Chapter 1 – Summary

1.1. NOTICES

The form and content of the present Prospectus conforms to the provisions of the CódVM, to the provisions of Regulation EC no. 809/2004 of the Commission of 29 April in its wording of 16 June 2004, and to other applicable legislation, and is prepared within the ambit of the Public Offer for Subscription and the listing of 140 million ordinary, uncertificated, nominative shares with a nominal value of 1 euro each, representing Banco BPI’s share capital.

The present Prospectus has been approved by the CMVM.

The present Chapter should be viewed as an introduction to the Prospectus and endeavours to present a summary of the principal aspects contained herein, namely, the main characteristics of the Issuer and the Shares referred to in the present Prospectus, as well as the main risks associated with the Issuer and the said Shares. As such, this chapter should be read in conjunction with the whole Prospectus and, furthermore, does not dispense with the reading of and the conjugation with the elements of information included therein by way of reference to the other documents, which should be regarded as forming an integral part of this Prospectus.

Pursuant to the provisions of article 149(4) of the CódVM, the persons or entities responsible for the information contained in the Prospectus cannot be held responsible purely on the basis of the summary, or on any translation thereof, except where such summary contains misleading, inaccurate or incoherent statements when read in conjunction with other parts of the Prospectus.

In terms of Article 118(5) of the CódVM, the approval of the Prospectus “is an act which entails the verification of its conformity with the requirements of completeness, veracity, current context, clarity, objectivity and legality of the information”. Article 118(7) of the CódVM provides that the approval of the Prospectus “does not involve any guarantee as to the content of the information, the economic or financial situation of the offeror, the issuer or of the guarantor, the offer’s viability or the quality of the securities”.

In terms of 234(2) of the CódVM, the decision to grant the admission to trading of the Shares referred to in the present Prospectus on the Eurolist by Euronext “does not involve any
guarantee as regards the content of the information, the Issuer’s economic and financial situation, the Issuer’s viability and the quality of the negotiable securities admitted”.

Banco Português de Investimento, S.A. is the Financial Intermediary responsible for the provision of assistance services relating to the listing of the Shares on the Eurolist by Euronext.

Any claim presented in court relating to the information contained in the present Prospectus could, in terms of the national legislation of the Member State in which such claim is lodged, require the complainant investor to pay for the costs associated with the translation of the Prospectus prior to the commencement of the judicial process.

Potential investors in securities should inform themselves about the legal and tax implications in force and which are applicable to them, associated with the acquisition, holding and sale of such securities. Potential investors should also carefully consider the risks referred to and the notices included in the present Prospectus before making any investment decision within the ambit of the Offer.

Investors in negotiable securities should also be aware of and understand the risks associated with the acquisition and holding of such securities, and must in the case of doubt resort to the entities qualified to advise them.

The distribution of the present Prospectus may be subject to restriction in certain jurisdictions, while those in possession of the aforesaid Prospectus should inform themselves regarding and observe such restrictions.

The present Prospectus contains affirmations about the intentions and/or expectations of the Board of Directors or of BPI which do not constitute historical facts, but rather forward-looking statements. Statements relating to the future are all those which do not have as their object past facts. The expressions “anticipates”, “believes”, “hopes”, “intends”, “has the prospect of”, “estimates”, “projects” and other similar terms identify statements relating to the future. Owing to their nature of forward-looking statements, and taking into consideration the uncertainties associated therewith, the aforesaid affirmations regarding intentions and/or expectations of the Board of Directors or of BPI do not constitute a guarantee that such intentions and/or expectations will materialise or be realised. BPI does not assume any obligation to update or revise statements relating to the future. Potential investors are warned, with regard to forward-looking statements, to ponder carefully and pay attention to what is stated in this paragraph concerning such statements.
1.2. RESPONSIBILITY FOR THE INFORMATION

The form and content of the present Prospectus complies with the provisions of the CódVM, with the provisions of Regulation EC no. 809/2004 of the Commission of 29 April, in its wording of 16 June 2004, as amended by Regulation (EC) no. 1787/2006 of the Commission of 4 December, and by Regulation (EC) no. 211/2007 of 27 February and with other applicable legislation.

