Board of Banco Comercial Português, S.A from 1996 to March 2005, and founding member of COTEC Portugal, Fundação de Serralves and Casa da Música. He is currently Chairman of the Board of Directors of the companies comprising Grupo Têxtil Manuel Gonçalves.

António Luís Guerra Nunes Mexia

Age: 51 years old.
Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since the General Meeting of 15 January 2008.

Academic qualifications and experience: degree in Economics in 1979 at Geneva University. From 1979 to 1981, he was Assistant at the Economics Department of Geneva University. From 1985 to 1989, he was a post-graduate lecturer of European Studies at Universidade Católica and Regent at Universidade Nova and Universidade Católica where he lectured from 1982 to 1995.

Professional experience: From 1986 to 1989, he was Deputy Secretary of State for External Trade. In 1989, he held the position of Deputy Chairman of the Board of Directors of ICEP – Instituto do Comércio Externo, responsible for Foreign Investment. From 1990 to 1998, he was a Director at Banco Espírito Santo de Investimento, responsible for the areas of Capital Markets, Brokerage and Project Finance. In 1998, he was appointed Chairman of the Boards of Directors of GDP – Gás de Portugal and Transgás. In 2000, he was Vice-Chairman of the Board of Directors of Galp Energia, being Executive Chairman from 2001 to 2004. From 2001 to 2004, he was also Chairman of the Boards of Directors of Petrogal – Petróleos de Portugal, GDP – Gás de Portugal, Trangás and Trangás-Atlântico. In 2004, he was appointed Minister for Public Works, Transport and Communications of the XVI Constitutional Government. He was also Chairman of APE – Associação Industrial Portuguesa de Energia from 1999 to 2002, member of the Trilateral Committee from 1992 to 1998, Deputy Chairman of AIP – Associação Industrial Portuguesa and Chairman of the General Council of Ambelis, as well as Representative of the Portuguese Government at the European Union in the working party for the development of trans-European networks. He is currently Chairman of the Executive Board of Directors of EDP – Energias de Portugal, EDP – Energias do Brasil, EDP – Estudos e Consultadoria, positions that he held since March 2006. He is also non-executive Director at Aquapura – Hotels Resort & SPA.

Francisco de la Fuente Sánchez

Age: 66 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since March 2006, Chairman of the Corporate Governance Committee and Vice-Chairman of the Nominations and Remunerations Committee since 2007.

Academic qualifications: degree in Electrical Engineering in 1965 at Instituto Superior Técnico.

Professional experience: his career began in the Joint Gas and Electricity Companies. He has been a Director at companies of the EDP Group since 1994, from 1997 to 2000 he was a Voting Member of the Board of Directors of EDP when he held the position of non-executive director at Companhia de Electricidade do Rio de Janeiro, S.A. (Brazil) and EBE – Empresa Bandeirante de Energia, S.A. (Brazil). From 2000 to 2003 he was Chairman of the Executive Committee of EDP, from 2002 to 2005 he was a Director at Hidroeléctrica del Cantábrico, S.A. and from 2003 to 2005 he was Director of the Business Council for Sustainable Development (Portugal).
and Director of the Forum for Competitiveness. From 2000 to 2006, he was Chairman of the Board of Directors of EDP. Currently holds the position of Chairman of the Board of Directors of Fundação EDP, non-executive Director of Fundação Portugal-Africa and Chairman of the General Board of Proforum.

Member of the Advisory Council of the Portuguese Association for the Development of Communications, honorary member of the Business Council for Sustainable Development (Portugal), member of the Council of Curators of the Luso-Brazilian Foundation and of the Luso-Spanish Foundation, member of the Advisory Board of the Portuguese Institute of Corporate Governance, member of the Consultative Council of the Forum for Competitiveness, Chairman of the Board of Directors of EFACEC and non-executive Director of Sonae Capital S.A..

**João Alberto Ferreira Pinto Basto**

Age: 77 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since March 2006, Chairman of the Nominations and Remunerations Committee and Vice-Chairman of the Corporate Governance Committee.

Academic qualifications: Medical degree in 1958 by Lisbon University.

Professional experience: Chairman of the Board of Directors of the companies of the Vista Alegre Group from 1980 to 1997. From 1997 to 2005, he was also Director of Pinto Basto, SGPS, S.A..

**José Eduardo de Faria Neiva Santos**

Age: 71 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since July 2007 and member of the committee for financial matters (Audit and Risk Committee). Effective Statutory Auditor of BCP Internacional II, Sociedade Unipessoal, SGPS, Lda.


**Keith Satchell**

Age: 57 years old.
Current position in the Group: Member of the Supervisory Board of Banco Comercial Português, S.A. since March 2006 and member of the Nomination and Remunerations Committee.

Academic qualifications: Bachelors’ degree in Science at Ashton University in Birmingham in 1972.

Professional experience: began his career at Duncan C. Fraser (currently part of Mercers) where he worked from 1972 to 1975, he worked at UK Provident from 1975 to 1986, when he took a managerial position at Friends Provident plc. He was Chief Executive of Friends Provident plc between 1997 and 2006, and Chairman of the British Association of Insurers between 2005 and 2007. Since 2006 he is advisor a consultant to Goldman Sachs and non-executive Chairman of the Barnett Waddingham (actuaries and consultants).

Luís Francisco Valente de Oliveira

Age: 71 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since March 2006 and Chairman of the committee for financial matters (Audit and Risk Committee).

Academic qualifications and experience: degree in Civil Engineering in 1961 at Porto University, where he completed a Doctorate in the same area in 1973. He became a Professor at Porto University in 1980 where he lectured until 1997.

Professional experience: from 1973 to 1975 he was Director of the Technical Office of the Planning Commission of the Northern Region. From 1977 to 1978 he held the government position of Minister for Education and Scientific Research and from 1985 to 1995 of Minister for Territorial Planning and Administration, he returned to the Government in 2002/2003 as Minister of Public Works, Transport and Housing. From 1985 to 2002 he was Chairman of the Board of the General Meeting of Banco Comercial Português, S.A., from 1995 to 2002 he was Member of the Board of Directors of Fundação D. Manuel II and from 1998 to 2000 Member of the Board of Directors of Fundação de Serralves. He is currently Director of the Portuguese Entrepreneurial Association, Member of the Board of Trustees of Fundação Luso-Americana, Chairman of the Board of the General Meeting of Mesquita & Filhos, S.A. and Independent Director of Mota Engil.

Luís de Melo Champalimaud

Age: 56 years old.

Current position in the Group: Member of the Supervisory Board of Banco Comercial Português, S.A. since March 2006; Member of the Corporate Governance Committee and member of the Remunerations and Welfare Board of Banco Comercial Português S.A. since May 2008.
Academic qualifications: attended the course in Economics at Instituto Superior de Economia e Sociologia de Évora.

Professional experience: Director of Sales of Cimentos Liz, S.A. (former Soeicom S.A.), from 1975 to 1982, after which he became Chief Executive Officer of the company and later Vice-Chairman of the Board of Directors with non-executive functions in 1992. This position was held until 2000. From 1992 to 1993 he was also a Director at the insurance company Mundial-Confiança, S.A., and Chairman of the company from 1993 to 1995. From 1995 to 2000 he was Chairman of Banco Pinto & Sotto Mayor, a position accumulated, between 1996 and 2000, with that of Chairman of Banco Chemical and from 1997 to 2000, with that of Chairman of the banks Totta & Açores and Crédito Predial Português. Chairman of the Advisory Board of Cimentos Liz, S.A. since 2005 and in the 2004/2006 three year period he held the position of non-executive Director at Portugal Telecom, SGPS, S.A. He is currently Chairman of the Board of Directors of Confiança Participações, SGPS, Chairman of the Supervisory Board of Tracção, S.A. (Brasil) and Chairman of the Supervisory Board the Company Cimentos de Liz, S.A.

Manuel Domingos Vicente

Age: 52 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since the General Meeting of 15 January 2008.

Academic qualifications: degree in Electronic Engineering specialised in power systems, at Universidade Agostinho Neto.

Professional experience: held positions of responsibility as Chief Engineer, Head of the SONEFE Projects Department from 1981 to 1987, and Head of the Technical Department of the Ministry for Energy and Oil from 1987 to 1991, having been appointed Deputy General Manager of Sonangol U.E.E. in 1991. He is currently Chairman of Sonangol, Chairman of the Board of the General Meeting of UNITEL, consultant of GAMEK, Chairman of the Luanda Base Management Committee and Vice-Chairman of Fundação Eduardo dos Santos (FESA).

Mário Branco Trindade

Age: 72 years old.

Current position in the Group: Voting Member of the Supervisory Board of Banco Comercial Português, S.A., Currently Voting Member of the Board of Auditors - Statutory Auditors of Banco Millennium bcp Investimento, S.A. and Statutory Auditor in various companies.


Professional experience
Voting Member of the Board of Auditors – Statutory Auditor:

Banco Comercial Português (1985-2006)

Banco Millennium bcp Investimento S.A. (1993-2008)


Other companies

Single Auditor - Statutory Auditor:


Chairman of the Audit Board – not as Statutory Auditor:


Ângelo Ludgero da Silva Marques

Age: 70 years old.

Current position in the Group: Alternate Voting Member of the Supervisory Board of Banco Comercial Português, S.A. since the General Meeting of 15 January 2008, and Expert Member of the Nominations Committee.

Academic qualifications: degree in Mechanical Engineering in 1968 at Porto University.

Professional Experience: Chairman of the Board of Directors of LUDAMARK, SGPS, Director of ENERVERTO – Energias Renováveis, Manager of Earth Life and Manager of GooSun,Lda.

Presently he is Chairman of of the Boards of Directors of CIFIAL SGPS, CIFIAL – Centro Industrial de Ferragens, CIFIAL – Fundição e Tecnologia, CIFIAL Torneiras, CIFIAL – Indústria Cerâmica, Manager of CIFIAL SI – Serviços de Consultadoria e Informação, and Chairman of the General Meeting of AEP – Associação Empresarial de Portugal.
## ANNEX VII

Shareholder and bondholder position of the members of management and supervision bodies

The shareholder and bondholder position of members of the Corporate’s Boards, is as follows:

