

JULY 2011
**EARNINGS
PRESENTATION**
1ST H 2011



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- The information in this presentation has been prepared under the scope of the International Financial Reporting Standards ('IFRS') of BCP Group for the purposes of the preparation of the consolidated financial statements under Regulation (CE) 1606/2002.
- The figures presented do not constitute any form of commitment by BCP in regard to future earnings.
- First six months figures for 2010 and 2011 were subject to a limited revision by External Auditors.

Summary of the first semester 2011

Launch and conclusion of a three-stage capital increase in the amount of 1.37 billion euros, reaching a core tier I of 8.5% in the first half of 2011

Deleveraging proceeding: loans to customers decline by 4.8%, while on-balance sheet customer funds increase 5.8%, reducing the commercial gap* by 6.6 billion between June 2010 and June 2011

Net income reaches 88.4 million euros, representing a 45.8% decline on an annual basis

Improving core revenues: net interest income increases by 14.6% and stable commissions due to the growth of banking commissions that increase 3,9%

Containing costs: operating costs drop by 3.5% on a yearly basis, -4.3% in Portugal and -2,3% in international operations

Reinforcement of impairment charges by 46.3% in the 1H11

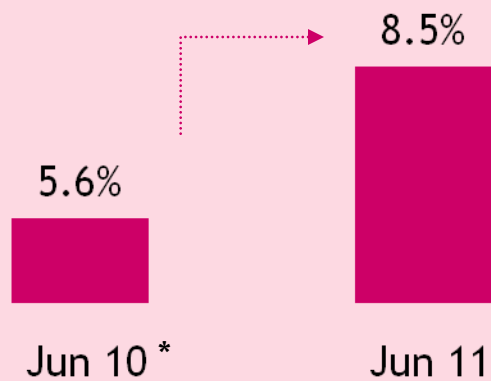
Strong increase in net income contribution from international operations, from 25.3 million euros in the first half of 2010 to 64.4 million euros in the first half of 2011

* Commercial gap: Gross loans- Balance sheet customer funds

Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Highlights of the first semester 2011

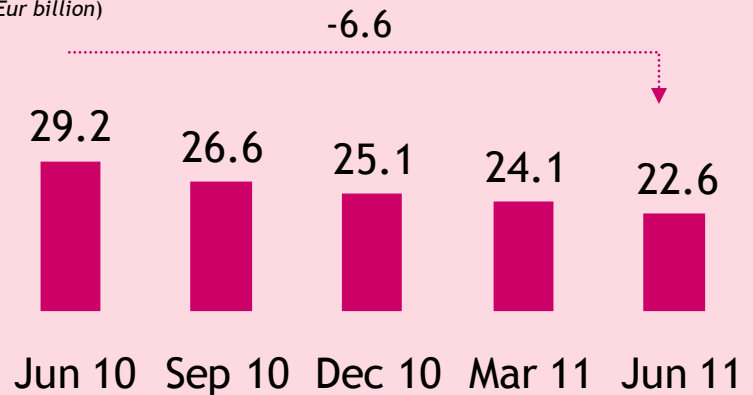
Core Tier I



* Standard method

Commercial gap*

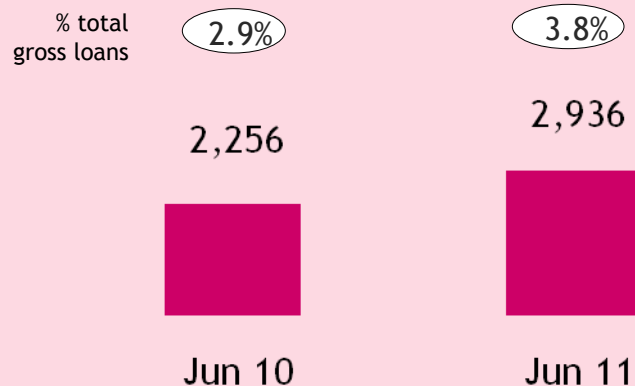
(Eur billion)



* Commercial gap: Gross loans- Balance sheet customer funds

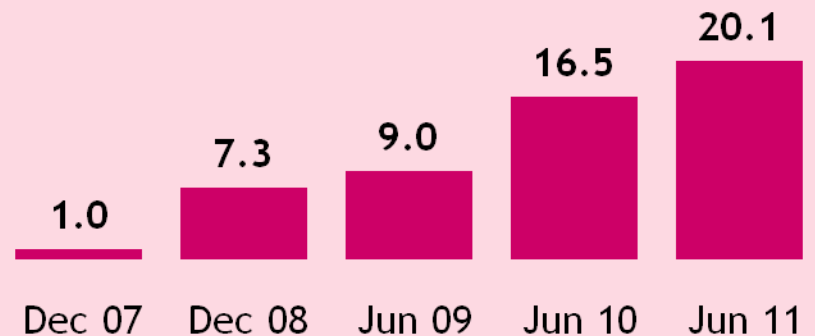
Balance sheet impairment

(Eur million)



Eligible assets in central banks and repos

(Eur billion)



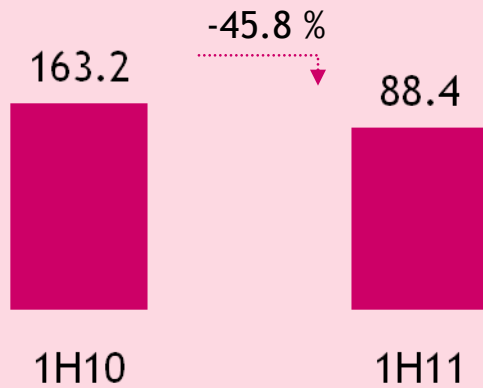
* Commercial gap: Gross loans- Balance sheet customer funds

Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Highlights of the first semester 2011

Net income

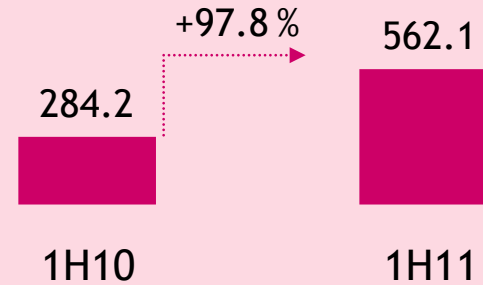
(Eur million)



Impairment charges

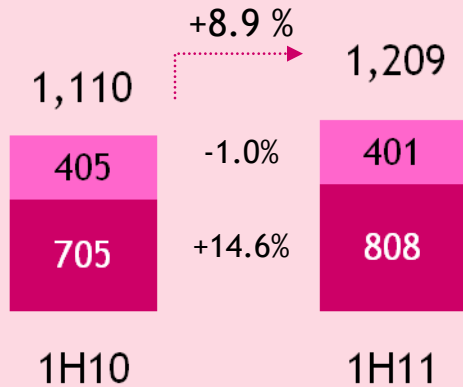
(net of recoveries)

(Eur million)



Core income

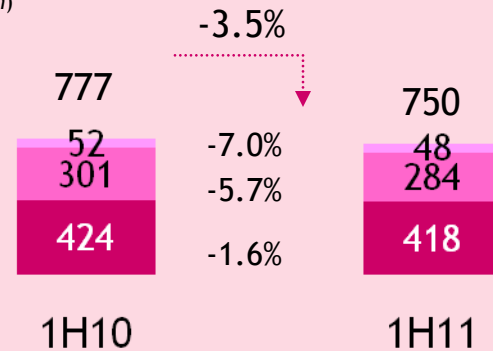
(Eur million)



■ NII ■ Commissions

Operating costs

(Eur million)



