

Magellan Mortgages No. 4 plc

Euro 1,413,750,000 Class A Mortgage Backed Floating Rate Notes due 2059

Euro 33,750,000 Class B Mortgage Backed Floating Rate Notes due 2059

Euro 18,750,000 Class C Mortgage Backed Floating Rate Notes due 2059

Euro 33,750,000 Class D Mortgage Backed Floating Rate Notes due 2059

Euro 21,750,000 Class E Floating Rate Notes due 2059

Euro 250,000 Class F Notes due 2059

Report January 2011



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

1. Security Level Information

| Issuer Name | Magellan Mortgages No. 4 plc | | | | |
|---|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Class A | Class B | Class C | Class D | Class E |
| Security Class Name | Class A | Class B | Class C | Class D | Class E |
| ISIN | XS0260784318 | XS0260784821 | XS0260787840 | XS0260788657 | XS0260789382 |
| Bloomberg Ticker | MAGEL 4 A | MAGEL 4 B | MAGEL 4 C | MAGEL 4 D | MAGEL 4 E |
| Issue Date | 13 Jul 2006 | 13 Jul 2006 | 13 Jul 2006 | 13 Jul 2006 | 13 Jul 2006 |
| Maturity Date | 20 July 2059 | 20 July 2059 | 20 July 2059 | 20 July 2059 | 20 July 2059 |
| Subordination Level | Senior | Subord. to Class A Notes | Subord. to Class B Notes | Subord. to Class C Notes | Subord. to Class D Notes |
| S&P Rating | AAA | AA | A | BBB | BB |
| Moodys Rating | Aaa | Aa3 | A2 | Baa2 | Ba2 |
| Currency | Euro | Euro | Euro | Euro | Euro |
| Total Original Balance | 1,413,750,000.00 | 33,750,000.00 | 18,750,000.00 | 33,750,000.00 | 21,750,000.00 |
| Total Beginning Balance Prior to Distribution | 710,680,815.00 | 21,893,321.25 | 12,162,956.25 | 21,893,321.25 | 0.00 |
| Total Ending Balance Subsequent to Distribution | 694,660,200.00 | 21,399,795.00 | 11,888,775.00 | 21,399,795.00 | 0.00 |
| Total Principal Distribution | 16,020,615.00 | 493,526.25 | 274,181.25 | 493,526.25 | 0.00 |
| Pool Factor | 49.1360% | 63.4068% | 63.4068% | 63.4068% | 0.0000% |
| Principal Deficiency Ledger | 0.00 | 0.00 | 0.00 | 0.00 | n/a |
| Total Interest Distributions | 2,070,450.11 | 66,580.02 | 39,475.55 | 86,721.88 | 0.00 |
| Payment Date | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 |
| Quarterly Collection Date | 31/Dec/10 | 31/Dec/10 | 31/Dec/10 | 31/Dec/10 | 31/Dec/10 |
| Calculation Period | 18 | 18 | 18 | 18 | 18 |
| Accrual Beginning Date | 20/Oct/10 | 20/Oct/10 | 20/Oct/10 | 20/Oct/10 | 20/Oct/10 |
| Accrual Ending Date | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 | 20/Jan/11 |
| Accrual Period | 92 days | 92 days | 92 days | 92 days | 92 days |
| Accrual Rate | 1.140 % | 1.190 % | 1.270 % | 1.550 % | 2.250 % |
| Euro Reference Rate | 1.000 % | 1.000 % | 1.000 % | 1.000 % | 1.000 % |
| Spread (bps) | 14 | 19 | 27 | 55 | 125 |
| Denomination | 5,026.92 | 6,486.91 | 6,486.91 | 6,486.91 | 0.00 |
| Day Basis | Act/360 | Act/360 | Act/360 | Act/360 | Act/360 |
| Reset Rate Effective Date | 18/Oct/10 | 18/Oct/10 | 18/Oct/10 | 18/Oct/10 | 18/Oct/10 |
| New Denomination for the next period | 4,913.60 | 6,340.68 | 6,340.68 | 6,340.68 | 0.00 |