<table>
<thead>
<tr>
<th>Shareholders / Bondholders</th>
<th>Security</th>
<th>Number of securities at 31/12/2008</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Date</th>
<th>Price Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Members of Corporate Boards</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Armando Vara</td>
<td>BCP shares</td>
<td>10,000</td>
<td>0</td>
<td>10,000</td>
<td>18-Apr-08</td>
<td>1.84</td>
</tr>
<tr>
<td>Paulo José Ribeiro Mota Macedo</td>
<td>BCP shares</td>
<td>259,994</td>
<td>200,001</td>
<td>59,993 (a)</td>
<td>05-May-08</td>
<td>1.20</td>
</tr>
<tr>
<td>Luis Maria França de Castro Pereira Coutinho</td>
<td>BCP shares</td>
<td>247,288</td>
<td>190,228</td>
<td>4 (b) 57,060 (a)</td>
<td>10-Apr-08</td>
<td>2.00</td>
</tr>
<tr>
<td>Vitor Manuel Lopes Fernandes</td>
<td>BCP shares</td>
<td>20,000</td>
<td>0</td>
<td>12,500 (e) 12,500 (c) 3,749 (a) 64 (a) 3,887</td>
<td>24-Apr-08</td>
<td>1.20</td>
</tr>
<tr>
<td>José João Guilherme</td>
<td>BCP shares</td>
<td>51,000</td>
<td>50,500</td>
<td>500 51,000 (b)</td>
<td>22-Jan-08</td>
<td>2.06</td>
</tr>
<tr>
<td>Nelson Ricardo Bessa Machado</td>
<td>BCP shares</td>
<td>259,992</td>
<td>200,000</td>
<td>2 (b) 59,992 (a)</td>
<td>15-Apr-08</td>
<td>0.25</td>
</tr>
<tr>
<td><strong>Members of Supervisory Board</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gijbert Swalef</td>
<td>BCP shares</td>
<td>282,633</td>
<td>217,416</td>
<td>65,217 (a)</td>
<td>24-Apr-08</td>
<td>1.20</td>
</tr>
<tr>
<td>Ângelo Ludgero da Silva Marques</td>
<td>BCP shares</td>
<td>1,765,013</td>
<td>357,740</td>
<td>1,000,000</td>
<td>17-Apr-08</td>
<td>2.74</td>
</tr>
<tr>
<td></td>
<td>BCP Finance Company 5,543 PCT Eur</td>
<td>2,500</td>
<td>2,500</td>
<td>1,204,530 (a)</td>
<td>24-Apr-08</td>
<td>1.20</td>
</tr>
<tr>
<td>António Luis Guerra Nunes Mexia</td>
<td>BCP shares</td>
<td>1,299</td>
<td>1,000</td>
<td>299 (a)</td>
<td>17-Apr-08</td>
<td>0.18</td>
</tr>
<tr>
<td>António Manuel Ferreira da Costa Gonçalves</td>
<td>BCP shares</td>
<td>4,440,807</td>
<td>4,015,577</td>
<td>1,204,530 (a) 74,182 725,818</td>
<td>24-Apr-08</td>
<td>1.20</td>
</tr>
<tr>
<td></td>
<td>Bcp Obrg Cx Sup Inv Mill II 12/10</td>
<td>2,000</td>
<td>2,000</td>
<td>20,700 (a)</td>
<td>29-Apr-08</td>
<td>1.20</td>
</tr>
</tbody>
</table>
### Shareholders / Bondholders

<table>
<thead>
<tr>
<th>Security</th>
<th>Number of securities at 31/12/2008</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Date</th>
<th>Unit Price</th>
<th>Changes during 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>31/12/2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Francisco de La Fuente Sánchez</td>
<td>BCP shares</td>
<td>2,313</td>
<td>1,780</td>
<td>533 (a)</td>
<td>29-Apr-08</td>
<td>1.20</td>
</tr>
<tr>
<td></td>
<td>BCP Bonds Cx Rend. Cresc. Feb 06/08</td>
<td>0</td>
<td>900</td>
<td>900</td>
<td>14-Feb-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Bonds Cx TOP 6 May 06/08</td>
<td>0</td>
<td>1,000</td>
<td>1,000</td>
<td>09-May-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Bonds Cx Aforro Cresc 6% Sep 2006/08</td>
<td>0</td>
<td>1,600</td>
<td>1,600</td>
<td>05-Sep-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Bonds Cx Top 10 November 2006/2008</td>
<td>0</td>
<td>400</td>
<td>400</td>
<td>27-Nov-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Ob Cx Millennium Cresc August 2010</td>
<td>500</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCP Ob Cx Multi-Rend Euros Oct. 2010</td>
<td>1,500</td>
<td>1,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCP Olg Cx Inv. Select. Mundial Nov 07/09</td>
<td>2,000</td>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCP Olg Cx Inv. Especial 2007/2009 3ª Em</td>
<td>300</td>
<td>300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCP Olg Cx Super Investimento Feb 08/11</td>
<td>1,000</td>
<td>0</td>
<td>1,000 (d)</td>
<td>12-Feb-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Olg Cx Inv. Mercadorias March 08/11</td>
<td>1,500</td>
<td>0</td>
<td>1,500 (d)</td>
<td>25-Mar-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Olg Cx Energias Renovaveis 08/2011</td>
<td>1,000</td>
<td>0</td>
<td>1,000 (d)</td>
<td>17-Jun-08</td>
<td>50</td>
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<tr>
<td></td>
<td>BCP Olg Cx Subordinadas 1ª Série</td>
<td>1,600</td>
<td>0</td>
<td>1,600 (d)</td>
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<td>João Alberto Pinto Basto</td>
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<td>37,551 (a)</td>
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<tr>
<td>José Eduardo Faria Neiva dos Santos</td>
<td>BCP shares</td>
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<td>1,000</td>
<td>304 (a)</td>
<td>24-Apr-08</td>
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<td>31-Jul-08</td>
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<td>6</td>
<td>01-Sep-08</td>
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<td></td>
<td>6</td>
<td>09-Sep-08</td>
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<td>02-Oct-08</td>
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<td>BCP Olg Cx Sup Aforro Millennium 1ª 2013</td>
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<td>0</td>
<td>700 (d)</td>
<td>25-Mar-08</td>
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<td></td>
<td>BCP Olg Cx Sup Aforro Mil Sr B 1ªE 2013</td>
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<td>0</td>
<td>500 (d)</td>
<td>28-Oct-08</td>
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<tr>
<td>Keith Satchell</td>
<td>BCP shares</td>
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<td>2,900</td>
<td>869 (a)</td>
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<td>Luís Francisco Valente de Oliveira</td>
<td>BCP shares</td>
<td>81,775</td>
<td>62,059</td>
<td>18,716 (a)</td>
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<td></td>
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<td>321 (a)</td>
<td>29-Apr-08</td>
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<tr>
<td>Luís de Melo Champalimaud</td>
<td>BCP shares</td>
<td>20,000</td>
<td>5,000</td>
<td>45,007 (e)</td>
<td>10-Apr-08</td>
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<tr>
<td></td>
<td></td>
<td>1 (b)</td>
<td>10-Apr-08</td>
<td>0.22</td>
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<td>15,000 (a)</td>
<td>24-Apr-08</td>
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<tr>
<td>Mario Branco Trindade</td>
<td>BCP shares</td>
<td>53,620</td>
<td>41,085</td>
<td>12,534 (a)</td>
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<td></td>
<td></td>
<td>211 (a)</td>
<td>29-Apr-08</td>
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### Spouse and Dependent Children

<table>
<thead>
<tr>
<th>Security</th>
<th>Number of securities at 31/12/2008</th>
<th>Acquisitions</th>
<th>Disposals</th>
<th>Date</th>
<th>Unit Price</th>
<th>Changes during 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>31/12/2007</td>
<td></td>
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<tr>
<td>Alexandra Maria Ferreira C. Gonçalves</td>
<td>BCP shares</td>
<td>290,868</td>
<td>170,000</td>
<td>50</td>
<td>04-Apr-08</td>
<td>2.11</td>
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<td>31,000</td>
<td>07-Apr-08</td>
<td>1.98</td>
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<tr>
<td></td>
<td></td>
<td>51,007 (a)</td>
<td>24-Apr-08</td>
<td>1.20</td>
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<tr>
<td></td>
<td></td>
<td>875 (a)</td>
<td>29-Apr-08</td>
<td>1.20</td>
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<tr>
<td></td>
<td></td>
<td>15,036</td>
<td>22-Jul-08</td>
<td>1.13</td>
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<tr>
<td></td>
<td></td>
<td>5,100</td>
<td>22-Sep-08</td>
<td>1.27</td>
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<tr>
<td></td>
<td></td>
<td>45,000</td>
<td>25-Sep-08</td>
<td>1.19</td>
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<td></td>
<td></td>
<td>55,000</td>
<td>30-Sep-08</td>
<td>1.13</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>50,000</td>
<td>07-Nov-08</td>
<td>0.90</td>
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<td>50,000</td>
<td>26-Nov-08</td>
<td>0.75</td>
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<tr>
<td></td>
<td>BCP Ob Cx Inv. Especial 2007/2009 2ª Em</td>
<td>1,000</td>
<td>0</td>
<td>1,000 (a)</td>
<td>04-Dec-08</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>BCP Fin Ilh Wt Bank Enhanc X Eur Dec10</td>
<td>80</td>
<td>0</td>
<td>80 (a)</td>
<td>14-Dec-08</td>
<td>1.00</td>
</tr>
</tbody>
</table>

(a) Subscription of share capital increase of BCP.
(b) Sale of subscription rights of share capital increase of BCP.
(c) Subscription.
(d) Subscription.
(e) Internal Deposit / Internal Transfer.
Annex VIII

2008 Earnings Press Release
2009-02-17

Millennium bcp earnings release for 2008

- Consolidated net income of Euro 201.2 million in 2008, reflecting the depreciation in BPI shares. Excluding specific items consolidated net income totalled Euro 426.2 million (-27.4%);
- Operating income, on a comparable basis, increased 7.7% to Euro 2,851 million;
- Net interest income amounted Euro 1,721 million, up by 12%;
- Net commissions totalled Euro 740 million, down by 3.6%, on a comparable basis;
- Operating costs, excluding specific items, totalled Euro 1,681 million (+3.3%); in Portugal operating costs were reduced by 3.8%;
- Improvement in consolidated cost to income to 58.6% and in Portugal to 53.7%, on a comparable basis, down 1.7 p.p. and 3.6 p.p., respectively;
- Total assets grew 7.1% to Euro 94,424 million;
- Customers’ deposits increased 14.4% to Euro 44,907 million, growing 9.9% in Portugal and 27.3% in the international activity;
- Customers’ funds totalled Euro 66,264 million, up by 3.6%;
- Loans to customers, excluding loans represented by securities, increased 10.4% to Euro 73,849 million; activity in Portugal grew 6.6% and international activity grew 28.3%;
- Overdue loans by more than 90 days stood at 0.9% of total loans (0.7% in 2007); the coverage ratio stood at 211%;
- Own Funds amounted to Euro 7,057 million, an increase of 19.7%; Tier I stood at 7.1% and solvency ratio at 10.5%;
- Proposed dividend of Euro 0.017 per share, representing a payout ratio of 40%.