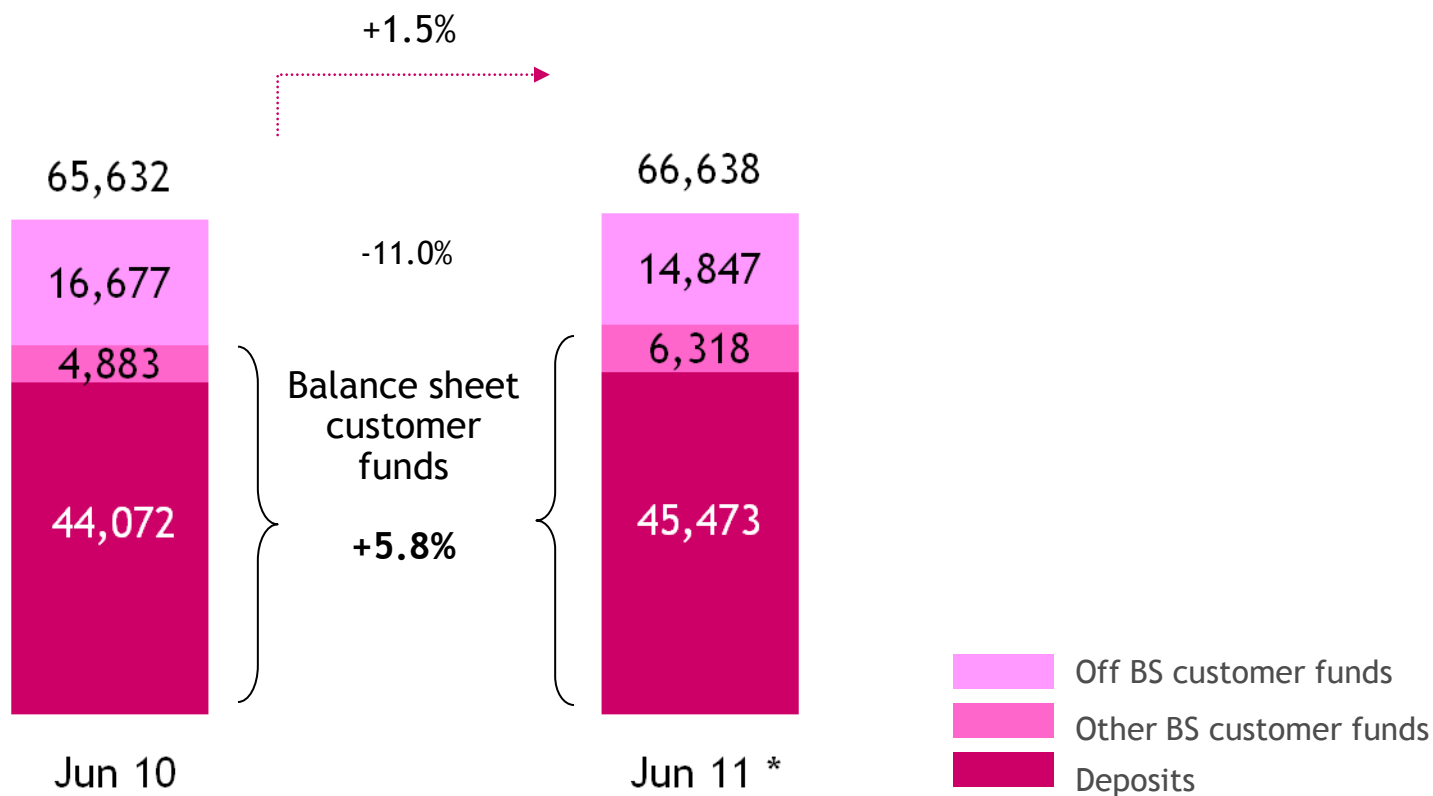
■ Staff ■ Admin. ■ Dep.

Increase of customer funds supported by the growth of balance sheet funds

(Eur million)

Consolidated

Customer funds



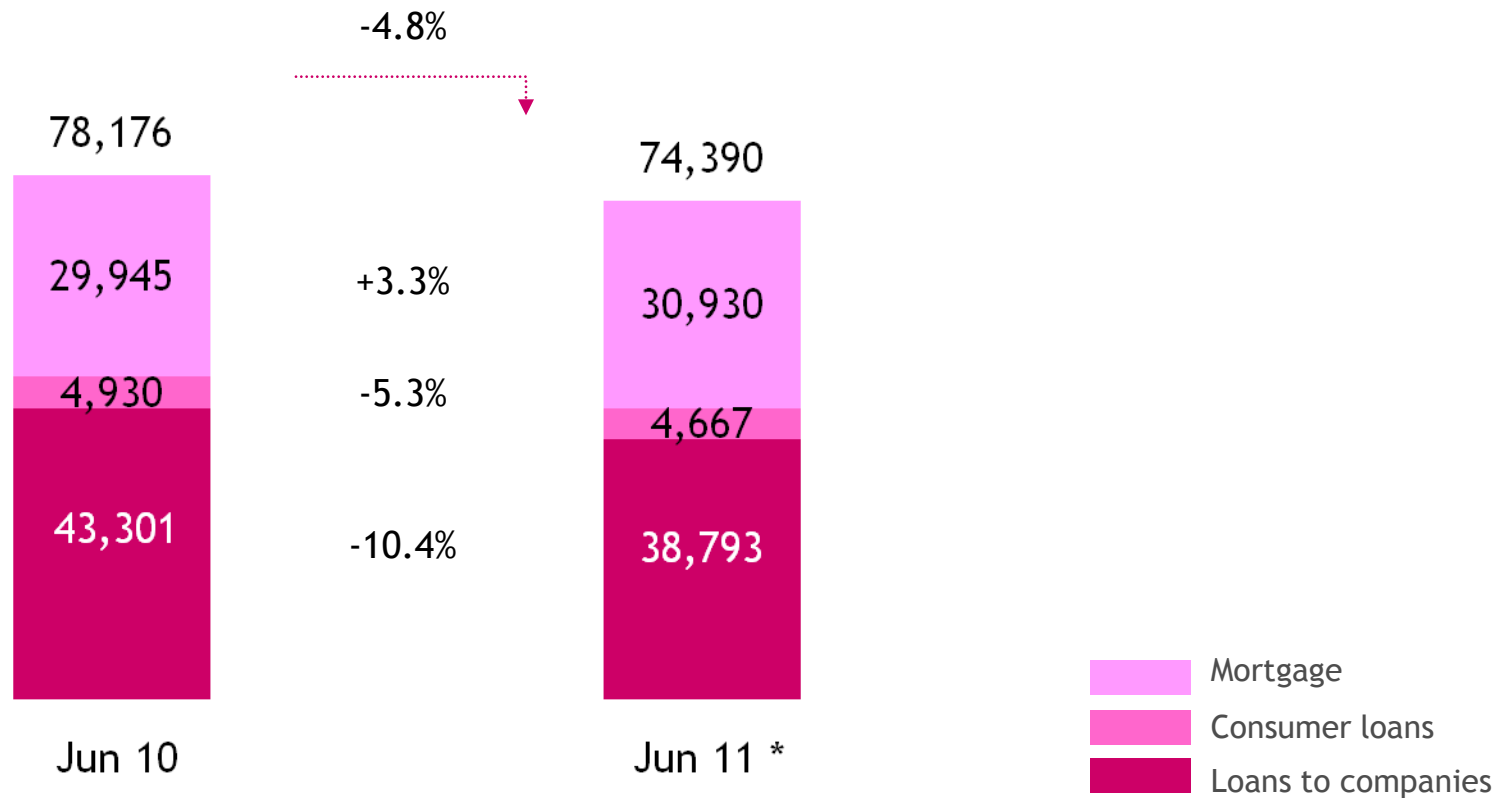
* Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Loans to customers in line with business cycle and deleveraging policy