(Amounts in Euro)

2. Collateral Level Information

CP ending 31 Dec 2010

Mortgage Asset Portfolio

| | Amount | Nr of Loans |
|---|-------------------|--------------------|
| Beginning Principal Outstanding Balance | 771,227,954.80 | 12,877 |
| Beginning Principal Outstanding Balance (net of deemed Losses) | 766,513,400.86 | 12,727 |
| Principal Redemption | 16,368,186.09 | 163 |
| Scheduled Principal Redemption | 6,598,097.48 | |
| Prepayments | 5,734,211.75 | |
| Retired Mortgages Assets for non-permitted variations | 4,035,876.86 | |
| CPR | 3.00% | |
| Deemed Principal Losses | 1,190,293.90 | |
| Principal Recoveries (to the extent of a debit balance recorded on the PDL's) | 276,032.13 | |
| Realized Losses | 0.00 | |
| Retired Mortgages Assets in excess of substitute loans | 0.00 | |
| Principal Adjustments | 0.00 | |
| Ending Principal Outstanding Balance | 754,859,768.71 | 12,714 |
| Ending Principal Outstanding Balance (net of deemed losses) | 749,230,953.00 | 12,549 |
| Ending Principal Outstanding Balance at Closing Date | 1,491,707,242.68 | 21,875 |
| | 30/09/2010 | 31/12/2010 |
| WA Interest Rate | 1.724% | 1.874% |
| WA Current LTV (Outstanding Loan Amount/Initial Valuation) | 67.3% | 66.9% |
| WA Original LTV (Initial Loan Amount/Initial Valuation) | 77.6% | 77.7% |
| Average Loan Balance | 59,891.90 | 59,372.33 |
| Maximum Loan Balance | 377,366.88 | 375,354.37 |
| Minimum Loan Balance | 161.50 | 164.28 |

Delinquent Mortgage Loans

| | Amount | Nr of Loans |
|----------------|----------------------|--------------------|
| 30 - 59 days | 3,882,931.67 | 59 |
| 60 - 89 days | 3,443,833.48 | 42 |
| 90 - 179 days | 3,443,833.48 | 47 |
| 180 - 269 days | 1,174,971.25 | 19 |
| 270 - 365 days | 3,267,032.57 | 46 |
| > 365 days | 16,436,971.80 | 247 |
| | <u>31,649,574.25</u> | <u>460</u> |

| | Amount | Nr of Loans |
|---|---------------|--------------------|
| Number of loans in Legal Proceedings (of which the mortgage loan is current*) | 16,822,791.50 | 245 |

* proceedings initiated by other creditors

Retired Mortgages Asset Pool

| | Amount | Nr of Loans |
|------------------------------|---------------|--------------------|
| Breach of Reps. & Warranties | 0.00 | 0 |
| Non Permitted Variations | 4,035,876.86 | 38 |

Substitute Mortgage Asset Pool

| | Amount | Trigger | Result |
|--|----------------|----------------|---------------|
| Current Period | 0.00 | | |
| Cumulative during 1 year from the Closing Date | 74,999,784.57 | 75,000,000.81 | Pass |
| Cumulative since Closing Date | 149,747,422.22 | 150,000,001.63 | Pass |
| Current WA Spread for the Pool | 0.95% | 0.90% | Pass |

Permitted Variations

| | Amount | Trigger | Result |
|-------------------------------|----------------|----------------|---------------|
| Cumulative since Closing Date | 290,375,150.00 | 300,000,003.26 | Pass |

Provisioning

| | Loans in arrear | % | Amount |
|---|------------------------|----------|---------------------|
| Principal Outstanding Balance to be provisioned | | | 1,190,293.90 |
| Amount to be provisioned | >= 24 months | 35% | 517,176.45 |
| | >= 36 months | 35% | 567,524.04 |
| | >= 48 months | 30% | 105,593.41 |