<table>
<thead>
<tr>
<th>Specific items, in Euro million, net of tax</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPI: Impairment, take-over bid and merger project</td>
<td>-232.6</td>
<td>-145.4</td>
</tr>
<tr>
<td>Early retirements and cancelation of variable remuneration</td>
<td>7.5</td>
<td>-89.6</td>
</tr>
<tr>
<td>Gains from the sale of shareholdings</td>
<td>272.6</td>
<td></td>
</tr>
<tr>
<td>Other impairment and provisions (incl. potential regulatory charges)</td>
<td>-61.1</td>
<td></td>
</tr>
<tr>
<td>Proposed dividend</td>
<td>-225.1</td>
<td>-23.5</td>
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**Financial Highlights**

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
<th>Change 08 / 07</th>
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<tbody>
<tr>
<td><strong>Balance sheet</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Total assets</td>
<td>94,424</td>
<td>88,166</td>
<td>7.1%</td>
</tr>
<tr>
<td>Loans to customers (net)</td>
<td>72,372</td>
<td>65,650</td>
<td>10.2%</td>
</tr>
<tr>
<td>Total customers’ funds</td>
<td>66,264</td>
<td>63,953</td>
<td>3.6%</td>
</tr>
<tr>
<td>Balance sheet customers’ funds</td>
<td>51,682</td>
<td>45,355</td>
<td>13.9%</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>1,721.0</td>
<td>1,537.3</td>
<td>12.0%</td>
</tr>
<tr>
<td>Net operating revenues</td>
<td>2,602.0</td>
<td>2,791.9</td>
<td>-6.8%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>1,670.8</td>
<td>1,748.6</td>
<td>-4.4%</td>
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<td>Loan impairment provision</td>
<td>637.5</td>
<td>407.2</td>
<td>56.5%</td>
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<tr>
<td>Loan recoveries</td>
<td>92.8</td>
<td>147.0</td>
<td>-36.9%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>84.0</td>
<td>69.6</td>
<td>20.7%</td>
</tr>
<tr>
<td>Minority interests</td>
<td>56.8</td>
<td>55.4</td>
<td>2.7%</td>
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<tr>
<td>Net income</td>
<td>201.2</td>
<td>563.4</td>
<td>-64.3%</td>
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<tr>
<td>Net income excluding specific items</td>
<td>426.2</td>
<td>586.8</td>
<td>-27.4%</td>
</tr>
<tr>
<td><strong>Profitability</strong></td>
<td></td>
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</tr>
<tr>
<td>Net operating revenues / Average net assets</td>
<td>2.8%</td>
<td>3.3%</td>
<td></td>
</tr>
<tr>
<td>Return on average assets (ROA)</td>
<td>0.4%</td>
<td>0.6%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average net assets</td>
<td>0.4%</td>
<td>0.8%</td>
<td></td>
</tr>
<tr>
<td>Return on average equity (ROE)</td>
<td>8.3%</td>
<td>14.2%</td>
<td></td>
</tr>
<tr>
<td>Income before taxes and minority interests / Average equity</td>
<td>7.2%</td>
<td>17.2%</td>
<td></td>
</tr>
<tr>
<td><strong>Credit Quality</strong></td>
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</tr>
<tr>
<td>Overdue loans/ Total loans</td>
<td>1.4%</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td>Overdue loans, net / Total loans, net</td>
<td>-0.7%</td>
<td>-0.8%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans by more than 90 days</td>
<td>211.1%</td>
<td>251.8%</td>
<td></td>
</tr>
<tr>
<td>Impairment for loan losses / Overdue loans</td>
<td>173.5%</td>
<td>220.4%</td>
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</tr>
<tr>
<td><strong>Efficiency ratios</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net operating revenues</td>
<td>58.6%</td>
<td>60.3%</td>
<td></td>
</tr>
<tr>
<td>Operating costs / Net operating revenues (Portugal)</td>
<td>53.7%</td>
<td>57.3%</td>
<td></td>
</tr>
<tr>
<td>Staff costs / Net operating revenues</td>
<td>32.2%</td>
<td>32.8%</td>
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<tr>
<td><strong>Capital</strong></td>
<td></td>
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<tr>
<td>Total regulatory capital</td>
<td>7,057</td>
<td>5,897</td>
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<tr>
<td>Risk-weighted assets</td>
<td>67,426</td>
<td>61,687</td>
<td></td>
</tr>
<tr>
<td>Tier I Solvency ratio</td>
<td>7.1%</td>
<td>5.5%</td>
<td></td>
</tr>
<tr>
<td>Total Solvency ratio</td>
<td>10.5%</td>
<td>9.6%</td>
<td></td>
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<tr>
<td><strong>Branches</strong></td>
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</tr>
<tr>
<td>Portugal</td>
<td>918</td>
<td>885</td>
<td>3.7%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>885</td>
<td>743</td>
<td>19.1%</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
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<tr>
<td>Portugal</td>
<td>10,667</td>
<td>10,821</td>
<td>-1.4%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>11,922</td>
<td>10,301</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

(1) Excludes loans represented by securities transferred from financial assets available for sale.
(2) Amounts due to customers (including securities), assets under management and capitalisation insurance.
(3) Net interest income, income from securities, net commissions, net trading income, equity accounted earnings, other net operating income
(4) Staff costs, other administrative costs and depreciation.
(5) Specific items in 2008 in the amount of Euro –225.1 million (net of tax) and in 2007 of Euro -23.5 million (net of tax).
(6) According to rule 16/2004 from the Bank of Portugal.
(7) Excludes the impact of specific items.
(8) Indicators for 31 December 2008 determined in the scope of Basel II. Indicators for 31 December 2007 determined in scope of Basel I.
Presenting earnings for 2008, the Chairman of the Executive Board of Directors of Millennium bcp, Carlos Santos Ferreira, said that “given an environment that will be remembered as one of the most challenging ever for the global financial system, Millennium bcp was able to present net profit of Euro 201.2 million in 2008, rising to Euro 426.2 million excluding specific items, particularly losses associated with the depreciation of the 9.69% stake the Bank held in Banco BPI.”

In addition to the net profit, the Chairman highlighted a number of aspects of the current earnings report that deserve particular attention:

- Operating profit, excluding the impact of specific items, rose 7.7%, driven by a 12% increase in net interest income;
- The trust that customers placed in Millennium, and the support the Bank provided to its clients, translated into a 14.4% rise in deposits and a 10.4% rise in loans;
- The bank’s commercial network, in Portugal and abroad, grew 11%, adding 175 new branches;
- Costs remained under control, despite the expansion of the network, with an overall rise of just 3.3% and a decline in Portugal of 3.8%. That underpinned a decrease in the bank’s consolidated cost-to-income ratio to 58.6% from 60.3%, and in Portugal to 53.7% from 57.3%.

Referring to Millennium bcp’s strategy, Carlos Santos Ferreira said “the strategy as defined was followed in a manner appropriate to the current economic and financial environment, with redoubled attention paid to liquidity and risk management, as well as capital ratios.” Of the many strategic initiatives and programmes carried out over the year, the Chairman highlighted the following:

(i) The strengthening of the Bank’s capital base, benefiting from the rights issue in April 2008 that prepared the Bank to better weather market instability. At the end of 2008, the capital ratio stood at 10.5% from 9.6% as at 31 December 2007, and the “Tier 1” ratio stood at 7.1%;
(ii) The efforts made at the level of institutional reputation, with the Bank initiating, among other actions, a mediation process, in collaboration with the Portuguese Securities Market Commission, designed to resolve outstanding litigation issues with small shareholders;
(iii) Renewal of the focus on Customers service, with the result that in Portugal in 2008 the Bank brought in the largest number of new clients in this decade. Customer satisfaction indicators in Millennium also recovered, rising to levels that hadn’t been achieved in three years;
(iv) The strengthening of the commercial capacity in the markets with the greatest potential. For example, Millennium established agreements with Angolan companies designed to provide appropriate conditions for the development of a successful operation - Millennium Angola - in a high-growth market of strategic importance to the Group;
(v) The simplification of the Bank’s structure, with the proportion of employees working in the central services dropping to 29% in 2008 from 31% in 2007.”

In conclusion, he noted “the five main strategic guidelines for Millennium bcp in 2009: i) reinforcing the commitment to our Customers; ii) implementing a more effective risk management; iii) seeking new levels of simplicity and efficiency; iv) focusing the international presence; v) taking full advantage of the distinctive capabilities of the Bank as a strategic and differentiating element in the markets where it is present.”

The Chairman ended by noting that “Millennium once again showed tenacity and resilience when confronted with challenges,” stressing that “the Executive Board of Directors remains committed to managing the demands of the short term while simultaneously promoting profitable and sustainable growth for the long term.”
RESULTS

BCP’s financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, in compliance with Regulation (EC) 1606/2002, of July 19th and in accordance with the reporting statements defined by the Bank of Portugal (Notice n.º 1/2005) following the adoption by the Portuguese legal system of the European Commission Directive 2003/51/EC of June 18th of the European Parliament and Council.

Millennium bcp’s consolidated net income stood at Euro 201.2 million in 2008, down from Euro 563.3 million in 2007, mostly conditioned by the evolution of net trading income and by the higher impairment charges for loan losses, associated with the considerable uncertainty and volatility seen in the markets during 2008. Consolidated net income includes the booking of specific items, in particular, the impact of impairment losses related with the depreciation of shares in BPI, in the sum of Euro 232.6 million (net of tax), despite the agreement signed by the Group for the sale of 9.6% of Banco BPI’s share capital. As a result of the execution of this agreement Banco Comercial Português will no longer have a qualified holding in Banco BPI, S.A.. Specific items booked also included the impacts of the reduction in the variable remuneration already accrued in 2007, in the sum of Euro 13.2 million (net of tax), and of the restructuring costs related with the early retirement of employees, in the sum of Euro 5.7 million (net of tax). Excluding specific items, consolidated net income in 2008 totalled Euro 426.2 million, down 27.4% from 2007, and return on equity (ROE) stood at 8.3% in 2008.

Consolidated net income in 2008 reflects the reduction in net trading income, determined by the performance of capital markets, and the increase in impairment charges for loans losses (net of recoveries), driven by the revaluation of financial collaterals and the identification of impairment indicators in the loans portfolio. These impacts were partially offset by the favourable performance of net interest income, supported by the sustained growth in business volumes, both of loans to customers and of customers’ funds, and by the increase of net commissions, as well as the reduction in operating costs, influenced by cost control in Portugal. Excluding specific items, the evolution of net income, between 2007 and 2008, was positively influenced by the performance of operating income, which includes net interest income, dividends from equity instruments, net commissions, net trading income and other net operating income, that achieved Euro 2,851.0 million in 2008, up by 7.7% from Euro 2,647.7 million in 2007.

Consolidated net income in 2008 was sustained by the positive results determined both in Portugal and in international activity. Excluding specific items, net income in Portugal totalled Euro 332.3 million, 29.9% down from 2007. This evolution was influenced by the higher impairment charges for loan losses and by the reduction in net commissions and in other net operating income, partially offset by the favourable impact of the increases in net interest income and in net trading income, as well as by the control of operating costs. In the international business, net income in 2008 was supported by superior levels of income, driven by the growths in net interest income and in net trading income, reflecting the increase in business volumes achieved by most operations abroad. This was insufficient, however, to offset higher operating costs incurred, essentially related with the expansion plans that were implemented in several countries. The net income of the international business, excluding the impact of the Romanian operation (launched in October 2007), fell by 4.8%, between 2007 and 2008.

Net interest income amounted to Euro 1,721.0 million in 2008, up 12.0% from Euro 1,537.3 million in 2007, boosted by favourable volume effect, driven by the increase in business volumes, in particular loans to customers and customers’ funds, in Portugal and in the international activity, which outweighed the unfavourable interest rate effect, hindered by higher funding costs, as a result of capital markets behaviour and the greater restriction in access to alternative sources of funding. Net interest margin in 2008 stood at 2.06%, compared with 2.09% in 2007. Notably, net interest margin showed a recovery in the fourth quarter of 2008 and stood at 2.11%. The evolution of net interest income reflected the selective assets and liabilities management policy followed by the Group, and was influenced by the repricing of credit operations, aiming to adjust these to the competitive environment and to the markets evolution, focused in the pricing alignment regarding the higher cost of risk. Simultaneously, several initiatives were implemented aiming to
retain and further increase customers’ funds, sustained by the reinforcement of the attractiveness of traditional saving and investment solutions, to meet the growing demand, from customers, for products with lower exposure to risk and to capital market volatility.