The entities indicated infra, within the ambit of the responsibility attributed to them in terms of articles 149 and 243 of the CódVM, are liable for the adequacy, veracity, current context, clarity, objectivity and legality of the information contained in the present Prospectus at the date of its publication, in the terms referred to below.

1.2.1. THE ISSUER

Banco BPI, S.A., a company whose capital is open to investment by the public, with registered office at Rua Tenente Valadim, 284, in Oporto, having share capital of 760,000,000 euro, is registered at the Oporto Commercial Registry with the same registration and taxpayer reference number 501 214 534.

1.2.2. MEMBERS OF THE ISSUER’S BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chairman</strong></td>
</tr>
<tr>
<td>Artur Santos Silva</td>
</tr>
<tr>
<td><strong>Vice-Chairmen</strong></td>
</tr>
<tr>
<td>Carlos da Camara Pestana</td>
</tr>
<tr>
<td>Fernando Ulrich</td>
</tr>
<tr>
<td>Rui Octávio Matos de Carvalho</td>
</tr>
<tr>
<td><strong>Members</strong></td>
</tr>
<tr>
<td>Alfredo Rezende de Almeida</td>
</tr>
<tr>
<td>Allianz Europe, Ltd, represented by Herbert Walter</td>
</tr>
<tr>
<td>António Domingues</td>
</tr>
<tr>
<td>António Farinha Morais</td>
</tr>
<tr>
<td>António Lobo Xavier</td>
</tr>
<tr>
<td>Armando Leite de Pinho</td>
</tr>
<tr>
<td>Carlos Moreira da Silva</td>
</tr>
<tr>
<td>Edgar Alves Ferreira</td>
</tr>
<tr>
<td>Henri Penchas</td>
</tr>
<tr>
<td>Isidro Fainé Casas</td>
</tr>
<tr>
<td>José Pena do Amaral</td>
</tr>
<tr>
<td>Juan Nin Génova</td>
</tr>
<tr>
<td>Klaus Dührkop</td>
</tr>
<tr>
<td>Manuel Ferreira da Silva</td>
</tr>
<tr>
<td>Marcelino Armenter Vidal</td>
</tr>
<tr>
<td>Maria Celeste Hagatong</td>
</tr>
<tr>
<td>Pedro Barreto</td>
</tr>
<tr>
<td>Roberto Egydio Setúbal</td>
</tr>
<tr>
<td>Tomaz Jervell</td>
</tr>
</tbody>
</table>
1.2.3. ISSUER’S SUPERVISORY BODY

Supervisory Board

Chairman  Abel António Pinto dos Reis
Members  Jorge de Figueiredo Dias
  José Neves Adelino

Deloitte & Associados, SROC, S.A., registered with the Portuguese Institute of Statutory Auditors under no. 43, registered with the CMVM under no. 231, with registered office at Edifício Atrium Saldanha, Praça Duque de Saldanha, 1 – 6.º, 1050 - 094 LISBON, audited Banco BPI’s financial statements for the years ended 31 December 2005, 31 December 2006 and 31 December 2007; it is responsible for the Statutory Audit Certifications and Audit Reports on the aforesaid financial statements, which are included for reference purposes in this Prospectus.

1.3. CHARACTERISTICS OF THE OFFER

The share capital increase of Banco BPI to which the present Prospectus refers was deliberated by Banco BPI’s Board of Directors, in the exercise of the powers vested in it and in accordance with the parameters and conditions laid down in article 4(2) of Banco BPI’s statutes, having warranted the Supervisory Board’s favourable opinion.

The statutory authorisation under review expired with the capital increase deliberation referred to in the present Prospectus.

The Offer has as its object 140 million new, ordinary, nominative and uncertificated shares, with a nominal value of one euro each, representing roughly 18.4% of Banco BPI’s share capital and which refer to the increase in Banco BPI’s share capital from 760 000 000 euro to 900 000 000 euro.

The Offer is reserved for the Shareholders of Banco BPI, in their capacity as the holders of the pre-emption rights conferred on them by the provisions of article 7 of Banco BPI’s statutes and by article 458 of the Commercial Companies Code.

The subscription price of the Shares to be issued is 2.50 euro each, which in relation to their unitary nominal value of one euro, corresponds to an issue premium of 1.50 euro per share.

The price is payable in full in cash upon subscription. The subscriber shall bear any costs which may be charged by the financial intermediary where the subscription rights are exercised.