(Eur million)

Consolidated

Loans to customers (gross)



* Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Income statement

(Eur million)

Consolidated

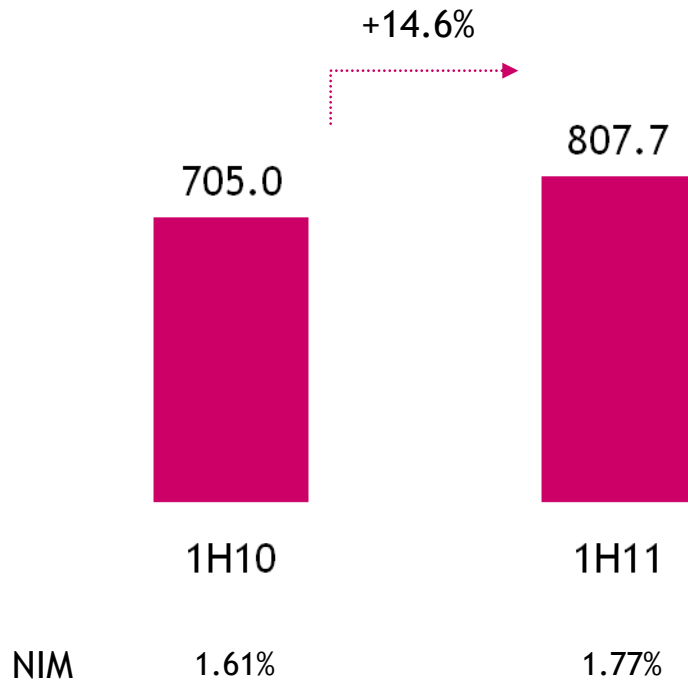
	1H10	1H11	YoY	
Net interest income	705.0	807.7	14.6%	Includes impact of disposal of loans of -26 million euros and mark-to-market of Portuguese public debt of -141 million euros registered in the trading book
Commissions	405.0	401.1	-1.0%	
Net trading income	314.6	21.0	-93.3%	
Dividends, equity acc. earnings and other income	63.1	35.3	-44.0%	
Banking income	1,487.6	1,265.2	-15.0%	Includes impact of the specific banking sector contribution of -16 million euros
Staff costs	424.2	417.6	-1.6%	
Other administrative costs	301.1	284.0	-5.7%	
Depreciation	51.6	47.9	-7.0%	
Operating costs	776.9	749.5	-3.5%	
Operational profit before impairment	710.7	515.6	-27.4%	
Loans impairment (net of recoveries)	384.2	562.1	46.3%	
Other impairment and provisions	114.2	4.2	-96.3%	
Income tax and non-controlling interests	49.1	-139.1	<-100%	
Net income	163.2	88.4	-45.8%	

Significant increase of net interest income in Portugal and in international operations on a yearly basis

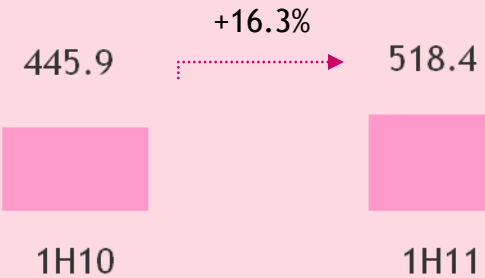
(Eur million)

Net interest income

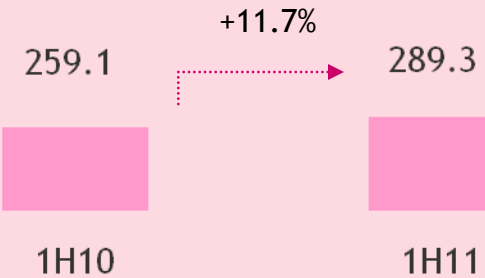
Consolidated



Portugal



International operations

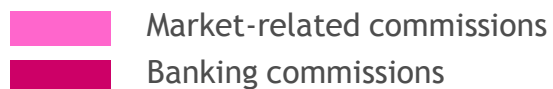
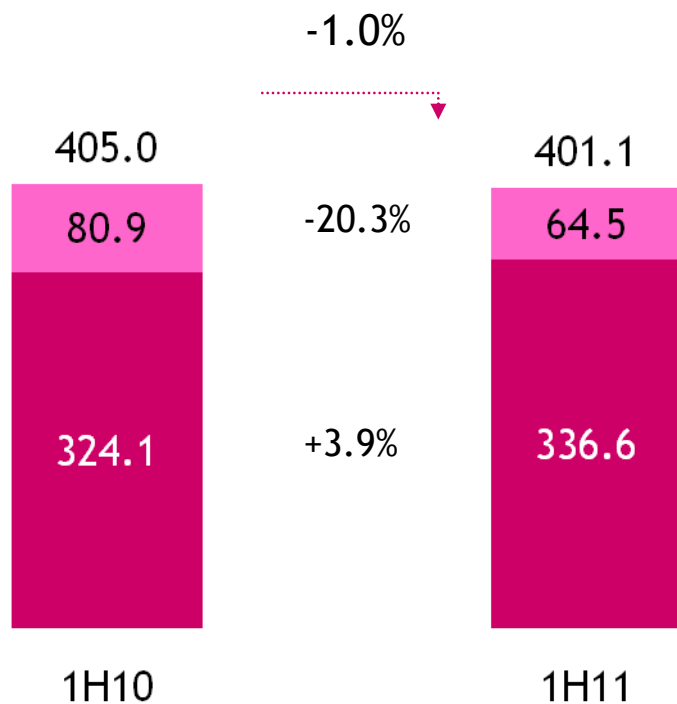


Growth in banking commissions

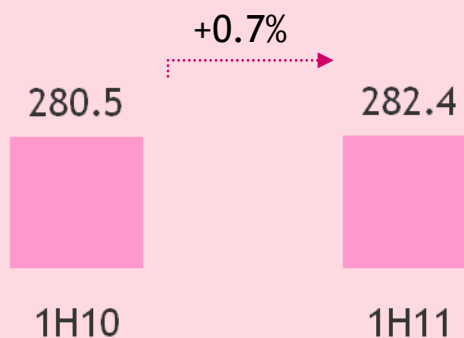
(Eur million)