### AVERAGE BALANCES

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Balance</td>
<td>Yield %</td>
</tr>
<tr>
<td>Deposits in banks</td>
<td>7,255</td>
<td>5.64</td>
</tr>
<tr>
<td>Financial assets</td>
<td>5,845</td>
<td>6.00</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>69,206</td>
<td>6.39</td>
</tr>
<tr>
<td>Interest earning assets</td>
<td>82,306</td>
<td>6.30</td>
</tr>
<tr>
<td>Non interest earning assets</td>
<td>9,635</td>
<td></td>
</tr>
<tr>
<td></td>
<td>91,941</td>
<td></td>
</tr>
<tr>
<td>Amounts owed to credit institutions</td>
<td>9,875</td>
<td>7.28</td>
</tr>
<tr>
<td>Amounts owed to customers</td>
<td>41,769</td>
<td>3.09</td>
</tr>
<tr>
<td>Debt securities</td>
<td>29,042</td>
<td>4.51</td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>2,954</td>
<td>5.77</td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>83,640</td>
<td>4.17</td>
</tr>
<tr>
<td>Non interest bearing liabilities</td>
<td>2,557</td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity and minority interests</td>
<td>5,744</td>
<td></td>
</tr>
<tr>
<td></td>
<td>91,941</td>
<td></td>
</tr>
</tbody>
</table>

**Net interest margin** (1) 

|               | 2.06 | 2.09 |

(1) Net interest income as a percentage of average interest earning assets.

Net commissions reached Euro 740.4 million in 2008, 11.4% up from Euro 664.6 million reported in 2007. Net commissions in 2007 include the impact of costs associated with the potential merger and the general tender offer for the acquisition of Banco BPI, in the amount of Euro 103.2 million, booked in “other commissions”. Excluding this impact, net commissions would have declined 3.6% between 2007 and 2008, determined by smaller commissions related to asset management and transactions on securities (-33.1%), influenced mainly by capital markets volatility. The reduction of these commissions was partly offset by the growth in commissions associated with the cards business, which increased 14.2%, and in commissions related to credit operations, which rose 2.6%, both sustained by the activity in Portugal and the international operations. Other commissions in 2008 include the accounting of fees related to the bancassurance activity transferred from other operating income; on a comparable basis, other commissions were conditioned by the lower commissioning level as a result of promotions to customers under the “Preference Programme” and “Frequent Customer Solution” commercial campaigns, as well as by the unfavourable impact of regulatory changes, especially the introduction of a maximum limit on commissions on early repayment of mortgage loans in Portugal. Net commissions in foreign operations increased 0.3% between 2007 and 2008, favourably influenced by the performance achieved in Greece, Mozambique and Angola.
Net trading income, which include net gains arising from trading and hedging activities and net gains arising from available for sale financial assets, amounted to Euro 18.1 million in 2008, a reduction from Euro 392.3 million in the previous year, determined by the impact of the accounting of impairment losses of Euro 268.1 million in 2008 (Euro 94.0 million in 2007), mainly associated with the devaluation of the shareholding in Banco BPI. Additionally, during 2007, net trading income included gains obtained on the sales of shares in EDP and in Banco Sabadell of Euro 173.3 million and of Euro 116.9 million, respectively. Excluding the impairment losses and the gains booked in 2007 and 2008, net trading income would have increased from Euro 196.2 million in 2007 to Euro 286.2 million in 2008. Net trading income booked in 2008 included the income, in the fourth quarter, related to the economic hedging strategy for interest-rate risk associated with a fixed-rate liability, through an interest-rate swap. As a result of markets volatility, the tests performed to access the effectiveness of the accounting hedge, as required under IAS 39, showed that there had been a break of the hedge relation, and the Bank decided to interrupt the hedge relation. The evolution of results from foreign exchange transactions between 2007 and 2008 reflects the impact of foreign currency exchange operations derivatives associated with fund-taking in dollars as a result of the change in the dollar interest rate compared to the euro observed throughout 2007 and 2008.

Other net operating income, which includes other operating income, other net income from non banking activities and gains from the sale of subsidiaries and other assets, amounted to Euro 66.6 million in 2008, compared with Euro 118.6 million in 2007. This evolution was influenced by the reduction in operating income, mostly due to the change in the accounting of fees from bancassurance activity, which in mid 2008 started to be booked in net commissions, and by the simultaneous increase in expenses, both in Portugal and in the international activity.

Dividends from equity instruments, which include dividends received on investments in available for sale financial assets, totalled Euro 36.8 million in 2008, compared with Euro 27.9 million in 2007. Dividends received in 2008 were essentially related to the shareholdings in Eureko and Banco BPI.

### OTHER NET INCOME

<table>
<thead>
<tr>
<th></th>
<th>Euro million</th>
<th>2008</th>
<th>2007</th>
<th>Change 08/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net commissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cards</td>
<td>190.0</td>
<td>166.4</td>
<td></td>
<td>14.2%</td>
</tr>
<tr>
<td>Asset management and securities</td>
<td>177.4</td>
<td>265.4</td>
<td></td>
<td>-33.1%</td>
</tr>
<tr>
<td>Credit operations</td>
<td>142.7</td>
<td>139.1</td>
<td></td>
<td>2.6%</td>
</tr>
<tr>
<td>Other (1)</td>
<td>230.3</td>
<td>93.7</td>
<td></td>
<td>145.9%</td>
</tr>
<tr>
<td></td>
<td>740.4</td>
<td>664.6</td>
<td></td>
<td>11.4%</td>
</tr>
<tr>
<td>Net trading income (2)</td>
<td>18.1</td>
<td>392.3</td>
<td></td>
<td>-95.4%</td>
</tr>
<tr>
<td>Other net operating income</td>
<td>66.6</td>
<td>118.6</td>
<td></td>
<td>-43.8%</td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>36.8</td>
<td>27.9</td>
<td></td>
<td>31.9%</td>
</tr>
<tr>
<td>Equity accounted earnings</td>
<td>19.1</td>
<td>51.2</td>
<td></td>
<td>-62.7%</td>
</tr>
<tr>
<td>Total other net income</td>
<td>881.0</td>
<td>1,254.6</td>
<td></td>
<td>-29.8%</td>
</tr>
<tr>
<td>Other income / Net operating revenues (3)</td>
<td>33.9%</td>
<td>44.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Includes the impact of costs accounted in the 2007, related to the potential merger and the general tender offer for the acquisition of Banco BPI, in the amount of Euro 103.2 million.
(2) Includes in 2008 the impairment losses related to the shareholding in Banco BPI in the amount of Euro 268.1 million. Includes in 2007 gains from the sale of the shareholdings in EDP and Banco Sabadell, in the amount of Euro 290.2 million, and the impairment losses accounted mainly related to the shareholding in BPI, in the amount of Euro 94.0 million.
(3) Calculated according to rule 16/2004 from the Bank of Portugal.

Equity accounted earnings stood at Euro 19.1 million in 2008, down from Euro 51.2 million in 2007, chiefly evidencing the earnings appropriation of the 49% shareholdings in the insurance company Millenniumbcp.
Fortis, which despite the good performance were influenced by the capital market volatility in the fourth quarter of 2008.

Operating costs (staff costs, other administrative costs and depreciation) stood at Euro 1,670.8 million in 2008, showing a reduction of 4.4% from Euro 1,748.6 million in 2007. Operating costs included, in 2007, the accounting of costs associated with the early retirement of employees and of members of the Executive Board of Directors, amounting to Euro 121.8 million and, in 2008, the accounting of Euro 7.8 million of restructuring costs related to the retirement of employees and a Euro 18.0 million reduction in the variable remuneration accrued in 2007. Excluding these impacts, operating costs increased 3.3% between 2007 and 2008, driven by the international activity, which grew 18.2%, as a result of the branch network expansion plans implemented in several markets, in particular Poland, Greece, Romania, Angola and Mozambique. Nevertheless, operating costs were favourably influenced by the activity in Portugal, which reduced costs by 3.8% from 2007, excluding specific items. The consolidated cost to income ratio improved from 60.3% in 2007 to 58.6% in 2008. In Portugal the cost to income ratio also improved, from 57.3% in 2007 to 53.7% in 2008 achieving an efficiency gain of 3.6 p.p..

Staff costs totalled Euro 915.3 million in 2008, down from Euro 1,066.2 million in 2007. Staff costs included, in 2008, the Euro 18.0 million reduction in the variable remuneration already accrued in the previous year and Euro 7.8 million of restructuring costs in Portugal and, in 2007, the costs associated with the early retirement of employees and of members of the Executive Board of Directors, as previously mentioned. Staff costs were influenced by the growth of costs in the international activity, as a result of the increase in the number of employees, driven by the expansion plans implemented in several international operations, particularly in Poland, Greece, Mozambique and Angola, and also by the activity launched in Romania at the end of 2007. The number of employees at international operations as of 31 December 2008 represented 53% of the Group’s total number of employees. In Portugal, the staff costs fell 18.9% from 2007 (representing a 1.5% decrease excluding specific items previously mentioned), reflecting the cancellation of the variable remuneration accrued of the Executive Board of Directors and the lower amount of variable remuneration accrued for the employees, and also the reduction in the number of employees, due to the partial replacement of voluntary exits of employees, despite the additional 33 branches in the distribution network, reflecting the focus on the incentive policies aimed at transferring employees from support areas to the commercial network.

Other administrative costs amounted to Euro 642.6 million in 2008, up 2.4% from Euro 627.5 million in 2007, driven by the 20.6% increase in international activity, despite the 7.4% reduction in Portugal. The evolution of other administrative costs in the international activity reflects the costs associated with the network expansion plans, in particular costs related to rent, specialised services, maintenance, advertising and communications. Amongst the international operations, the higher growth levels were registered in Poland, Angola and Romania. In Portugal, other administrative costs benefited from reductions achieved in most line items, as a result of the operative rationalisation measures carried out, highlighting the lower costs related to consulting and advisory services, travel expenses, legal services and temporary labour.

Depreciation totalled Euro 112.9 million in 2008, down 1.8% from Euro 114.9 million in 2007, as a result of the lower amount registered in Portugal and the stabilisation of the depreciation in the international activity. The reduction in Portugal was mostly influenced by the lower depreciation related to real estate, reflecting the end of the depreciation period for investments completed in previous years.
Banco Comercial Português, S.A., a public company (sociedade aberta) having its registered office at Praça D. João I, 28, Oporto, registered at the Commercial Registry of Oporto, with the single commercial and tax identification number 501 525 882 and the share capital of EUR 4,694,600,000.00.

Impairment for loans losses (net of recoveries) totalled Euro 544.7 million in 2008, compared with Euro 260.2 million in 2007. The evolution of impairment for loans losses (net of recoveries) was determined by the increase in the volume of loans to customers and overdue loans, together with the lower level of credit recoveries from 2007, in Portugal and in the international activity. Impairment for loan losses increase to Euro 637.5 million in 2008, compared to Euro 407.2 million in 2007, determined by the coverage of impairment indicators in the loans portfolio, including the impact of the devaluation of financial collaterals, as an effect of the continuous volatility in the capital markets. The cost of risk, measured by the proportion of impairment charges, net of recoveries, in the total loans portfolio, stood at 74 b.p.

Other provisions, which include other assets impairment and other provisions, totalled Euro 44.5 million in 2008, down from Euro 94.8 million in 2007. In 2008, other provisions fundamentally include impairment charges related to the revaluation of assets, in particular, real estate assets received in kind not fully covered by guarantees, while in 2007 were also included provisions related to potential charges related to enquires from regulatory entities.