The ascertainment of the number of shares which each Shareholder may subscribe for pursuant to the aforesaid pre-emption right results from the application of the factor $0.1863763517$ to the number of pre-emption rights held, rounded off to the nearest lower whole number.

The Shares not subscribed for during the subscription period will be the object of an allotment amongst the holders of pre-emption rights who have indicated that they wish to subscribe for a larger number of shares than they are proportionally entitled to, while the allocation will be done pro rata to the Shares subscribed for in the exercise of the pre-emption rights, rounded off to the nearest whole number, in accordance with article 458 of the Commercial Companies Code.

The request to participate in the allotment can only be transmitted by who, beforehand or simultaneously, has exercised the respective pre-emption right in the subscription for shares. Should the need arise, by virtue of equality of situation amongst the last orders, the allocation of the last share(s) will be done by way of casting lots.
Shareholders’ subscription orders must be transmitted to the financial intermediaries qualified to provide services covering the registration and control of uncertificated securities, in which the rights held are registered, in the period falling between 8.30 am on 27 May 2008 and 7.00 pm on 11 June 2008. Those financial intermediaries whose branches/outlets close before 7.00 pm may be impeded from accepting the transmission of orders beyond their normal office hours.

Subscription orders may be altered or revoked up to 5 (five) days before the end of the Offer period, that is, they become irrevocable as from and including 6 June 2008. However, subscription orders transmitted may be altered as regards their content with respect to increasing the number of pre-emption rights to be exercised or the Shares to be subscribed for in the allotment, until 7.00 pm on 11 June 2008, inclusive.

The pre-emption rights are negotiable on the stock exchange until the fourth business day prior to the closing of the subscription period. Thus, the pre-emption rights attaching to Banco BPI shares will be traded on the Euronext, the official quotations market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A., between 8.30 am on 27 May 2008 and 7.00 pm on 5 June 2008.

The rights can also be traded outside a regulated market between 8.30 am on 27 May 2008 and 7.00 pm on 11 June 2008.

Pursuant to article 458 of the Commercial Companies Code, the pre-emption rights not exercised expire at the end of the subscription period, while the Shares corresponding to those rights will be allotted as described above.

Banco BPI has not entered into any underwriting contract or guaranteed share-placing agreement, with the result that should the Offer not be fully subscribed, and given that in terms of the deliberation of Banco BPI’s Board of Directors, the capital increase is subject to the incomplete subscription regime envisaged in article 457 of the Commercial Companies Code, the said increase shall be limited to the subscriptions lodged.

No agreements have been concluded with any entities with a view to these acting as intermediaries in the secondary trading in the Shares with the object of securing their liquidity.

Banco Português de Investimento, S.A. is the financial intermediary responsible for providing assistance to Banco BPI under the Offer operation.

**STOCK MARKET LISTING AND DEALING**

An application has been made to the Euronext market for the Shares which are the object of the Offer to be admitted to trading, which listing is expected to take place on 24 June 2008.

**INDICATIVE TIMETABLE OF THE PRINCIPAL PHASES OF THE POS AND STOCK MARKET LISTING**

The table below presents the scheduled dates deemed to be the most important relating to the Offer and subsequent admission to trading of the Shares on the Euronext:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last trading day for the Shares with subscription rights</td>
<td>21 May 2008</td>
</tr>
<tr>
<td>Beginning of the subscription period</td>
<td>27 May 2008</td>
</tr>
<tr>
<td>Beginning of the period for the trading of the subscription rights on the stock exchange</td>
<td>27 May 2008</td>
</tr>
<tr>
<td>Last trading day for subscription rights on the stock exchange</td>
<td>5 June 2008</td>
</tr>
<tr>
<td>Date effective from which subscription orders become irrevocable, inclusive</td>
<td>6 June 2008</td>
</tr>
<tr>
<td>Last day of the subscription period</td>
<td>11 June 2008</td>
</tr>
<tr>
<td>Financial settlement for the Shares subscribed for in the Offer</td>
<td>16 June 2008</td>
</tr>
<tr>
<td>Financial settlement for the Shares subscribed for in the allotment</td>
<td>18 June 2008</td>
</tr>
<tr>
<td>Stock market listing of the Shares</td>
<td>24 June 2008</td>
</tr>
</tbody>
</table>
In each one of the above phases, the publication period imposed under law has been observed.