Commissions

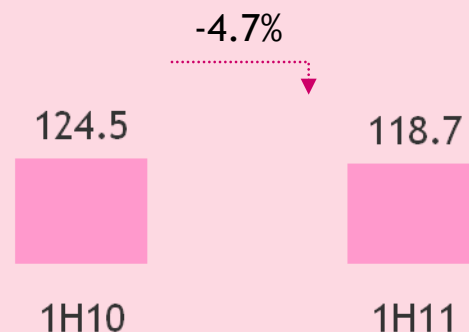
Consolidated



Portugal



International operations

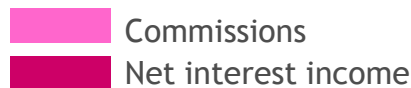
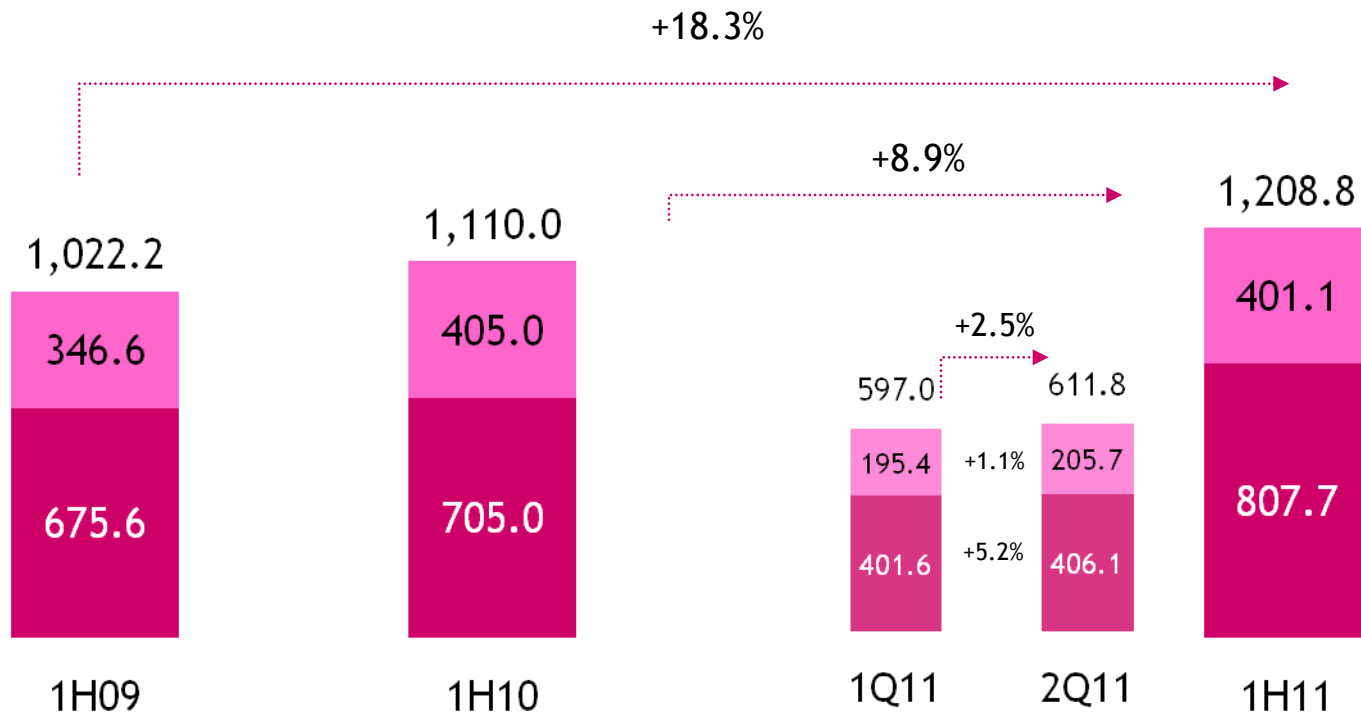


Core revenues at highest levels on a yearly basis over the last 3 years and grow in the quarter

(Eur million)

Core revenues = Net interest income and Commissions

Consolidated

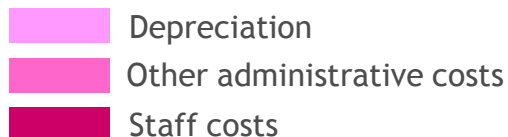
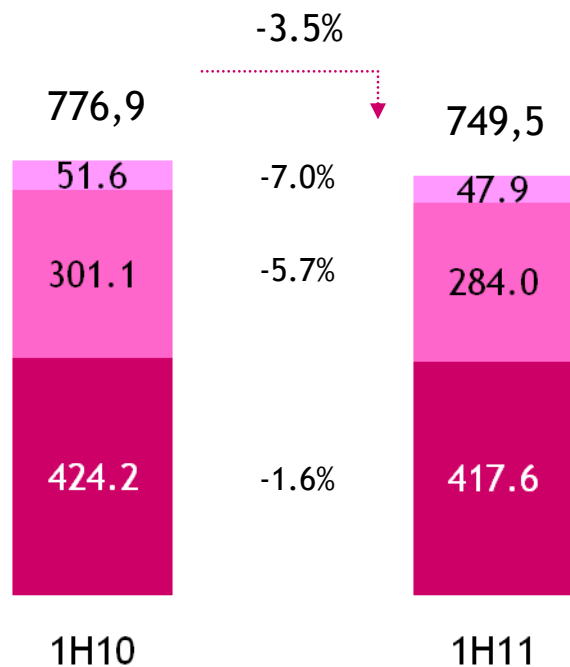


Costs reduction in Portugal and in international operations

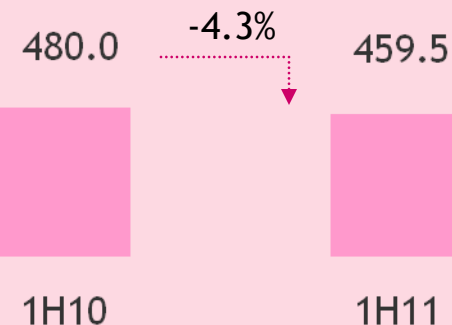
(Eur million)

Operating costs

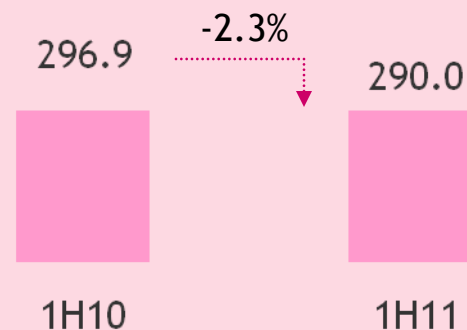
Consolidated



Portugal



International operations

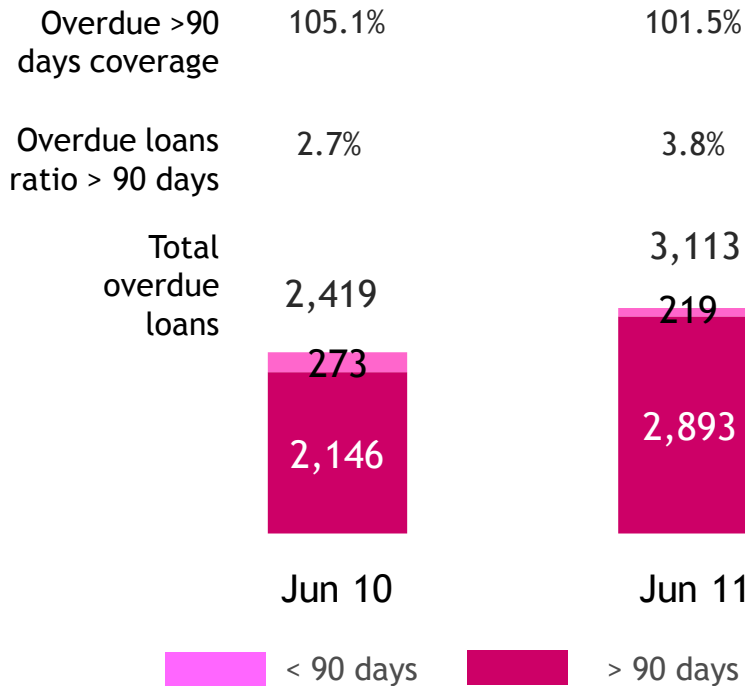


Note: staff costs in 1Q11 include a reversal of provisions in the amount of 31.4 million euros associated with pension charges of former members of the Executive Board of Directors and in 2Q11 include early retirement costs in the amount of 3.4 million euros