BALANCE SHEET

Total assets amounted to Euro 94,424 million as of 31 December 2008, an increase of 7.1% from Euro 88,166 million as of 31 December 2007.

Loans to customers, excluding loans represented by securities transferred from financial assets available for sale, totalled Euro 73,849 million as of 31 December 2008 up by 10.4% from Euro 66,873 million at 31 December 2007. The increase in loans to customers was boosted by both the activity in Portugal and the international activity, benefiting from the 10.1% increase in loans to companies and the 10.8% rise in loans to individuals, which was supported by the 11.9% growth in mortgage loans. In Portugal, loans to customers grew 6.6%, determined by loans to companies, which increased 8.2%, while loans to individuals rose 4.5%, chiefly sustained by mortgage loans, while consumer loans remained stable. In the international activity, loans to customers increased 28.3% from 31 December 2008, boosted by loans to individuals (+31.3%) together with loans to companies (+23.7%), benefiting from the favourable evolution in all foreign operations, in particular in Poland and Greece. The performance achieved in Poland was mostly determined by the growth in mortgage loans, while in Greece the major increase was in loans to companies. Between 31
December 2007 and 31 December 2008 the loans portfolio showed a stable and balanced structure, with loans to individuals and loans to companies representing 45% and 55%, respectively, of the total loans portfolio.

### LOANS TO CUSTOMERS (1)

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individuals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>28,538</td>
<td>25,503</td>
<td>11.9%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>4,877</td>
<td>4,645</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>33,415</td>
<td>30,148</td>
<td>10.8%</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>13,409</td>
<td>11,841</td>
<td>13.2%</td>
</tr>
<tr>
<td>Commerce</td>
<td>5,184</td>
<td>5,083</td>
<td>2.0%</td>
</tr>
<tr>
<td>Other</td>
<td>21,841</td>
<td>19,801</td>
<td>10.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>40,434</td>
<td>36,725</td>
<td>10.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>73,849</td>
<td>66,873</td>
<td>10.4%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity in Portugal</td>
<td>58,860</td>
<td>55,194</td>
<td>6.6%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>14,989</td>
<td>11,679</td>
<td>28.3%</td>
</tr>
</tbody>
</table>

(1) Excludes loans represented by securities transferred from financial assets available for sale.

Credit quality, determined by the non-performing loans indicators, shows that the ratio of overdue loans by more than 90 days as a proportion of total loans, excluding loans represented by securities transferred from financial assets available for sale, registered an unfavourable evolution from 30 September 2008 and stood at 0.9% as at 31 December 2008. The coverage ratio stood at 211.1% as of 31 December 2008.

### OVERDUE LOANS BY MORE THAN 90 DAYS AND IMPAIRMENTS AT 31 DECEMBER 2008 (1)

<table>
<thead>
<tr>
<th>Euro million</th>
<th>Overdue loans by more than 90 days</th>
<th>Impairment for loan losses</th>
<th>Overdue loans more than 90 days / Total loans</th>
<th>Coverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individuals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>112</td>
<td>209</td>
<td>0.4%</td>
<td>186.5%</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>148</td>
<td>205</td>
<td>3.0%</td>
<td>139.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>260</td>
<td>414</td>
<td>0.8%</td>
<td>159.6%</td>
</tr>
<tr>
<td><strong>Companies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>81</td>
<td>320</td>
<td>0.6%</td>
<td>395.2%</td>
</tr>
<tr>
<td>Commerce</td>
<td>90</td>
<td>170</td>
<td>1.7%</td>
<td>188.5%</td>
</tr>
<tr>
<td>Other</td>
<td>269</td>
<td>573</td>
<td>1.2%</td>
<td>213.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>440</td>
<td>1,063</td>
<td>1.1%</td>
<td>241.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>700</td>
<td>1,477</td>
<td>0.9%</td>
<td>211.1%</td>
</tr>
</tbody>
</table>

(1) Excludes loans represented by securities transferred from financial assets available for sale.
The Group does not have any exposure to the US subprime / Alt-A mortgage market, in particular through Residential Mortgage-Backed Securities (RMBS), Commercial Mortgage-Backed Securities (CMBS), Asset-Backed Securities (ABS) or Collateralized Debt Obligations (CDO). The Group also does not have any exposure to monoline insurance companies.

The Group’s exposure to structured credit products potentially affected by the markets turmoil in 2008 was limited to the exposure of its subsidiary company Millennium bcpbank in United States, through which the Group owns, as at 31 December 2008, Euro 52.3 million of Residential Mortgage-Backed Securities (RMBS), Euro 10.8 million of bonds with senior AAA debt, both issued by Government Sponsored Entities (GSEs), and Euro 9.6 million of Commercial Mortgage-Backed Securities (CMBS) issued by Government Agencies.

**Total customers’ funds** reached to Euro 66,264 million as of 31 December 2008, a 3.6% increase from Euro 63,953 million in 2007. The favourable performance of total customers’ funds was boosted by the increase of 13.9% in balance sheet customers’ funds, highlighting the growth of 14.4% in customers’ deposits, which more than offset the reduction of 21.6% in off-balance sheet customers’ funds, determined by the evolution of assets under management. The growth in balance sheet customers’ funds, in particular in customers’ deposits, reflects the higher propensity of investors to take refuge in products with lower risk, such as the traditional term deposits, driven by the instability context in the stock markets. The evolution of off-balance sheet customers’ funds was hindered by the drop in assets under management (-45.5%), influenced by the evolution of unit trust funds, despite the favourable performance of capitalisation insurance, which grew 1.1% from 31 December 2007. The increase of total customers’ funds benefited from the activity in Portugal (+1.8%), where the growth in customers’ deposits more than offset the decrease in assets under management, and also benefited from the performance achieved in the international activity (+10.9%), highlighting the further increase in customers’ deposits in Poland, Greece, Mozambique and Angola.

<table>
<thead>
<tr>
<th>TOTAL CUSTOMERS’ FUNDS</th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet customers’ funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>44,907</td>
<td>39,247</td>
<td>14.4%</td>
</tr>
<tr>
<td>Debt securities</td>
<td>6,775</td>
<td>6,108</td>
<td>10.9%</td>
</tr>
<tr>
<td></td>
<td>51,682</td>
<td>45,355</td>
<td>13.9%</td>
</tr>
<tr>
<td>Off-balance sheet customers’ funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets under management</td>
<td>4,927</td>
<td>9,044</td>
<td>-45.5%</td>
</tr>
<tr>
<td>Capitalisation insurance</td>
<td>9,655</td>
<td>9,554</td>
<td>1.1%</td>
</tr>
<tr>
<td></td>
<td>14,582</td>
<td>18,598</td>
<td>-21.6%</td>
</tr>
<tr>
<td>Total</td>
<td>66,264</td>
<td>63,953</td>
<td>3.6%</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity in Portugal</td>
<td>52,322</td>
<td>51,380</td>
<td>1.8%</td>
</tr>
<tr>
<td>Foreign activity</td>
<td>13,942</td>
<td>12,573</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

In the scope of the Group’s liquidity management, balance sheet customers’ funds, especially customers’ deposits from Retail network, remained as a major contributor to the funding structure for the Millennium bcp’s intermediation activity, notwithstanding the importance of wholesale funding operations, in particular the regular recourse to securities issuance within the Euro Medium Term Notes (EMTNs).
Programme, to assets securitisation operations and to covered bonds operations settled amongst financial institutions, boosted by the greater ability of the Group to access to international financial markets.

Millennium bcp developed in 2008 important initiatives aiming to reduce the unfavourable impact from monetary and capital markets in its liquidity position, highlighting the favourable impact of the share capital increase in April 2008, through the issuance of 1,083,270,433 new ordinary shares, for subscription by Banco Comercial Português, S.A. shareholders through the exercise of their pre-emptive subscription rights, which were fully subscribed, in the amount of Euro 1.3 billion.

Notwithstanding the unfavourable conditions of the financial markets, especially during the second half of the year, Millennium bcp essentially achieved its financing plan for 2008 in the area of wholesale funding, by the strict monitoring of the commercial gap (coverage of loans to customers by the customer’s balance-sheet funds), reflected in a sustained growth of customer balance-sheet funds and in the moderate growth of loans to customers.

In early 2009 Millennium bcp successfully launched a fixed-rate 3-year debt issue (Euro Fixed Rate Notes), guaranteed by the Portuguese Republic, in the sum of Euro 1.5 billion, which was placed at a price equivalent to the mid-swaps rate plus 100 b.p.. Despite the uncertainty that characterised the international financial markets and the highly competitive scenarios for new issues, the success of this operation confirms the receptiveness and importance of Banco Comercial Português as an issuer in the international financial markets.

PENSION FUND

The pension fund liabilities, which at the end of 2008 amounted to Euro 5,723 million, were fully financed, and at a level higher than the minimum limit defined by the Bank of Portugal, to which contributed cash payments in the amount of Euro 777 million.

In 2008 the actuarial assumptions regarding the discount rate and the women’s mortality table were changed. The discount rate rose from 5.25% in 2007 to 5.75% in 2008 and the women’s mortality table considered a life expectancy extended by two years.

The stock markets volatility in 2008 determined negative actuarial differences in the Pension fund in the amount of Euro 827 million, and consequently a negative return rate of 14%.

CAPITAL

The capital ratios of the Group as of 31 December 2008 were determined in accordance with the Basel II framework, with the calculation of capital requirements following the standard approach in respect to credit risk and the basic indicator approach for the operational risk.

In accordance with a clarification from the Bank of Portugal, capital deductions related to shareholdings in insurance and banking companies are now deducted from Tier I, when previously they were deducted from Core Tier I.

The solvency ratio as at 31 December 2008 stood at 10.5% and Tier I at 7.1%. Core Tier I stood at 5.8%, compared with 6.5% as at 30 September 2008, essentially reflecting the negative impact related to the deduction of the expected return of the pension fund’s assets in 2008.

The Bank of Portugal, through the Notice 11/2008, authorized the deferral of the actuarial losses of 2008 over the next four years, except for the expected return of the fund’s assets, as referred above, which led
to the deduction of Euro 293 million from Core Tier I. The impacts related to the pension fund led to a decrease of 50 b.p. on the Core Tier I ratio, from 30 September 2008.

The activity in the quarter was influenced, in particular, by negative foreign exchange differences, related to the zloty devaluation associated with the shareholding in Bank Millennium in Poland, which impacted both equity (down Euro 114 million) and minority interests, down by Euro 40 million. These impacts determined the negative contribution of the fourth quarter activity in Core Tier 1 ratio, which reached 19 b.p., despite positive recurrent earnings and the moderate increase of risk weighted assets related to the business.

Investment in BPI registered an additional net devaluation of Euro 18 million in the fourth quarter, as the selling price was lower than market value at 30 September 2008, while the negative impacts of net restructuring costs (Euro 6 million) and Bank of Portugal deferrals for the period (Euro 20 million) should also be highlighted, corresponding, all together, to -5 b.p. in Core Tier I ratio.

In the scope of Basel II a formal request has been filed with the Bank of Portugal, which is currently being analysed, regarding the use of the internal ratings based approach for credit risk and the internal models approach for the general market risk requirements, as well as the standard approach for calculating operational risk requirements. However, regarding recent developments, it is expected that this approval will occur during 2009.