(Amounts in Euro)

3. Triggers and Tests Determinations

Portfolio Trigger Event

| | |
|---|------------------|
| Mortgage Loans in arrears (90 - 365 days) | 7,885,837.30 |
| Aggregate Principal Outstanding Balance of the Mortgage Loans on 13 July 2006 (CDD) | 1,500,000,016.28 |
| Ratio | 0.53% |
| Trigger (maximum) | 4.50% |
| Result | PASS |

Net Cumulative Default Ratio

| | |
|--|------------------|
| Aggregate Principal Outstanding Balance of the Defaulted Mortgage Assets net of collections + repurchase proceeds + recoveries in respect of defaulted mortgage assets | 16,436,971.80 |
| Aggregate Principal Outstanding Balance of the Mortgage Assets as at the CDD | 1,500,000,016.28 |
| Ratio | 1.10% |
| Trigger (less than) | 15.00% |
| Result | PASS |

Pro-Rata Test

PASS

| | |
|--|------------------|
| (a) Principal Amount Outstanding of the Class A Notes | 694,660,200.00 |
| Principal Amount Outstanding of the Class A Notes as at the Closing Date | 1,413,750,000.00 |
| Ratio | 49.14% |
| Trigger (less or equal) | 75.00% |
| Result | PASS |
| (b) Cash Reserve Account | 13,500,000.00 |
| Cash Reserve Account Required Balance | 13,500,000.00 |
| Result | PASS |
| (c) Principal Outstanding Balance of the Mortgage Loans in arrears (90-365 days) | 7,885,837.30 |
| Principal Outstanding Balance of the Mortgage Loans as at the CDD | 1,500,000,016.28 |
| Ratio | 0.53% |
| Trigger (less) | 1.80% |
| Result | PASS |

Contingent Liquidity Event**YES**

(Amounts in Euro)

4. Unit Waterfall**Unit Interest Waterfall**

| | FDD |
|--|---------------------|
| | 18 Jan 2011 |
| Opening Balance | <u>0.00</u> |
| Additions to Interest Waterfall | |
| Interest Collections Proceeds | 3,434,131.80 |
| Interest on Fund Account | <u>11,274.92</u> |
| | <u>3,445,406.72</u> |
| Deductions from Interest Waterfall | |
| Incorrect Payments to Originators | 0.00 |
| Fund Expenses (see detail below) | 279,602.63 |
| Unit Distribution - Interest Component | <u>3,165,804.09</u> |
| | <u>3,445,406.72</u> |
| Closing Balance | <u>0.00</u> |

Unit Principal Waterfall

| | FDD |
|---|----------------------|
| | 18 Jan 2011 |
| Opening Balance | <u>0.00</u> |
| Additions to Principal Waterfall | |
| Principal Collections Proceeds | <u>16,368,186.09</u> |
| | <u>16,368,186.09</u> |
| Deductions from Principal Waterfall | |
| Unit Distribution - Principal Component | <u>16,368,186.09</u> |
| | <u>16,368,186.09</u> |
| Closing Balance | <u>0.00</u> |

Fund Expenses:

| | |
|---|-------------------|
| Supervision Fee due and payable by the Fund to the C.M.V.M. | 15,635.35 |
| Fund Manager Fees and Liabilities | 47,166.53 |
| Custodian Fees and Liabilities | 19,709.16 |
| Servicer Fees and Expenses | <u>197,091.59</u> |
| | <u>279,602.63</u> |

(Amounts in Euro)