**PURPOSE OF THE OFFER AND ALLOCATION OF THE PROCEEDS**

The capital increase referred to in the present Prospectus was deliberated by Banco BPI’s Board of Directors at its meeting on 23 April (which resolution is complemented by the resolution of 19 May 2008), in the exercise of the powers that were conferred on it for this purpose, and in accordance with the parameters and conditions laid down in article 4(2) of BPI’s statutes, accompanied by the Supervisory Board’s favourable opinion.

The proposal which the Board of Directors presented at the General Meeting of 23 April 2008, contained the preamble which is reproduced in full as follows:

“Whereas:

- The growth projected for the BPI Group’s operations, taking into account the objectives laid down in the BPI Group’s long-term dividend policy approved by resolution passed at the General Meeting of 19 April 2007, according to which “Banco BPI pursues solid financial base goals which are expressed in the maintenance of: a) a ratio between its basis own funds and risk-weighted assets – indicator normally referred to as Tier I capital – tendentiously above 7%; b) a percentage of preference shares of not more than 20% of basis own funds, that is, a Core Tier I indicator tendentiously above 5.5%,” makes it necessary to reinforce Banco BPI’s own funds;

- Against this backdrop, the Board of Directors is of the opinion that Banco BPI’s share capital should be increased;

- Taking into account current market conditions, the formulation of the conditions for such capital increase should take place as close as possible to the launching of the operation giving expression to that increase;

- In these terms, it is considered that the best way to preserve the necessary flexibility for that purpose is to grant a statutory authorisation for the Board of Directors to decide on the capital increase operation, this without prejudice to the fixing now of certain parameters for this operation by way of conditions to which such authorisation must be subjected.”

The net proceeds generated by the Offer will only be determined at the end of the Offer, although it is forecast that these should (after deducting the associated expenses) amount to approximately 350,000,000 euro.

The costs relating to the Offer and the listing of the Shares on Euronext are expected to amount to roughly 77 500 euro.

No agreements have been concluded with any entities with a view to these acting as intermediaries in the secondary trading in the Shares with the object of securing their liquidity.

There are no statutory and/or legal restrictions which limit the free tradability of the Shares, which may be freely traded in terms of the law.

**1.4. SUMMARY OF THE PRINCIPAL RISKS AND FORMS OF MITIGATION**

Share investment involves risks. The investment in shares, namely in Banco BPI’s Shares, must take into consideration the risk factors and respective mitigation instruments described in Chapter 2, and which are summarised in this point, in conjunction with the other information contained in this Prospectus.
1.4.1 RISKS RELATING TO BANCO BPI’S ACTIVITY