**SOLVENCY**

<table>
<thead>
<tr>
<th>Euro million</th>
<th>Basel II</th>
<th>Basel I</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 Dec. 08</td>
<td>30 Sep. 08</td>
</tr>
<tr>
<td><strong>Own Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier I Capital</td>
<td>4,780</td>
<td>5,234</td>
</tr>
<tr>
<td>of which: Preference shares</td>
<td>955</td>
<td>962</td>
</tr>
<tr>
<td>Deductions on shareholdings (1)</td>
<td>(60)</td>
<td>(92)</td>
</tr>
<tr>
<td>Tier II Capital</td>
<td>2,358</td>
<td>2,314</td>
</tr>
<tr>
<td>Deductions to Total Regulatory Capital</td>
<td>(81)</td>
<td>(41)</td>
</tr>
<tr>
<td>Total Regulatory Capital</td>
<td>7,057</td>
<td>7,507</td>
</tr>
<tr>
<td><strong>Risk Weighted Assets</strong></td>
<td>67,426</td>
<td>66,976</td>
</tr>
<tr>
<td><strong>Solvency ratios</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core Tier I (2)</td>
<td>5.8%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Tier I</td>
<td>7.1%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Tier II</td>
<td>3.4%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Total</td>
<td>10.5%</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

(1) Includes, in particular, the deductions related to the shareholdings in Millenniumbcp Fortis, Banque BCP (France and Luxembourg).

(2) In accordance with a clarification from the Bank of Portugal, the capital deductions related to shareholdings in insurance and banking companies are deducted from Tier I, previously deducted from Core Tier I. The ratio as at 31 December 2007 is on a comparable basis.
SEGMENTAL REPORTING

Millennium bcp offers a wide range of banking activities and financial services in Portugal and abroad, with a special focus on Commercial Banking, Investment Banking and Private Banking and Asset Management.

SEGMENTS DESCRIPTION

Commercial Banking is the core business in the Group’s activity, both in terms of volumes and contribution to results. The Commercial Banking activity includes Millennium bcp’s network in Portugal, operating as a distribution channel targeting the segments of Retail Banking and Corporate and Companies, focusing the activity on satisfying customers’ financial needs, both for individuals and companies. Commercial Banking also includes the segment of Foreign Business, operating through several banking operations in markets with affinity to Portugal and in markets of recognised growth potential, in Europe and in other regions.

The strategic approach of Retail Banking in Portugal was to target “Mass market” customers, who appreciate a value proposition based on innovation and speed, as well as Affluent and Small businesses customers, whose specific characteristics, financial assets or income imply a value proposition based on innovation and personalisation, requiring a dedicated Account Manager. Retail Banking also includes ActivoBank7, a universal Bank, focusing on brokerage and on the selection and advisory of long-term investment products. Within the scope of the cross-selling strategy, Retail Banking also acts as a distribution channel for financial products and services of the Millennium bcp business as a whole.

The Corporate and Companies segment includes: (i) the Corporate network in Portugal, targeting corporate and institutional customers with an annual turnover in excess of Euro 100 million, providing a complete range of value added products and services; (ii) the Companies network in Portugal, which covers the financial needs of companies with an annual turnover between Euro 7.5 million and Euro 100 million, focused on innovation and on offering a wide range of traditional banking products complemented by specialised financing; and (iii) the activity of the Bank’s International Division.

The Investment Banking business is undertaken essentially by Millennium Investment Banking, a company specialised in capital markets, providing strategic and financial advisory, specialised financial service - Project finance, Corporate finance, Securities brokerage and Equity research - as well as in structuring risk-hedging derivatives products.

The Private Banking and Asset Management activity comprises the Private Banking network in Portugal, Millennium Banque Privée, a private banking platform incorporated under Swiss law, and subsidiary companies specialised in the asset management business.

The Foreign Business comprises the operations outside Portugal, namely in Poland, Greece, Turkey, Romania, Mozambique, Angola and United States. The Group is represented by a universal bank in Poland and by an operation based on the innovation of products and services in Greece. The activity in Turkey is performed through an operation focused on financial advising, and in Romania, it is represented through a greenfield operation launched in 2007, focused on Mass market and Businesses, Companies and Affluent. All the above operations develop their activities under the same commercial brand of Millennium. The Group is represented in Mozambique by Millennium bim, a universal bank targeting both companies and individual customers, in Angola by Millennium Angola, a bank focused on individuals and public and private sector companies and institutions, and in the United States by Millennium bcpbank, a local bank that serves the local population, in particular the Portuguese community.
BUSINESS SEGMENT ACTIVITY

The figures reported for each business segment result from aggregating the subsidiaries and business units integrated in each segment, including the impacts from capital allocation and balancing process of each entity’s level, both at balance sheet and income statement, based on average figures. Balance sheet headings for each subsidiary and business unit are re-calculated, given the replacement of their original own funds by the outcome of the capital allocation process, according to regulatory solvency criteria. As the process of capital allocation follows the regulatory criteria of solvency in place, the risk weighted assets and, consequently, the business segments’ capital allocation, were determined in accordance with the Basel II framework for 2008 figures and in accordance with the Basel I for 2007. Each operation is balanced through internal transfers of funds, with no impact on consolidated accounts.

To ensure comparability, the changes that occurred in 2008 were reflected in the segments as of 31 December 2007. It should be noted that the liquidity premium started to be allocated to the Bank’s business areas, in order to properly reflect the contractual maturities of the operations in internal transfer prices of the respective funds. Each segment’s net contribution reflects the individual results reached by business units, independent of the percentage held by the Group, including the impact of the fund transfers previously mentioned. The following information is based on financial statements prepared according to IFRS and on the organisational model in place in the Group.
Retail Banking in Portugal

The net contribution of Retail Banking in Portugal amounted to Euro 267.0 million in 2008, compared to Euro 399.0 million in 2007. The evolution of net contribution reflects the decline in income, due to the reduction in the net interest income from deposits repayable on demand and the lower net commissions, as well as the increase in charges for impairment and provisions.

The growing importance of mortgage loans and the increasing competition in the Small business segment and in consumer loans led to a significant reduction in credit spreads, despite the increase of business volumes. Net commissions showed a favourable evolution, in particular in commissions related to deposits repayable on demand, stock exchange operations and credit operations, mainly in mortgage credit operations, due to the lower amount of new credit granted. The increase in charges for impairment and provisions reflects the coverage of impairment indicators in the loan portfolio and the depreciation in financial collaterals. The increase in staff costs resulted from the transfer of employees from support areas to the commercial network, despite the control of administrative costs, notwithstanding the opening of new branches.

Total customer funds reached Euro 34,014 million as of 31 December 2008, declining 1.6% from Euro 34,556 million at 31 December 2007, as a result of the 57.8% reduction in investment funds and assets under management. However, the strategy to further increase the number of customers and the total customers’ funds, focused on supplying investment and savings products with attractive returns and suited to the various risk profiles, led to a 1.7% increase in customers’ deposits.

Loans to customers totalled Euro 34,788 million at 31 December 2008, rising 3.3% from Euro 33,674 million in the same date of 2007, supported by both the growth of Small business loans and the good performance of mortgage loans, despite the slow down evidenced.

In terms of cross-selling, Retail Banking registered positive progress, growing from 3.99 products per client in 2007 to 4.12 in 2008. Customers’ global satisfaction index reached 78.8% at the end of 2008, comparing positively with the 2007 level (77.9%).

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.08</th>
<th>31 Dec.07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>906.7</td>
<td>955.5</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Other net income</td>
<td>408.8</td>
<td>420.0</td>
<td>-2.7%</td>
</tr>
<tr>
<td></td>
<td><strong>1,315.5</strong></td>
<td><strong>1,375.5</strong></td>
<td><strong>-4.4%</strong></td>
</tr>
<tr>
<td>Operating costs</td>
<td>747.9</td>
<td>723.9</td>
<td>3.3%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>204.1</td>
<td>108.9</td>
<td>87.4%</td>
</tr>
<tr>
<td>Pre-tax contribution</td>
<td>363.5</td>
<td>542.7</td>
<td>-33.0%</td>
</tr>
<tr>
<td>Taxes</td>
<td>96.5</td>
<td>143.7</td>
<td>-32.9%</td>
</tr>
<tr>
<td>Net contribution</td>
<td><strong>267.0</strong></td>
<td><strong>399.0</strong></td>
<td><strong>-33.1%</strong></td>
</tr>
</tbody>
</table>

| **Summary of Indicators** | | | |
| Capital employed | 1,084 | 1,178 | |
| Return on capital employed | 24.6% | 33.9% | |
| Weighted risks | 21,674 | 24,399 | |
| Cost-to-income ratio | 56.8% | 52.6% | |
| Loans and advances to customers | 34,788 | 33,674 | 3.3% |
| Total customer funds | 34,014 | 34,556 | -1.6% |

Note: Capital employed was calculated in accordance with the Basel I methodologies for 2007 and Basel II for 2008.
Corporate and Companies
The Corporate and Customers segment showed a net contribution of Euro 150.6 million in 2008, compared to 232.4 million in the same period of 2007. The performance of this business segment was determined by the higher charges for impairment despite the favourable evolution registered in total operating income and operating cost.

The increase of net interest income reflects the growth in business volumes, both in terms of loans to customers and customers’ deposits. Notwithstanding the effort to align pricing of operations with the associated cost of risk, the price effect was negative. Overall, commissions showed a positive performance. Operating costs decreased when compared with the same period of 2007, showing sustained savings throughout 2008.

The higher level of charges for impairment and provisions reflects the increasing impairment indicators in the loan portfolio and the depreciation of financial collaterals, following the decline of capital markets.

Corporate and Companies network activity was focused in the effort to further increase customers funds and in the discipline in the repricing policy and risk management, in order to optimise the use of capital. The return on allocated capital at 31 December 2008 stood at 12.6%.

Total customers’ funds increased 15.0%, to Euro 11,323 million at 31 December 2008, compared to Euro 9,849 million as of 31 December 2007. The rise in total customers’ funds, despite the intense competition in this business segment, was supported by commercial activity focused on providing diversified treasury, investment and saving solutions, as well as on the continuous identification of new business opportunities. It also reflects the rise in funds from institutional customers.

Loans to customers totalled Euro 22,848 million at the end of December 2008, rising 6.5% from Euro 21,459 million at the end of December 2007. The favourable evolution in loans to customer was achieved despite the increasing restrictive access to funding sources and a more selective credit approval, with additional pricing discipline, through the repricing of credit operations, aligned with the cost of risk and associated capital needs.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.08</th>
<th>31 Dec.07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>327.5</td>
<td>310.2</td>
<td>5.6%</td>
</tr>
<tr>
<td>Other net income</td>
<td>147.3</td>
<td>146.8</td>
<td>0.3%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>474.8</td>
<td>457.0</td>
<td>3.9%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>105.3</td>
<td>111.1</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Pre-tax contribution</td>
<td>164.7</td>
<td>29.7</td>
<td>-</td>
</tr>
<tr>
<td>Taxes</td>
<td>204.8</td>
<td>316.2</td>
<td>-35.2%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>150.6</td>
<td>232.4</td>
<td>-35.2%</td>
</tr>
</tbody>
</table>

Summary of Indicators
| Capital employed | 1,194 | 1,300 |
| Return on capital employed | 12.6% | 17.9% |
| Weighted risks | 23,873 | 26,935 |
| Cost-to-income ratio | 22.2% | 24.3% |
| Loans and advances to customers (1) | 22,848 | 21,459 | 6.5% |
| Total customer funds | 11,323 | 9,849 | 15.0% |

(1) Includes commercial paper.