5. Interest Distribution

IPD
20 Jan 2011

| | |
|--|----------------------|
| Available Interest Distribution Amount | |
| Unit Distributions - Interest Component | 3,165,804.09 |
| Principal Recoveries (to the extent of a debit balance recorded on the PDL's) | 276,032.13 |
| Receipts under the Swap Agreement | 423,232.32 |
| Receipts under the Interest Rate Cap Transaction | 0.00 |
| Gains on Authorised Investments | 0.00 |
| Amounts standing to the credit of the Cash Reserve Account | 13,500,000.00 |
| Amounts standing to the credit of the Interest Rate Cap Cash Reserve Account | 0.00 |
| Principal Draw Amount | 0.00 |
| Contingent Liquidity Drawing | 0.00 |
| Interest accrued and credited to the Issuer Account | 991.02 |
| Interest accrued and credited to the Cash Reserve Account | 29,670.00 |
| Interest accrued and credited to the Interest Rate Cap Cash Reserve Account | 0.00 |
| Class F proceeds to the extent not used to fund initial up-front transaction expenses | 0.00 |
| Avail. Principal Dist. Amt. remaining after redemp. in full of the Class A to D Notes | 0.00 |
| Residual Interest Component re. previous period | 0.00 |
| Total Available Interest Distribution Amount | 17,395,729.56 |
| Pre-Enforcement Interest Payment Priorities | |
| (1st) Issuer's Liability to tax | 1,759.00 |
| (2nd) Trustee fees and Liabilities | 4,375.00 |
| (3rd) Issuer Expenses (See detail below) | 30,529.03 |
| (4th) Amounts due and payable to the Contingent Liquidity Facility Provider | 0.00 |
| (5th i) Payments under Hedge Provider (except for an Early Termination of Hedge Agreem.) | 0.00 |
| (6th i) Class A Notes unpaid interest | 2,070,450.11 |
| (6th ii) Amounts due and payable to the Hedge Provider | 0.00 |
| (7th) Reduction of the debit balance on the Class A Principal Deficiency Ledger | 0.00 |
| (8th) Class B Notes unpaid interest | 66,580.02 |
| (9th) Reduction of the debit balance on the Class B Principal Deficiency Ledger | 0.00 |
| (10th) Class C Notes unpaid interest | 39,475.55 |
| (11th) Reduction of the debit balance on the Class C Principal Deficiency Ledger | 0.00 |
| (12th) Class D Notes unpaid interest | 86,721.88 |
| (13th) Reduction of the debit balance on the Class D Principal Deficiency Ledger | 1,190,293.90 |
| (14th) Class E Notes unpaid interest | 0.00 |
| (15th) Payment to the Cash Reserve Account | 13,500,000.00 |
| (16th) Payments under Hedge Provider (under Interest Rate Cap Transaction) | 0.00 |
| (17th) Payments under Hedge Provider (in case of default by Hedge Provider) | 0.00 |
| (18th) Payment of Principal Amount Outstanding on the Class E Notes (see detail below) | 0.00 |
| (19th) Class F Notes Distribution Amount | 405,545.07 |
| (20th) Release of the Balance (if any) to the Issuer | 0.00 |
| Total Pre-Enforcement Interest Payment Priorities | 17,395,729.56 |
| Issuer Expenses | |
| Account Bank fees | 5,000.00 |
| Transaction Manager fees and Liabilities | 9,799.03 |
| Audit Fees | 15,730.00 |
| Rating Agencies Fees | 0.00 |
| | 30,529.03 |

(Amounts in Euro)