- Banco BPI is exposed to the behaviour of the Portuguese economy. An adverse trend in the macroeconomic background could negatively affect BPI’s activity and results.
- BPI has to contend with stiff competition in the main areas of activity.
- A marked negative environment on the global capital markets could have an adverse impact on the value of investments, on activity and on earnings, as well as on the Group’s capital ratios.
- BPI has a portfolio of shares and bonds recorded as available-for-sale assets. An unfavourable trend in the value of these assets could affect shareholders’ equity, regulatory own funds and the Bank’s earnings.
- The Bank may have to make additional contributions to the pension fund in the future, namely, if adverse events on the financial markets lead to a situation in which the fund has insufficient net assets to cover pension liabilities. If the fund’s financial assumptions were altered, the financial result relating to pensions recognised in the income statement could be substantially affected.
- The Bank’s operations and results could be affected by changes in the legal and regulatory framework, namely, those relating to liquidity, solvency and provisioning.
- The Bank could be adversely affected by changes which may occur in tax legislation and other regulations, as well as by changes in interpretation by the competent tax authorities of that legislation and those regulations.
- The Bank has exposure to macroeconomic risks in its international operations. In addition, those operations of the Group are exposed to the risks stemming from adverse events of a political, governmental and economic nature in the countries in which they are based. Those factors could have an adverse effect on the Group’s financial situation and results.
- BPI’s international operations are exposed to currency risk, which is primarily reflected in the euro-equivalent value of the Group’s respective subsidiaries’ results and balance sheets for purposes of their consolidation.
- The Bank enters into hedging transactions in order to reduce its exposure to the different types of risks associated with its business, but does not hedge all its exposure in every market environment and cannot guarantee the complete efficacy of the hedging operations contracted.
- A possible downgrading of BPI’s ratings would probably lead to an increase in the cost of the Bank’s funding on the capital market.
- The Bank could be the target of an unsolicited takeover bid. In such an eventuality, there could be changes in the current strategy implemented, in the core businesses carried on, in operations and in resources.
- Although BPI is presently focusing on the organic growth of its businesses, one cannot rule out the possibility of the Bank becoming involved in banking concentration operations.
- The Bank is exposed to credit risk associated with the prospect of default by a borrower or counterparty (or with the variation in the economic value of a specific instrument or portfolio). Credit risk constitutes the most important risk attaching to the BPI Group’s entire activity.
- The Bank is exposed to market risk, which could translate into the depreciation of its financial investments or affect its trading results as a consequence of changes in market factors, namely, risk of changes in share prices, interest rate risk, currency risk and the risk of fluctuations in commodity prices.
- BPI is exposed to interest-rate risks. Interest rates are sensitive to factors which are beyond the Bank’s control, including monetary policies and domestic and international political events.
- BPI is exposed to liquidity risk, this being defined as the (in) ability to keep pace with the growth in assets and meeting treasury requirements without incurring abnormal losses.
- During the course of its normal activity, BPI is exposed to operational risks; operational risks are those which could result in unexpected losses due to human failures, breakdowns in internal control procedures and in information systems, or the causes of which are external.
- BPI is subject to the legal risk associated with the eventuality of, in the Bank’s operations, a situation of non compliance with requirements of an external nature and to which it is subject.
- The Bank is subject to compliance risks.
The Bank is exposed to reputational risk.

BPI is subject to strategy risks in that it is possible that the Bank takes strategic decisions, the outcome of which could diverge significantly from those aspired to.

BPI could be exposed to other unidentified risks or to an unexpected risk level. Notwithstanding the fact that stringent policies and procedures have been implemented for managing the risks and types of risk which the Bank has identified and to which it is exposed, BPI cannot guarantee that it will not be affected by the materialisation of risks which are unknown today of an identical nature or which are different from those referred to above. Moreover, the Bank cannot guarantee that, in the event of exceptionally adverse scenarios, the policies and procedures used by it in the identification, monitoring and management of risks will be totally effective.

1.4.2. RISKS RELATED TO THE OFFER AND TO THE SECURITIES OBJECT OF THE OFFER

- The price of BPI shares could decline before or after the deadline for the exercise of the subscription rights.
- After the Offer closes, it will only be possible to dispose of the shares acquired under it after these have been registered in a securities account with a legally-qualified financial intermediary.
- BPI cannot guarantee that the capital-increase registration at the Commercial Registry and the admission to trading of the Shares to Euronext Lisbon will take place on the scheduled date.
- It is not possible to guarantee beforehand how a liquid market for the trading of subscription rights will evolve, and even where an active market does materialise, the price at which the rights are traded could be volatile.
- Should an investor not sell or exercise his/her rights by the end of the subscription period, these will expire, as provided for in article 458(3) of the Commercial Companies Code, without any *quid pro quo*, with no entitlement to any monetary or other compensation for such fact.
- Shareholders who do not exercise their subscription rights will suffer a dilution of their percentage holding in the Issuer’s share capital and, even if the subscription rights not exercised are sold, the amount receivable may not be sufficient to fully compensate for the dilution of the percentage holding which may occur by virtue of this capital increase.
- The payment of future dividends is not guaranteed. The possibility in the future of the distribution of dividends at levels compatible with BPI’s dividend policy depends on the conditions prevailing at the time when the distribution is decided, namely the existence of distributable profits.
- Shareholders residing in countries whose currency is not the Euro are exposed to an additional investment risk stemming from fluctuations in the exchange rate relating to their holding in BPI’s share capital.
- The rights of minority shareholders are contemplated in the Portuguese statute books, and may differ from those provided for in other legal jurisdictions.
- The investment activities of certain investors are subject to the limitations imposed by law and regulations, or by the supervision or regulation of certain authorities.
- The present Offer was not the object of a rating by any rating company registered with the CMVM.