Note: Capital employed was calculated in accordance with the Basel I methodologies for 2007 and Basel II for 2008.
Investment Banking

The net contribution of Investment Banking stood at Euro 48.4 million in 2008, compared to Euro 63.7 million in 2007. This was mainly driven by the drop in income line items, in particular net commissions related to securities and net trading income, mostly as a result of the adverse performance of capital markets, together with the persistence of an unfavourable macroeconomic environment in Portugal, despite the operating costs control. The return on allocated capital stood at 40.9% at the end of December 2008.

Loans to customer increased by 26.6% between the end of December 2007 and end of December 2008, sustained by the participation of Millennium Investment Banking in major Project finance and Structured finance operations, in the framework of structural investment projects, especially the tourism and renewable energy sectors.

Notwithstanding the unfavourable capital markets environment, Millennium Investment Banking was actively involved in the organisation and structuring of various finance intermediation operations, in particular in the debt issuance segment, which resulted in a significant volume of bonds and commercial paper being issued.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec.08</th>
<th>31 Dec.07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>8.4</td>
<td>9.1</td>
<td>-7.4%</td>
</tr>
<tr>
<td>Other net income</td>
<td>104.7</td>
<td>121.4</td>
<td>-13.8%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>44.6</td>
<td>54.9</td>
<td>-18.9%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>-0.9</td>
<td>0.6</td>
<td>--</td>
</tr>
<tr>
<td>Pre-tax contribution</td>
<td>69.4</td>
<td>75.0</td>
<td>-7.5%</td>
</tr>
<tr>
<td>Taxes</td>
<td>21.0</td>
<td>11.3</td>
<td>86.3%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>48.4</td>
<td>63.7</td>
<td>-24.0%</td>
</tr>
</tbody>
</table>

| **Summary of Indicators** | | | |
| Capital employed | 118 | 117 | |
| Return on capital employed | 40.9% | 54.7% | |
| Weighted risks | 2,366 | 2,320 | |
| Cost-to-income ratio | 39.4% | 42.1% | |
| Loans and advances to customers | 1,166 | 921 | 26.6% |

Note: Capital employed was calculated in accordance with the Basel I methodologies for 2007 and Basel II for 2008.
Private Banking and Asset Management

The Private Banking and Asset Management segment evidenced a negative net contribution of Euro 0.5 million in 2008, down from Euro 41.8 million in 2007. The evolution of the net contribution reflects the higher impairment and provisions charges, driven by the devaluation of financial collateral influenced by the falling stock markets, in particular in Millennium Banque Privéé, and the lower commissions related to asset management. These performances were partly offset by the rise in net interest income, sustained by the repricing of credit operations.

Assets under management totalled Euro 10,593 million at 31 December 2008, 27.7% down from the same date of 2007. This reflects the adverse development of capital markets, which determined financial products withdrawal and led to the devaluation of assets under management portfolio. Term deposits in the Private Banking network in Portugal achieved an increase of 35.6% in 2008, compared with 2007, and also real estate investment funds registered a favourable evolution.

Loans to customers amounted to Euro 3,426 million at 31 December 2008, growing by 5.9% from Euro 3,235 million at 31 December 2007, sustained by the performance of Private Banking network in Portugal, which increased 9.7%, driven by the efforts to expand the business base.

<table>
<thead>
<tr>
<th>Euro million</th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>57.3</td>
<td>44.7</td>
<td>28.3%</td>
</tr>
<tr>
<td>Other net income</td>
<td>44.5</td>
<td>72.5</td>
<td>-38.6%</td>
</tr>
<tr>
<td></td>
<td>101.8</td>
<td>117.2</td>
<td>-13.1%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>57.5</td>
<td>58.4</td>
<td>-1.6%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>52.4</td>
<td>6.9</td>
<td>--</td>
</tr>
<tr>
<td>Pre-tax contribution</td>
<td>-8.1</td>
<td>51.9</td>
<td>--</td>
</tr>
<tr>
<td>Taxes</td>
<td>-7.6</td>
<td>10.1</td>
<td>--</td>
</tr>
<tr>
<td>Net contribution</td>
<td>-0.5</td>
<td>41.8</td>
<td>--</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Summary of Indicators</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital employed</td>
<td>121</td>
<td>126</td>
</tr>
<tr>
<td>Return on capital employed</td>
<td>-0.5%</td>
<td>33.1%</td>
</tr>
<tr>
<td>Weighted risks</td>
<td>2,426</td>
<td>2,741</td>
</tr>
<tr>
<td>Cost-to-income ratio</td>
<td>56.5%</td>
<td>49.9%</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>3,426</td>
<td>3,235</td>
</tr>
<tr>
<td>Assets under management</td>
<td>10,593</td>
<td>14,662</td>
</tr>
</tbody>
</table>

Note: Capital employed was calculated in accordance with the Basel I methodologies for 2007 and Basel II for 2008.
Foreign Business

In the Foreign Business segment, net contribution was down by 5.8% to Euro 128.3 million in 2008, from Euro 136.1 million in 2007. This evolution includes the impact of the Romanian operation, which was launched at the end of 2007.

It is worth noting the sustained growth in income line items, in particular in net interest income (positive volume and interest margin effects, especially in Poland, Angola, Mozambique and Greece). Other net income also showed a favourable performance (mostly driven by commissions, in particular in Angola and Mozambique), sustained by the significant growth in business volumes. The improvements in incomes, more than offset the rise in operating costs, driven by the expansion of the distribution networks in the international operations, which led to an increase in the number of employees. The return on allocated capital stood at 13.1% at the end of 2008.

The cost to income ratio stood at 71.6%, as a result of the strategy of organic growth carried out in the international operations, as reflected by the expansion plans in Poland, Greece, Mozambique, Angola, and most recently in Romania.

Loans to customers grew 28.5% to Euro 14,711 million at 31 December 2008, benefiting from the developments in both loans to individuals and loans to companies, strengthened by the continuous launching of innovative products and services, tailored to customers needs and risk profile. This performance was determined by the increases achieved by all foreign operations, in particular Poland, Angola and Mozambique.

Total customers’ funds boosted 9.2%, totalling Euro 13,942 million at 31 December 2008, influenced by the further increase in customers’ deposits, especially in Poland.

<table>
<thead>
<tr>
<th></th>
<th>31 Dec. 08</th>
<th>31 Dec. 07</th>
<th>Change 08 / 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Statement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>495.6</td>
<td>392.1</td>
<td>26.4%</td>
</tr>
<tr>
<td>Other net income</td>
<td>373.7</td>
<td>344.9</td>
<td>8.3%</td>
</tr>
<tr>
<td></td>
<td>869.3</td>
<td>737.0</td>
<td>17.9%</td>
</tr>
<tr>
<td>Operating costs</td>
<td>622.5</td>
<td>526.7</td>
<td>18.2%</td>
</tr>
<tr>
<td>Impairment and provisions</td>
<td>78.0</td>
<td>41.2</td>
<td>89.4%</td>
</tr>
<tr>
<td>Pre-tax contribution</td>
<td>168.8</td>
<td>169.1</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Taxes</td>
<td>40.5</td>
<td>33.0</td>
<td>22.7%</td>
</tr>
<tr>
<td>Net contribution</td>
<td>128.3</td>
<td>136.1</td>
<td>-5.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Summary of Indicators</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital employed</td>
<td>983</td>
<td>737</td>
<td></td>
</tr>
<tr>
<td>Return on capital employed</td>
<td>13.1%</td>
<td>18.5%</td>
<td></td>
</tr>
<tr>
<td>Weighted risks</td>
<td>13,761</td>
<td>10,655</td>
<td></td>
</tr>
<tr>
<td>Cost-to-income ratio</td>
<td>71.6%</td>
<td>71.5%</td>
<td></td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>14,711</td>
<td>11,447</td>
<td>28.5%</td>
</tr>
<tr>
<td>Total customer funds</td>
<td>13,942</td>
<td>12,772</td>
<td>9.2%</td>
</tr>
</tbody>
</table>

Note: Capital employed was calculated in accordance with the Basel I methodologies for 2007 and Basel II for 2008.
SIGNIFICANT EVENTS

Despite the adverse environment, Millennium bcp kept up efforts to cut costs and streamline the organization, searching simultaneously to promote the improvement of service quality, risk minimization, an adequate liquidity and capital management, and preserving the institutional reputation. Of particular note regarding Millennium bcp’s activities in the fourth quarter of 2008 were:

- Announcement of the deliberation to resume the process of merger by incorporation of Banco Millennium bcp Investimento, S.A., into Banco Comercial Português, S.A.;
- Registration of the merge by incorporation of BCP Participações Financeiras, SGPS, Sociedade Unipessoal, Lda, into Banco Comercial Português, S.A.;
- Notification of Order nº 31835-A/2008 issued by the secretary of State for the Treasury and Finances, authorising the granting of a personal guarantee by the Portuguese State securing the capital and interest obligations within the scope of the 3 fixed-rate issue in the sum of up to Euro 1.5 billion, under the Millennium bcp Euro Medium Term Notes Programme, which took place on 12 January 2009;
- Conclusion of the 4th and of the 5th editions of the Commercial Skills Development Programmes, to encourage employee mobility from central services to commercial areas;
- Notification of charges received from the Portuguese Securities Market Commission (CMVM) and from the Bank of Portugal concerning administrative offence proceedings brought against it in respect of facts that occurred prior to 2008, particularly with regard to alleged irregularities related with the financing of the acquisition of shares issued by the Bank granted to companies headquartered in foreign jurisdictions;
- Sale of 87,214,836 shares representing 9.69% of the share capital of Banco BPI, S.A., to Santoro Financial Holdings, SGPS, S.A., a company incorporated under Portuguese law. As a result of the execution of this agreement Banco Comercial Português will no longer have a qualified holding in Banco BPI, S.A.;
- Millennium Investment Banking became a direct trading service provider in the Amsterdam and Brussels Euronext markets;
- Fitch Ratings reaffirmed the long and short term ratings on Banco Comercial Português, S.A., A+/F1, keeping the outlook stable;
- Moody’s reaffirmed the long and short term ratings on Banco Comercial Português, S.A., Aa3/P-1, keeping the outlook stable;
- Standard & Poor’s reaffirmed the long and short term ratings on Banco Comercial Português, S.A., A/A-1, revising at the same time the outlook from stable to negative. Already on 3 February 2009, Standard & Poor’s reaffirmed the counterparty ratings on Banco Comercial Português, S.A.;
- Millennium bcp was named Best Foreign Exchange Bank in Portugal, by Global Finance magazine and Best Commercial Bank in Portugal, by Euromoney magazine;
- Bank Millennium 2007 Report and Accounts was distinguished as the best in the “Application of International Standards” category in Poland;
- Millennium bim was named “Bank of the Year in Mozambique” by “The Banker” magazine.
ECONOMIC ENVIRONMENT

During 2008 the world economy has faced multiple shocks that led to a significant deceleration of economic activity. This ripple effect was more pronounced during the last quarter of the year, as the financial turmoil rapidly spread to the non-financial sectors of the economy. The past buoyancy of the developing economies suddenly came to a halt on the ferocity and speed of the downturn in world trade and financial flows. Countries from Europe and Southeast Asia, more vulnerable to the reversion of short-term capital flows, had to look for external aid and, in the more extreme situations, decided to end their currency’s full convertibility and imposed restrictions on free capital mobility.