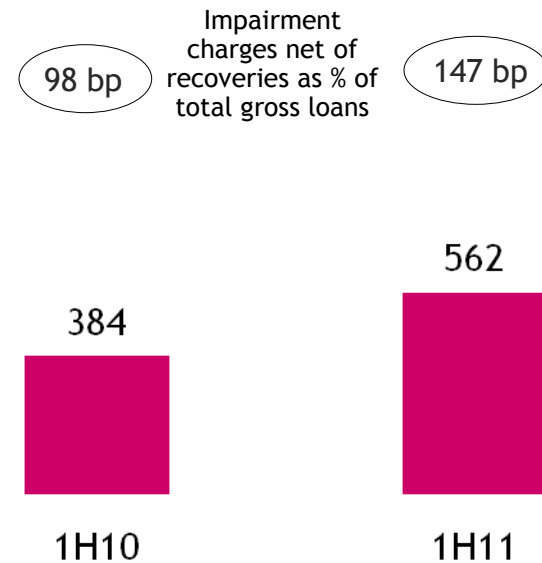
Impairment charges reinforced, anticipating macroeconomic challenges

Consolidated

Credit quality



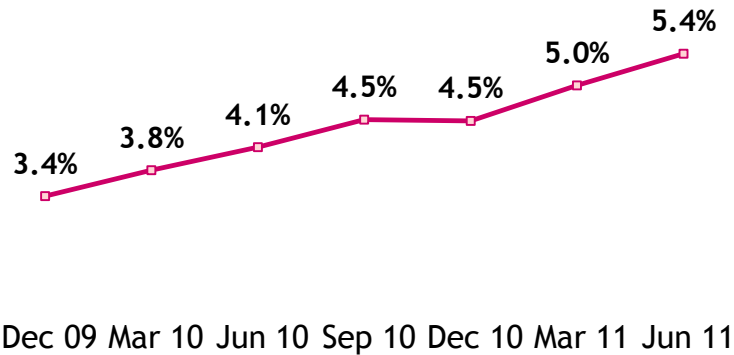
Impairment charges



- Overdue loans ratio for more than 90 days increases to 3.8% in 1H11, reflecting the deterioration of the macroeconomic situation in Portugal
- Impairment charges reinforcement, maintaining a coverage ratio of overdue loans for more than 90 days above 100%

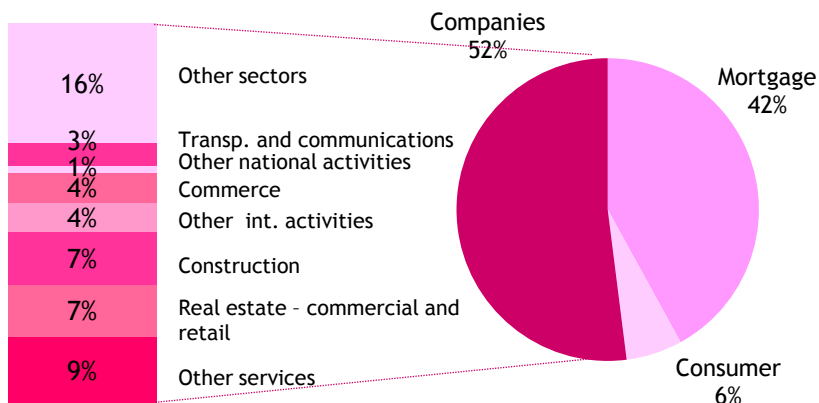
Diversified and well collateralised loan book, with reinforced provisioning

Overdue loans ratio evolution*



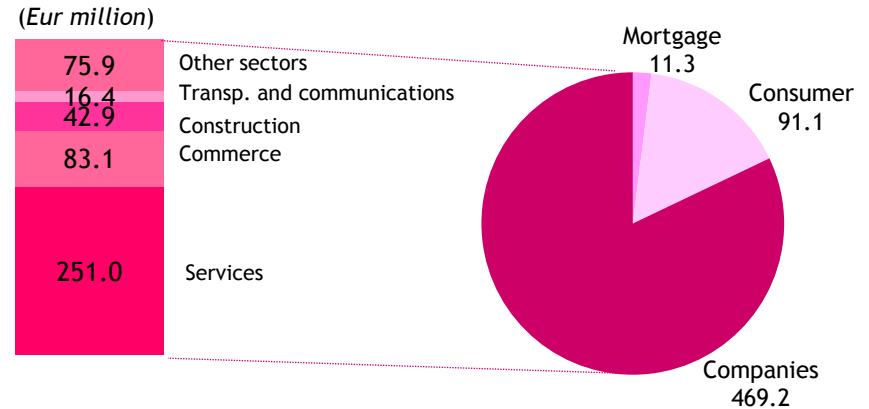
* Calculated according to rule 16/2004 from the Bank of Portugal

Loans by sector

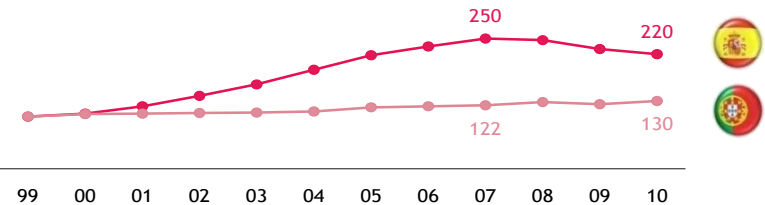


Note: figures adjusted for a Repo transaction, in the amount of 2,256 million euros, as at 30 June 2011

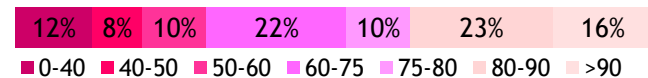
Impairment charges in 1H11 by sector



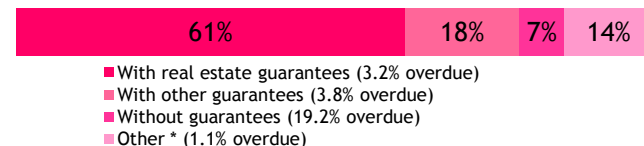
House price index and LTV



LTV of mortgage portfolio in Portugal



Loans by collateral



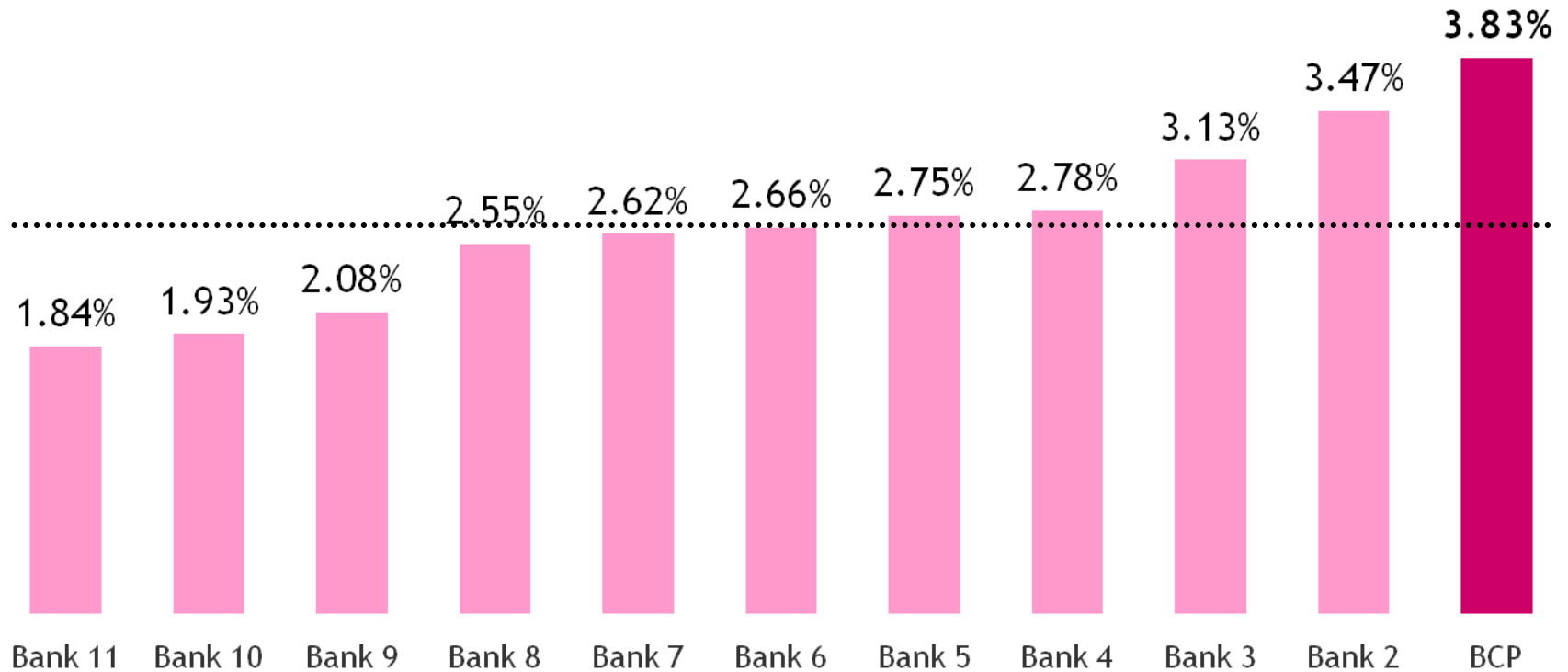
* Consists of International (5.2%; 0.4% overdue), public sector (1.1%; 0.1% overdue), factoring (1.6%; 0.1% overdue) and leasing (6.2%; 2.2% overdue)