6. Principal Distribution

IPD
20 Jan 2011

| | |
|---|-----------------------------|
| Available Principal Distribution Amounts | |
| Unit Distribution - Principal Component (see detail below) | 16,368,186.09 |
| Available Interest Distribution Amount used to reduce PDL's | 1,190,293.90 |
| Residual Principal Component re. previous period | 199.67 |
| Less, Principal Recoveries (to the extent of a debit balance recorded on the PDL) | 276,032.13 |
| Less, Principal Draw Amount | 0.00 |
| Total Available Principal Distribution Amount | <u>17,282,647.53</u> |
| Pre-Enforcement Principal Payment Priorities | |
| Pro-Rata Test Satisfied (TRUE/FALSE) | TRUE |
| Where the Pro-Rata Test has not been satisfied, payment of: | |
| Principal Amount Outstanding of Class A Notes (see detail below) | 16,020,615.00 |
| Principal Amount Outstanding of Class B Notes | 493,526.25 |
| Principal Amount Outstanding of Class C Notes | 274,181.25 |
| Principal Amount Outstanding of Class D Notes | 493,526.25 |
| Total Pre-Enforcement Principal Payment Priorities | <u>17,281,848.75</u> |
| | |
| Total Available Principal Distribution Amount | 16,021,339.37 |
| Number of outstanding Class A Notes | 141,375.00 |
| Class A Notes Principal Payment - per Note | 113.32 |
| Class A Notes Principal Payment | 16,020,615.00 |
| Residual Principal Component due to rounding | 724.37 |
| | |
| Total Available Principal Distribution Amount | 493,555.37 |
| Number of outstanding Class B Notes | 3,375.00 |
| Class B Notes Principal Payment - per Note | 146.23 |
| Class B Notes Principal Payment | 493,526.25 |
| Residual Principal Component due to rounding | 29.12 |
| | |
| Total Available Principal Distribution Amount | 274,197.43 |
| Number of outstanding Class C Notes | 1,875.00 |
| Class C Notes Principal Payment - per Note | 146.23 |
| Class C Notes Principal Payment | 274,181.25 |
| Residual Principal Component due to rounding | 16.18 |
| | |
| Total Available Principal Distribution Amount | 493,555.37 |
| Number of outstanding Class D Notes | 3,375.00 |
| Class D Notes Principal Payment - per Note | 146.23 |
| Class D Notes Principal Payment | 493,526.25 |
| Residual Principal Component due to rounding | 29.12 |

(Amounts in Euro)

| | IPD |
|--|--------------------|
| | 20 Jan 2011 |
| Opening Balance | <u>0.00</u> |
| Additions to Contingent Liquidity Ledger | |
| Contingent Liquidity Drawing | 0.00 |
| Contingent Liquidity Drawing repaid to the Issuer Account | <u>0.00</u> |
| | <u>0.00</u> |
| Deductions from Contingent Liquidity Ledger | |
| Contingent Liquidity Drawing | 0.00 |
| Contingent Liquidity Drawing repaid to the C.L.F. Provider | <u>0.00</u> |
| | <u>0.00</u> |
| Closing Balance | <u>0.00</u> |
| Contingent Liquidity Event | YES |

(Amounts in Euro)

| 8. Cash Reserve | IPD |
|--|--------------------------|
| | 20 Jan 2011 |
| Opening Balance | <u>13,500,000.00</u> |
| Additions to Cash Reserve | |
| Interest accrued on Issuer Cash Reserve Account | <u>29,670.00</u> |
| | <u>29,670.00</u> |
| Deductions from Cash Reserve | |
| Interest on Issuer Cash Reserve Account tansf. to Issuer Account | <u>29,670.00</u> |
| | <u>29,670.00</u> |
| Closing Balance | <u>13,500,000.00</u> |
| Cash Reserve Account Required Balance | 13,500,000.00 |

(Amounts in Euro)

| 9. Interest Rate Cap Cash Reserve Account | IPD |
|---|--------------------|
| | 20 Jan 2011 |
| Opening Balance | <u>0.00</u> |
| Additions to Interest Rate Cap Cash Reserve Account | |
| Pre-Enforcement Interest Payments Priorities | 0.00 |
| Interest accrued on Interest Rate CapCash Reserve Account | <u>0.00</u> |
| | <u>0.00</u> |
| Deductions from Interest Rate Cap Cash Reserve Account | |
| Transf. to Issuer Account | 0.00 |
| | <u>0.00</u> |
| Closing Balance | <u>0.00</u> |

(Amounts in Euro)

10. Contacts

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Investor Reports available on www.securitisation.pt