1.5. INFORMATION ABOUT THE ISSUER

Banco BPI is a public-limited company whose capital is open to investment by the public (publicly-traded company); its registered office is at Rua Tenente Valadim, 284, in Oporto: telephone no. 22 607 31 00, and its incorporation process is described under point 5.3.

The Issuer is registered at the Oporto Commercial Registry with the same registration and taxpayer reference no. 501 214 534.

Banco BPI is authorised by the Bank of Portugal to carry on banking business (code no. 10) and by the Portuguese Securities Market Commission (Comissão do Mercado de Valores Mobiliários) to engage in financial intermediation activities (registration no. 300).
Banco BPI’s share capital, in the amount of seven hundred and sixty million euro, is fully subscribed and paid up, and is represented by seven hundred and sixty million ordinary, uncertificated and nominative shares with a nominal value of 1 euro each.

The shares representing Banco BPI’s share capital are recorded in the centralised system managed by the clearing house Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A., whose registered office is at Avenida da Boavista, 3433 - 4100-138 Oporto.

The shares representing Banco BPI’s share capital are listed on the Euronext, official quotations market managed Euronext, having been attributed the code ISIN PTBPI0AM0004.

1.6. BRIEF PRESENTATION OF THE ISSUER’S ACTIVITIES

The BPI Group is a financial group whose core activity is multi-specialist banking business offering a comprehensive range of financial products and services for companies, institutional investors and individuals. Banco BPI carries on its activity in the commercial banking area and, simultaneously, is the entity at the helm of the Group.

At the end of 2007, the BPI Group’s assets totalled 40,546 million euro and consolidated shareholders’ equity 1,635 million euro. 94% of net consolidated assets and 82% of shareholders’ equity were allocated to domestic operations, while the remaining 6% of assets and 18% of shareholders’ equity were deployed in international operations.

DOMESTIC OPERATIONS

Domestic activity corresponds to commercial banking operations carried on in Portugal - including the provision of banking services abroad to non-residents, namely, to communities of Portuguese emigrants, and the services offered at the Madrid branch – as well as investment banking, asset management and private equity activity and other investments. In 2007 domestic operations contributed 278 M.€ to consolidated net profit.

In Portugal, BPI Group was the 5th largest financial group in terms of assets, with market shares of 9% in assets and 11% in loans and deposits. Banco BPI commercial bank serves more than 1.4 million Customers in Portugal – Individuals, Companies and Institutionals –, through a multi-channel distribution network comprising 662 retail branches, 23 investment centres, 19 branches specialising in home loans, a network of 8,846 external promoters and 52 corporate, institutional and project finance centres.

Investment banking activity – Equities, Corporate Finance and Private Banking – is conducted by Banco Português de Investimento, the BPI Group’s original parent company.

In asset management, BPI has 100%-owned subsidiaries dedicated to the management of unit-trust (mutual) funds (BPI Gestão de Activos), pension funds (BPI Pensões) and life-capitalisation insurance (BPI Vida), whose products are distributed via Banco BPI and Banco Português de Investimento. At the end of 2007, BPI Gestão de Activos was the third biggest investment fund manager in Portugal, with a market share of 16.1%, while BPI Pensões occupied second place in the ranking of pension-fund management companies in terms of the volume of managed assets with a 16.1% market share.

INTERNATIONAL OPERATIONS

International activity corresponds to the operations of Banco de Fomento Angola (BFA), as well as to the appropriation of the results of the 30% shareholding in BCI Fomento, in Mozambique, and the 92.7% shareholding in the brokerage firm BPI Dealer, also in Mozambique. The contribution made to the net profit from international operations in 2007 by Banco de Fomento Angola was 73.8 M.€, that of BCI Fomento was 3.3 M.€, and that of BPI Dealer Moçambique was 0.008 M.€.

1) Source: APFIPP - Associação Portuguesa de Fundos de Investimento, Pensões e Patrimónios.
In Angola, BFA had (in December 2007) market shares of 23% in loans, corresponding to first place, and 20% in deposits, representing second place in the market. At the end of 2007, BFA served 405 thousand Customers via a distribution network made up of 83 retail branches, 4 investment centres and 7 corporate centres, while its workforce comprised 1,528 people.