Note: "Overdue" figures show total loans overdue as % of total loans for each type

Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Millennium bcp presents the highest provisioning level among Iberian banks

On balance sheet total loans impairment as loans %



Capital increase was launched and concluded in the 2nd quarter...

1 Incorporation of reserves

- Capital increase of 120,400,000€
- By incorporation of reserves of issue premium through the issue of 206,518,010 new ordinary shares without nominal value, with a share issue value of 0.583€

2 Exchange Public Offer

- Voluntary conversion of holders of perpetual subordinated securities (VMPS) into shares
- Success rate of conversion of 99.01%
- Share capital increase 990,147,000€ through the issue of 1,584,235,200 ordinary shares without nominal value, with a share issue value of 0.625€

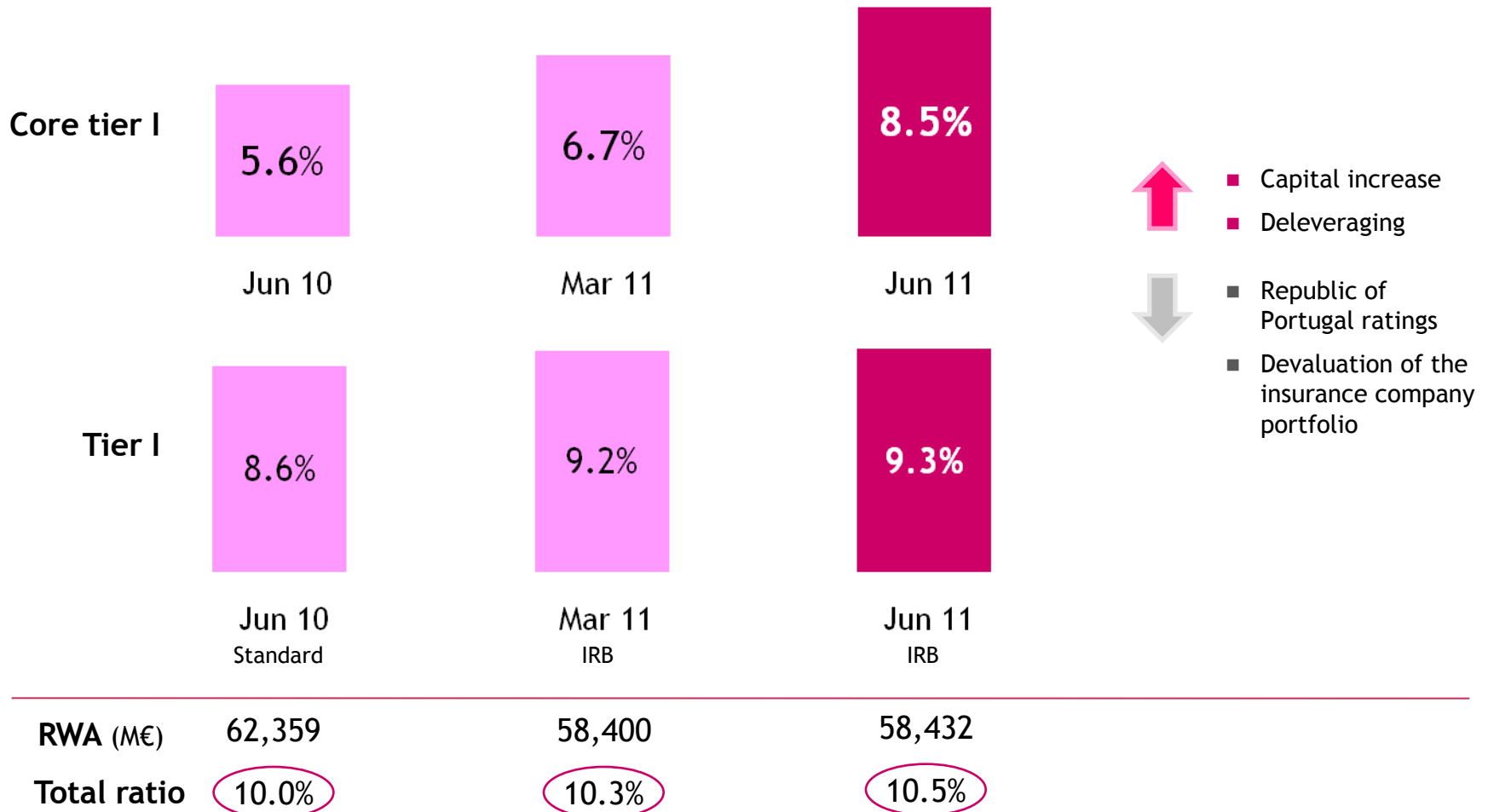
3 Capital increase with preference rights to shareholders

- Issue of ordinary shares to be subscribed in cash by shareholders
- Demand was 1.64 times the offered shares
- Considering the conversion percentage (>75%), the capital increase with preference rights to shareholders totalled 259,852,986€, through the issue of 721,813,850 ordinary shares without nominal value, with a share issue value of 0.360€

...allowing to reach a Core Tier I ratio of 8,5% and Tier I of 9.3%...