With the full impact of this environment still to be felt over the coming months, as companies adjust their production plans and businesses and households revise down their expected investment and consumption spending, the economic outlook for the main economies is dismal, pointing to a recessionary period ahead. The contribution to growth from the developing countries will be well below last year’s levels amid an unusually high level of uncertainty as regards the timing and extent of the forthcoming recovery. The decline in the price of raw materials has fostered a strong disinflation dynamic. As the moderation in world activity adds to increasing economic slack the risk of development of a deflationary trend has increased.

Financial instability was a common feature across 2008, but particularly so after the summer months, in the aftermath of the financial difficulties that took place in some of the most prominent financial institutions of the US. The risk premium rose to unprecedented levels, more markedly in the more complex financial instruments, with dramatic negative implications in the performance of most financial markets and funding deals. The investment fund industry was specially hit, facing an unusually high level of redemptions. It was also very distressful for the major stock markets. Stock indices retraced on average by 40% to 50% on a yearly basis, in an extremely volatile day-to-day environment. The interbank money market has been mostly dysfunctional in its role of allocating excessive savings among market participants.

Governments and central banks have been pursuing pro-cyclical policies, through accommodative monetary stance, public spending largesse, stabilization of the financial system and provision of funds for recapitalization purposes. The combined policies are starting to have some effect, more noticeably in the reduction of risk premia charged and on resumption of primary debt issuance, but with a slight perverse effect on the widening of the sovereign spreads. Despite the tentative signs of lower risk aversion in the early days of 2009, restoring the regular functioning of financial markets is still seen as a complex task.

The banking activity has been impacted as well. The global financial turmoil derailed funding markets, lowered asset valuations, increased the need for provisioning and raised nonperforming loans and overall impairment levels. At the same time, an improving trend of capital adequacy is underway. In the case of Portugal, this has been further reinforced by the Bank of Portugal’s proposal for banks to have a Tier I Ratio of 8% by the end of the third quarter of 2009.

In the main European countries economic activity heavily downshifted during the second half of the year and inflationary pressures retreated. The European Central Bank cut the main refinancing rate on several occasions, from 4.25% in July to 2.00% in early 2009. Further rate cuts are expected, though logically by a smaller amount. In most countries, internal demand lacks the means and the incentives to be a growth driver and the monetary policy effectiveness is impaired due to the poor functioning of the money markets. So, a large share of the economic impulse has to come from public initiatives, though subject to the public finances’ long-term sustainability.

The contagion of domestic economies has been mainly indirect, through the marked reduction in external demand and the much more restrictive financial terms. This mix of conditions has been somewhat amplified by some vulnerabilities of these countries: in Portugal and Greece making more difficult for the regular financing of the current account deficit; in the Eastern European countries, by the inversion of short term capital inflows; in the African economies by the less friendly state of key commodity markets. All countries will face a sharp deceleration in economic activity and risks are tilted further to the downside, as related to the ability and cost of refinancing maturing debt. Once financial stability is restored, interest rates in countries with own monetary policies will likely be cut further contributing to ease the burden of financial and external constraints.
“Disclaimer”

This document may include certain sections or statements, in particular relating to the Banco Comercial Português ("BCP") Group, that are neither reported financial results nor other historical information. These statements, which may include, without limitation, targets, forecasts, projections, statements regarding the possible development or possible assumed future results of operations and any statement preceded by, followed by or that includes the words “believes”, “expects”, “aims”, “intends”, “may”, “expect”, “estimate”, “project”, “anticipate”, “should”, “intend”, “plan”, “probability”, “risk”, “Value-at-Risk” (“VaR”), “target”, “goal”, “objective”, “will”, “endeavour”, “outlook”, “optimistic”, “prospects” or similar expressions or negatives or combinations thereof are or may constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, regulations and case law, or other applicable laws and regulations. By their nature, forward-looking statements are inherently predictive, speculative and are subject to risk and uncertainty. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by forward-looking statements. These factors include, but are not limited to, changes in economic condition in individual countries in which the BCP Group conducts its business and internationally, fiscal or other policies adopted by various governments and regulatory authorities of Portugal and other jurisdictions, levels of competition from other banks and financial services companies as well as movements in securities markets, currency exchange rates and interest rates, monetary policies, inability to hedge certain risks economically; the adequacy of loss reserves; acquisitions or restructurings; technological changes; changes in consumer spending and saving habits, changes in financial position or credit worthiness of our customers, obligors and counterparties, and the success of the Group in managing the risk involved in the foregoing.

BCP does not undertake to update or to release publicly any revision to any forward-looking statements included in this document, whether to reflect events, circumstances or unanticipated events occurring after the date hereof, or otherwise.
BANCO COMERCIAL PORTUGUÊS

Consolidated Income Statement
for the years ended 31 December, 2008 and 2007

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Thousands of Euros)</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>5,269,597</td>
<td>4,332,187</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(3,548,549)</td>
<td>(2,794,884)</td>
</tr>
<tr>
<td>Net interest income</td>
<td>1,721,048</td>
<td>1,537,303</td>
</tr>
<tr>
<td>Dividends from equity instruments</td>
<td>36,816</td>
<td>27,921</td>
</tr>
<tr>
<td>Net gains / losses arising from trading and hedging activities</td>
<td>277,631</td>
<td>199,138</td>
</tr>
<tr>
<td>Net gains / losses arising from available for sale financial assets</td>
<td>(259,532)</td>
<td>193,211</td>
</tr>
<tr>
<td>Other operating income</td>
<td>57,580</td>
<td>97,861</td>
</tr>
<tr>
<td>Other operating income from non banking activity</td>
<td>17,390</td>
<td>12,925</td>
</tr>
<tr>
<td>Total operating income</td>
<td>2,591,350</td>
<td>2,732,942</td>
</tr>
<tr>
<td>Staff costs</td>
<td>915,307</td>
<td>1,006,227</td>
</tr>
<tr>
<td>Other administrative costs</td>
<td>642,641</td>
<td>627,452</td>
</tr>
<tr>
<td>Depreciation</td>
<td>112,843</td>
<td>114,896</td>
</tr>
<tr>
<td>Operating costs</td>
<td>1,670,791</td>
<td>1,748,575</td>
</tr>
<tr>
<td>Loans impairment</td>
<td>(544,699)</td>
<td>(260,249)</td>
</tr>
<tr>
<td>Other assets impairment</td>
<td>(60,024)</td>
<td>(45,754)</td>
</tr>
<tr>
<td>Other provisions</td>
<td>15,500</td>
<td>(49,095)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>331,336</td>
<td>629,269</td>
</tr>
<tr>
<td>Share of profit of associates under the equity method</td>
<td>19,080</td>
<td>51,215</td>
</tr>
<tr>
<td>Gains from the sale of subsidiaries and other assets</td>
<td>(8,407)</td>
<td>7,732</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>342,009</td>
<td>688,216</td>
</tr>
<tr>
<td>Income tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>(44,001)</td>
<td>(73,045)</td>
</tr>
<tr>
<td>Deferred</td>
<td>(39,997)</td>
<td>3,475</td>
</tr>
<tr>
<td>Profit after income tax</td>
<td>258,011</td>
<td>618,646</td>
</tr>
<tr>
<td>Attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of the Bank</td>
<td>201,182</td>
<td>563,287</td>
</tr>
<tr>
<td>Minority interests</td>
<td>56,829</td>
<td>55,359</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>258,011</td>
<td>618,646</td>
</tr>
</tbody>
</table>
BANCO COMERCIAL PORTUGUÉS

Consolidated Balance Sheet as at 31 December, 2008 and 2007

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and deposits at central banks</td>
<td>2,064,407</td>
<td>1,958,239</td>
</tr>
<tr>
<td>Loans and advances to credit institutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayable on demand</td>
<td>1,048,348</td>
<td>820,699</td>
</tr>
<tr>
<td>Other loans and advances</td>
<td>2,892,345</td>
<td>6,482,038</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>75,165,014</td>
<td>65,650,449</td>
</tr>
<tr>
<td>Financial assets held for trading</td>
<td>3,903,267</td>
<td>3,084,892</td>
</tr>
<tr>
<td>Financial assets available for sale</td>
<td>1,714,178</td>
<td>4,418,534</td>
</tr>
<tr>
<td>Assets with repurchase agreement</td>
<td>14,754</td>
<td>8,016</td>
</tr>
<tr>
<td>Hedging derivatives</td>
<td>117,305</td>
<td>131,069</td>
</tr>
<tr>
<td>Financial assets held to maturity</td>
<td>1,101,844</td>
<td>-</td>
</tr>
<tr>
<td>Investments in associated companies</td>
<td>343,934</td>
<td>316,399</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>19,558</td>
<td>24,180</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>745,818</td>
<td>699,094</td>
</tr>
<tr>
<td>Goodwill and intangible assets</td>
<td>540,228</td>
<td>536,533</td>
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<tr>
<td>Current tax assets</td>
<td>18,127</td>
<td>29,913</td>
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<tr>
<td>Deferred tax assets</td>
<td>586,952</td>
<td>650,636</td>
</tr>
<tr>
<td>Other assets</td>
<td>4,147,645</td>
<td>3,355,470</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>94,423,724</td>
<td>88,166,161</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to central banks</td>
<td>3,342,301</td>
<td>784,347</td>
</tr>
<tr>
<td>Amounts owed to others credit institutions</td>
<td>5,997,066</td>
<td>8,648,135</td>
</tr>
<tr>
<td>Amounts owed to customers</td>
<td>44,907,168</td>
<td>39,246,611</td>
</tr>
<tr>
<td>Debt securities</td>
<td>20,515,566</td>
<td>26,798,490</td>
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<tr>
<td>Financial liabilities held for trading</td>
<td>2,138,815</td>
<td>1,304,265</td>
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<tr>
<td>Other financial liabilities held for trading at fair value through results</td>
<td>6,714,323</td>
<td>1,755,047</td>
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<tr>
<td>Hedging derivatives</td>
<td>350,960</td>
<td>116,768</td>
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<tr>
<td>Provisions for liabilities and charges</td>
<td>221,836</td>
<td>246,949</td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>2,598,660</td>
<td>2,925,128</td>
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<tr>
<td>Current income tax liabilities</td>
<td>4,826</td>
<td>41,363</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td>336</td>
<td>46</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,383,633</td>
<td>1,399,757</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td>88,175,490</td>
<td>83,266,906</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>4,694,600</td>
<td>3,611,330</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>(58,631)</td>
<td>(58,436)</td>
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<tr>
<td>Share premium</td>
<td>183,368</td>
<td>881,707</td>
</tr>
<tr>
<td>Preference shares</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Fair value reserves</td>
<td>214,593</td>
<td>218,498</td>
</tr>
<tr>
<td>Reserves and retained earnings</td>
<td>(274,622)</td>
<td>(1,598,704)</td>
</tr>
<tr>
<td>Profit for the period attributable to Shareholders</td>
<td>201,182</td>
<td>563,287</td>
</tr>
<tr>
<td><strong>Total Equity attributable to Shareholders of the Bank</strong></td>
<td>5,960,490</td>
<td>4,617,682</td>
</tr>
<tr>
<td>Minority interests</td>
<td>287,744</td>
<td>281,573</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>6,248,234</td>
<td>4,899,255</td>
</tr>
<tr>
<td></td>
<td>94,423,724</td>
<td>88,166,161</td>
</tr>
</tbody>
</table>