1.7. SELECTED FINANCIAL DATA

The following table presents the consolidated financial indicators based on the information prepared in accordance with International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), for the financial years ended 31 December 2005, 31 December 2006 and 31 December 2007, which were the object of statutory audit certification and audit review, and for the quarters ended 31 March 2007 and 31 March 2008, which were not subjected to audit or limited review. The financial information relating to the quarter ended 31 March 2008 was publicly released on 22 April 2008.

<table>
<thead>
<tr>
<th>Consolidated financial indicators</th>
<th>Amounts in M.€</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
</tr>
<tr>
<td>Total Assets</td>
<td>30,158.7</td>
</tr>
<tr>
<td>Customer loans 1)</td>
<td>20,963.2</td>
</tr>
<tr>
<td>Customer resources on balance sheet</td>
<td>16,758.9</td>
</tr>
<tr>
<td>Total customer resources</td>
<td>24,918.8</td>
</tr>
<tr>
<td>Shareholders’ equity attributable to BPI shareholders</td>
<td>1,181.4</td>
</tr>
<tr>
<td>Minority shareholders’ interests</td>
<td>306.3</td>
</tr>
<tr>
<td>Net operating revenue</td>
<td>898.8</td>
</tr>
<tr>
<td>Administrative overheads, depreciation and amortisation</td>
<td>519.3</td>
</tr>
<tr>
<td>BPI Group consolidated net profit</td>
<td>250.8</td>
</tr>
<tr>
<td>Administrative overheads, depreciation and amortisation / net operating revenue 2)</td>
<td>55.3%</td>
</tr>
<tr>
<td>Return on shareholders’ equity (ROE)</td>
<td>23.7%</td>
</tr>
<tr>
<td>Loans in arrears for more than 90 days (balance sheet) / Customer loans</td>
<td>1.3%</td>
</tr>
<tr>
<td>Loan impairment allowances (balance sheet) / Customer loans</td>
<td>1.6%</td>
</tr>
<tr>
<td>Net loan loss 4)</td>
<td>0.24%</td>
</tr>
<tr>
<td>Funding of pension liabilities recognised in the balance sheet</td>
<td>100.2%</td>
</tr>
<tr>
<td>Own funds requirements ratio 5)</td>
<td>11.5%</td>
</tr>
<tr>
<td>Tier 1 6)</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

1) For comparative purposes, 1,264 M.€ was included in the December 2007 figure, and 1,148 M.€ in the March 2008 figure, corresponding to securitised loans which were derecognised from assets.
2) Administrative overheads, depreciation and amortisation, excluding early-retirement costs as a percentage of net operating revenue.
3) Excluding from shareholders’ equity revaluation reserves.
4) Loan provisions (PCSB) and impairments (IAS / IFRS) in the year, after deducting recoveries of loans written off assets (income statement) / average balance on Customer loans portfolio. In annualised terms.
5) According to Bank of Portugal rules.
6) Takes into consideration net profit for the 1st quarter 08, net of the estimated dividends payable relating to that profit and the amount of actuarial variances outside the corridor at 31 March 2008.

1.8. SUMMARY OF BUSINESS TRENDS

Insofar as the most significant trends observed between the end of the last financial year and the date of the present Prospectus are concerned, we refer to the unaudited financial information for the quarter ended 31 March 2008 drawn up in accordance with IFRS.

There were no significant changes in the aforesaid trends between the date of the said quarterly financial information and the date of the present Prospectus.

2) According to statistics of Banco Nacional de Angola – BNA (Banco Central). As regards loans, the statistics include loans, Treasury Bills and Treasury Bonds, as well as financial investments.
1.9. DOCUMENTATION AVAILABLE TO THE PUBLIC

The Issuer’s Statutes are available in printed form for consultation upon request and free of charge at the Issuer’s registered office situated at Rua Tenente Valadim, 284, in Oporto, and in electronic format, at the internet site www.ir.bpi.pt

The present Prospectus is available for consultation at the following locations:

In hard copy:

- Issuer’s registered office
- Euronext, situated at Av. da Liberdade, no. 196 - 7º, in Lisbon
- Registered office of Banco Português de Investimento S.A., situated at Rua Tenente Valadim, no. 284, in Oporto

In electronic format:

- At the Issuer’s website www.ir.bpi.pt
- At the CMVM’s official website www.cmvm.pt