Solvency ratio

Consolidated

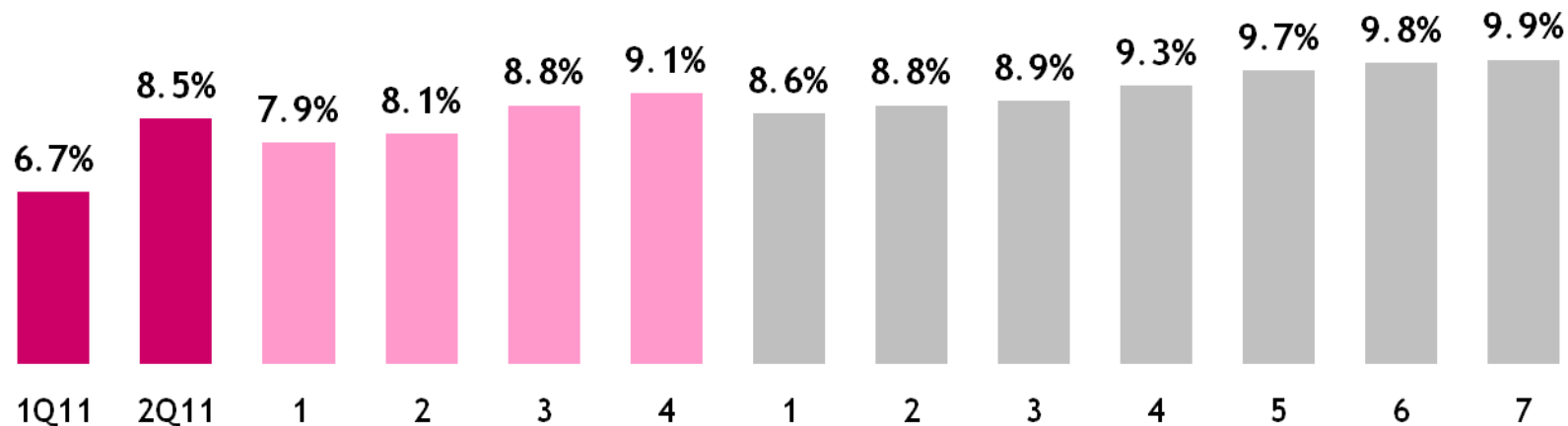


Note: the Bank received authorization from the Bank of Portugal (BoP) to adopt IRB methods for the calculation of own funds requirements for credit risks, as from 31 December 2010. Estimates of the probability of default and the lost given default (IRB Advanced) for the retail small companies exposures collateralized by commercial or residential real state, and estimates of the probability of default (IRB Foundation) for the corporate portfolio were considered in Portugal, excluding real estate promotion segment and simplified rating system. At the 1st semester of 2009, the Bank received authorization from BoP to adopt the advanced method (internal model) to generic market risk and standard method for the operational risk

... and placing Millennium bcp in line with peers

Core Tier I

Consolidated



Millennium
bcp



Banks in Portugal



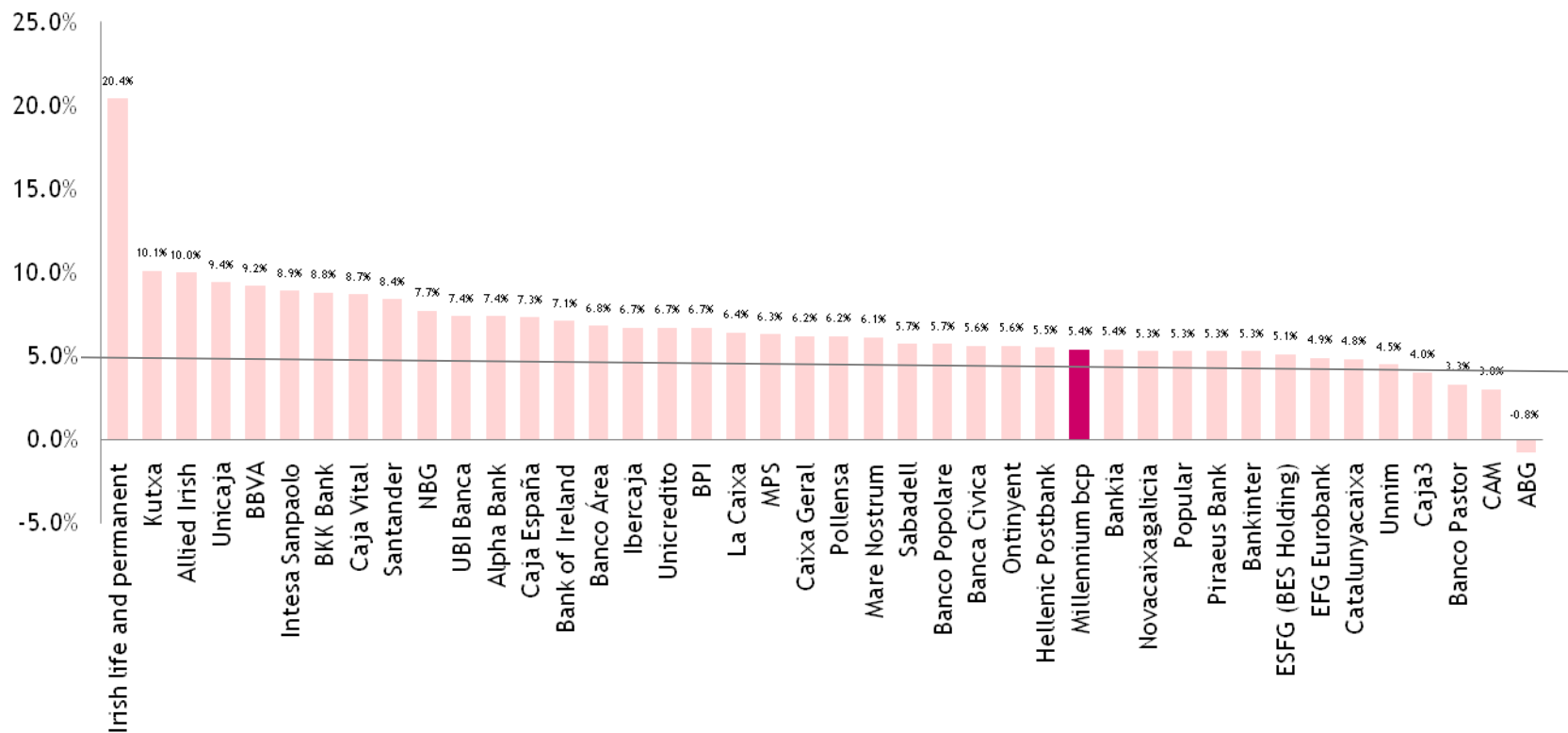
Banks in Spain

Additional initiatives in capital plan

- Deleveraging
- RWA optimization
- IRB Advanced (Poland, credit cards, current accounts, non-collateralized credit and corporates)
- Liability management
- Disposal of non core assets
- Evaluation of new strategic partnerships and other capital management initiatives

Millennium bcp passes once again the EBA stress test

Core tier I under the adverse scenario (banks from the peripheral countries)



- Millennium bcp shows resilience in an adverse scenario
- Following the capital increase, further measures in Millennium capital plan - liability management and deleveraging - should put core tier I on an adverse scenario at 6.2% in the short term

Pension liabilities coverage of 103%

(Eur million)

	2006	2007	2008	2009	2010	1H11
Pension liabilities	5,715	5,879	5,723	5,410	5,322	5,249
Pension fund	5,578	5,616	5,322	5,530	5,149	5,053
Liabilities' coverage*	105%	102%	100%	109%	104%	103%
Fund's profitability	11%	4%	-14%	9%	-6%	1%
Actuarial differences	1,240	1,353	2,140	1,514	1,921	1,914
Corridor	572	588	572	553	532	525
Outside the corridor	668	765	1,568	961	1,389	1,388
Actuarial gains (losses)	157	(160)	(827)	557	(468)	(27)
Contribution to the Fund	291	94	777	12	205	1
% Equities in the Pension Fund	49%	35%	20%	22%	23%	25%

