

Magellan Mortgages No. 2 plc

Euro 930,000,000 Class A Mortgage Backed Floating Rate Notes due 2036

Euro 40,000,000 Class B Mortgage Backed Floating Rate Notes due 2036

Euro 25,000,000 Class C Mortgage Backed Floating Rate Notes due 2036

Euro 5,000,000 Class D Mortgage Backed Floating Rate Notes due 2036

Euro 14,000,000 Class E Mortgage Backed Notes due 2036

Investor Report July 2004



**Banco Comercial Português, S.A
Transaction Manager, Custodian and Servicer**

1. Security Level Information

	Magellan Mortgage No. 2 plc			
	Class A	Class B	Class C	Class D
Issuer Name				
Security Class Name	Class A	Class B	Class C	Class D
ISIN	XS0177944690	XS0177945077	XS0177945234	XS0177945408
Bloomberg Ticker	MAGEL 2 A	MAGEL 2 B	MAGEL 2 C	MAGEL 2 D
Issue Date	24 Oct 2003	24 Oct 2003	24 Oct 2003	24 Oct 2003
Maturity Date	18 Jul 2036	18 Jul 2036	18 Jul 2036	18 Jul 2036
Subordination Level	Senior	Subord. to Class A Notes	Subord. to Class B Notes	Subord. to Class C Notes
S&P Rating	AAA	AA	BBB+	BBB
Moodys Rating	Aaa	A1	Baa2	No rating
Fitch Rating	AAA	AA	A-	BBB
Currency	Euro	Euro	Euro	Euro
Total Original Balance	930,000,000.00	40,000,000.00	25,000,000.00	5,000,000.00
Total Beginning Balance Prior to Distribution	887,796,600.00	40,000,000.00	25,000,000.00	5,000,000.00
Total Ending Balance Subsequent to Distribution	864,956,730.00	40,000,000.00	25,000,000.00	5,000,000.00
Total Principal Distribution	22,839,870.00	0.00	0.00	0.00
Pool Factor	93.006100%	100.000000%	100.000000%	100.000000%
Principal Deficiency Ledger	0.00	0.00	0.00	0.00
Total Interest Distributions	5,096,400.00	263,000.00	202,275.00	47,410.00
Payment Date	19 Jul 2004	19 Jul 2004	19 Jul 2004	19 Jul 2004
Quarterly Collection Date	30 Jun 2004	30 Jun 2004	30 Jun 2004	30 Jun 2004
Calculation Period	3	3	3	3
Accrual Beginning Date	19 Apr 2004	19 Apr 2004	19 Apr 2004	19 Apr 2004
Accrual Ending Date	19 Jul 2004	19 Jul 2004	19 Jul 2004	19 Jul 2004
Accrual Period	91 days	91 days	91 days	91 days
Accrual Rate	2.271 %	2.601 %	3.201 %	3.751 %
Euro Reference Rate	2.051 %	2.051 %	2.051 %	2.051 %
Spread (bps)	22	55	115	170
Denomination	9,546.20	10,000.00	10,000.00	10,000.00
Day Basis	Act/360	Act/360	Act/360	Act/360
Reset Rate Effective Date	15 Jul 2004	15 Jul 2004	15 Jul 2004	15 Jul 2004
New Denomination for the next period	9,300.61	10,000.00	10,000.00	10,000.00

(Amounts in Euro)

2. Collateral Level Information

CP ending 30 June 04

Mortgage Asset Portfolio

	Amount	Nr of Loans
Beginning Principal Outstanding Balance	957,823,665.71	21,098
Principal Redemption	22,839,534.48	321
Scheduled Principal Redemption	8,565,654.03	
Prepayments	14,273,880.45	
CPR	5.88%	
Deemed Principal Losses	0.00	0
Consideration for retired mortgages assets	0.00	0
Principal Adjustments	699,612.58	-13
Ending Principal Outstanding Balance	935,683,743.81	20,764
Principal Outstanding Balance at the Closing Date	996,756,587.44	21,640
	31 Mar 04	30 Jun 04
WA Interest Rate	3.56009 %	3.53279 %
Current LTV (Outstanding Loan Amount/Initial Valuation)	64.4%	63.9%
Original LTV (Initial Loan Amount/Initial Valuation)	71.3%	71.3%

Delinquent Mortgage Loans

	Amount	Nr of Loans
30 - 59 days	1,661,174.25	38
60 - 89 days	621,539.71	17
90 - 179 days	2,097,749.55	45
180 - 269 days	661,154.14	12
270 - 365 days	0.00	0
> 365 days	0.00	0
	5,041,617.65	112

Number of loans in Legal Proceedings	9
(of which the mortgage loan is current*)	8

* proceedings initiated by other creditors

Portfolio Trigger Event

Mortgage Loans in arrears (90 - 365 days)	2,758,903.69
Maximum	45,000,000.00
Result	Pass

Retired Mortgages Asset Pool (Current Period)

	Amount	Nr of Loans
Breach of Reps. & Warranties	0.00	0
Non Permitted Variations	5,945,810.41	130

Substitute Mortgage Asset Pool

	Amount	Trigger	Result
Current Period	6,645,422.99	n/a	n/a
Cumulative during 1 year from the Closing Date	15,265,977.35	50,001,392.63	Pass
Cumulative since Closing Date	15,265,977.35	100,002,785.26	Pass
Current WA Spread for the Pool	1.34%	1.27%	Pass

Permitted Variations

	Amount	Trigger	Result
Cumulative since Closing Date	23,364,347.60	149,513,488.12	Pass

Provisioning

	Loans in arrear	%	Amount
Principal Outstanding Balance to be provisioned	n/a	n/a	0.00
Amount to be provisioned	> 12 months	25%	0.00
	> 24 months	50%	0.00
	> 36 months	100%	0.00

(Amounts in Euro)

2. Collateral Level Information (Continued)

CP ending 30 June 04

Cash Reserve Account

Initial Balance	9,000,000.00
Interest on Issuer Cash Reserve Account	42,408.54
Reserve Fund Drawing	42,408.54
Cash Reserve Account Required Reserve	9,000,000.00
Reserve Fund at end of CP	9,000,000.00

Liquidity Ledger

Liquidity Ledger opening balance	0.00
Additions to Liquidity Ledger	0.00
Deductions from Liquidity Ledger	0.00
Liquidity Ledger closing balance	0.00

Liquidity Facility Amount	30,000,000
Available Liquidity Facility	30,000,000

(Amounts in Euro)

3. Contacts

Transaction Manager, Custodian and Servicer

Banco Comercial Português, S.A.

Av. José Malhoa, lote 1686, 1070-157 Lisboa, Portugal

Dolores Saraiva / Emília Catarino / Carla Abreu

Phone: +351 21 7218 428 / 507 / 505

Fax: +351 21 721 83 59

email: dolores.saraiva@millenniumbcp.pt

emilia.catarino@millenniumbcp.pt

carla.dominguesabreu@millenniumbcp.pt

Investor Reports available on www.securitisation.pt