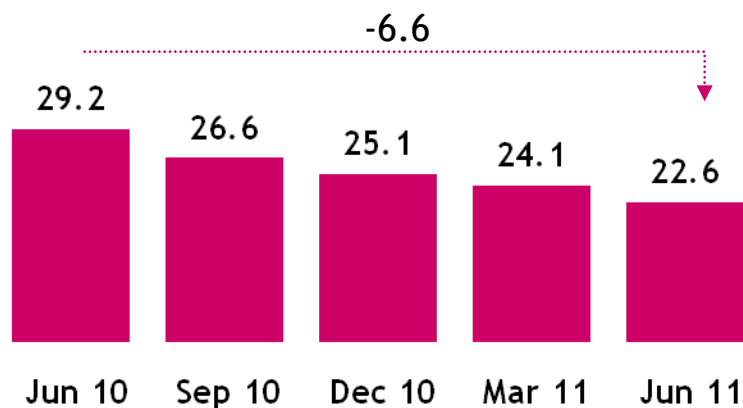
- Pension liabilities coverage of 103%
- Actuarial losses of 27 million euros in 1H11 (365 million euros in 1H10)
 - Return of pension fund of 1,4% in 1H11
- Equity exposure of 25% in 1H11

* Includes the amount registered in balance sheet

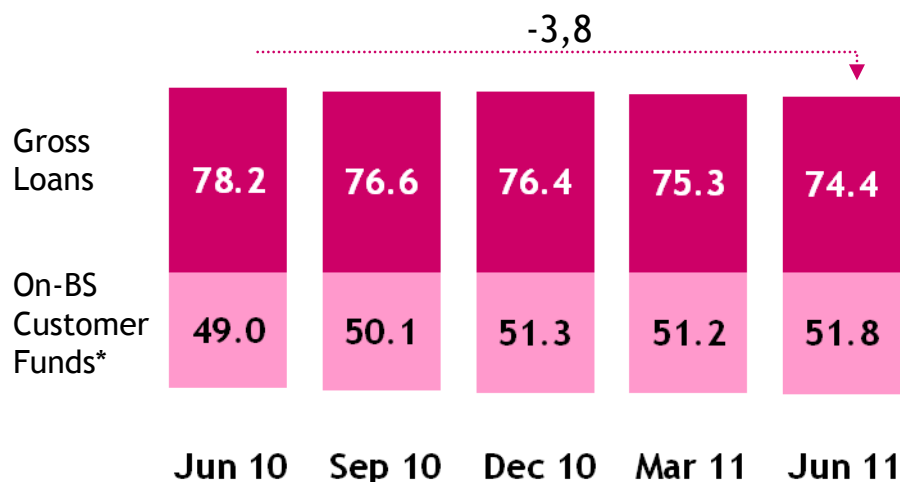
Adjusting to the new funding environment

(Eur billion)

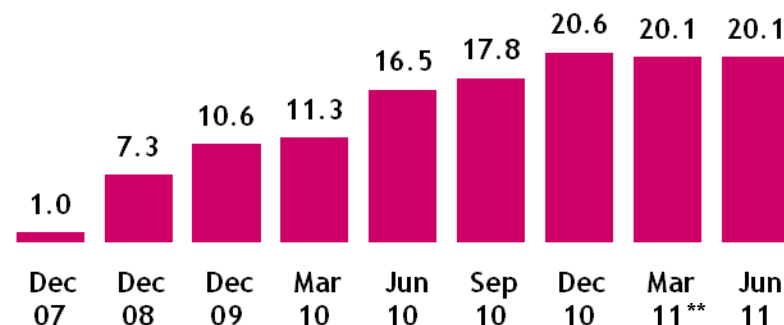
Commercial gap*



Gross Loans and on-BS customer funds*



Eligible assets for Central Banks and repos



- Deleveraging process is well underway
- Commercial gap falls €6.6bn since the deepening of the sovereign crisis
- Eligible asset pool has been maintained above €20bn, in spite of rating downgrades for Portuguese Republic and Portuguese companies

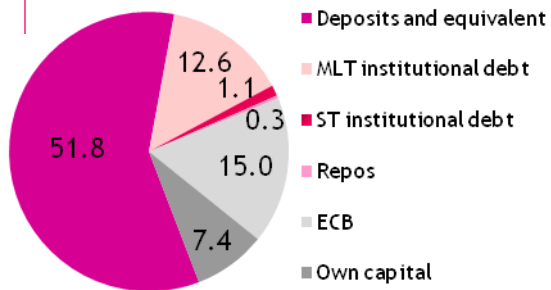
* Calculated with gross loans and balance sheet customer funds (deposits and debt securities owed to customers)

** includes an operation that has ceased to be integrated into the pool at the end of March and it was already taken up during the month of April
 Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

A clear funding plan

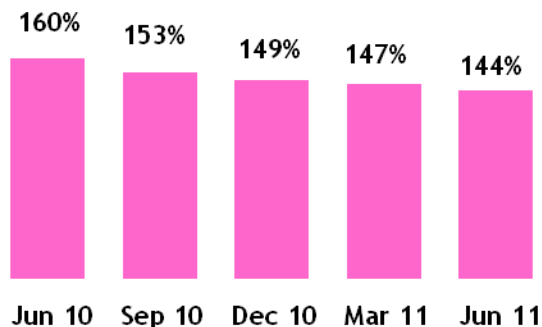
Financing structure

(Eur billion)



Deposits are the main funding source

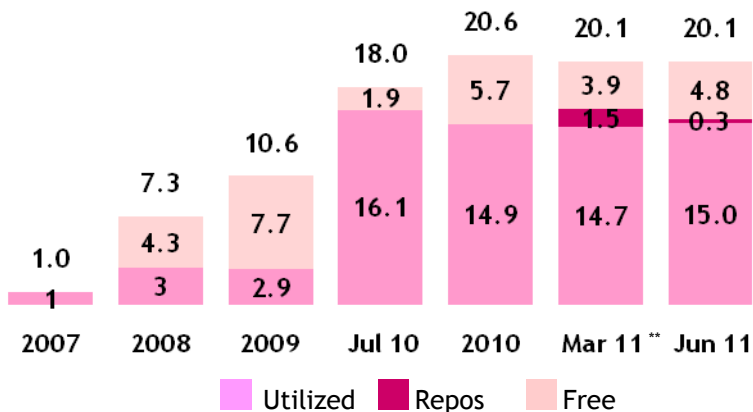
Loan to Deposit ratio*



Deleveraging has begun

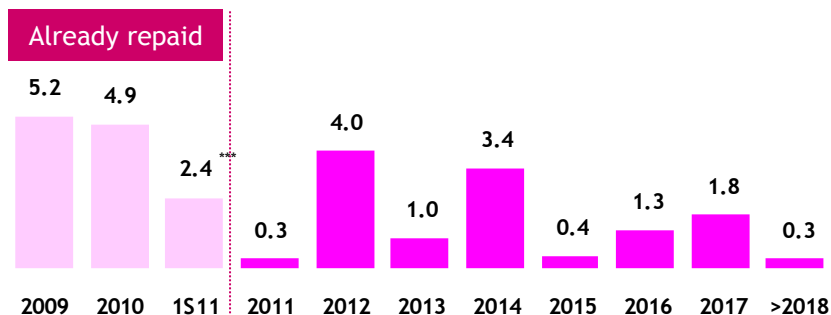
- Deleveraging to reduce the commercial gap
- Reduction of ECB usage
- Diversification of funding sources
- Commitment with wholesale market refinancing

Assets eligible for central banks and repos



ECB usage maintained at the same level than in previous quarters...

Refinancing needs of medium-long term debt



...in spite of the repayment of almost all debt for 2011. Future annual refinancing needs are lower than in the past

* Calculated with gross loans and balance sheet customer funds (deposits and debt securities owed to customers)
 ** includes an operation that has ceased to be integrated into the pool at the end of March and it was already taken up during the month of April
 *** includes €0.2bn of repurchase of own debt
 Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

- Portugal
- International operations
- Conclusions

Income statement



(Eur million)

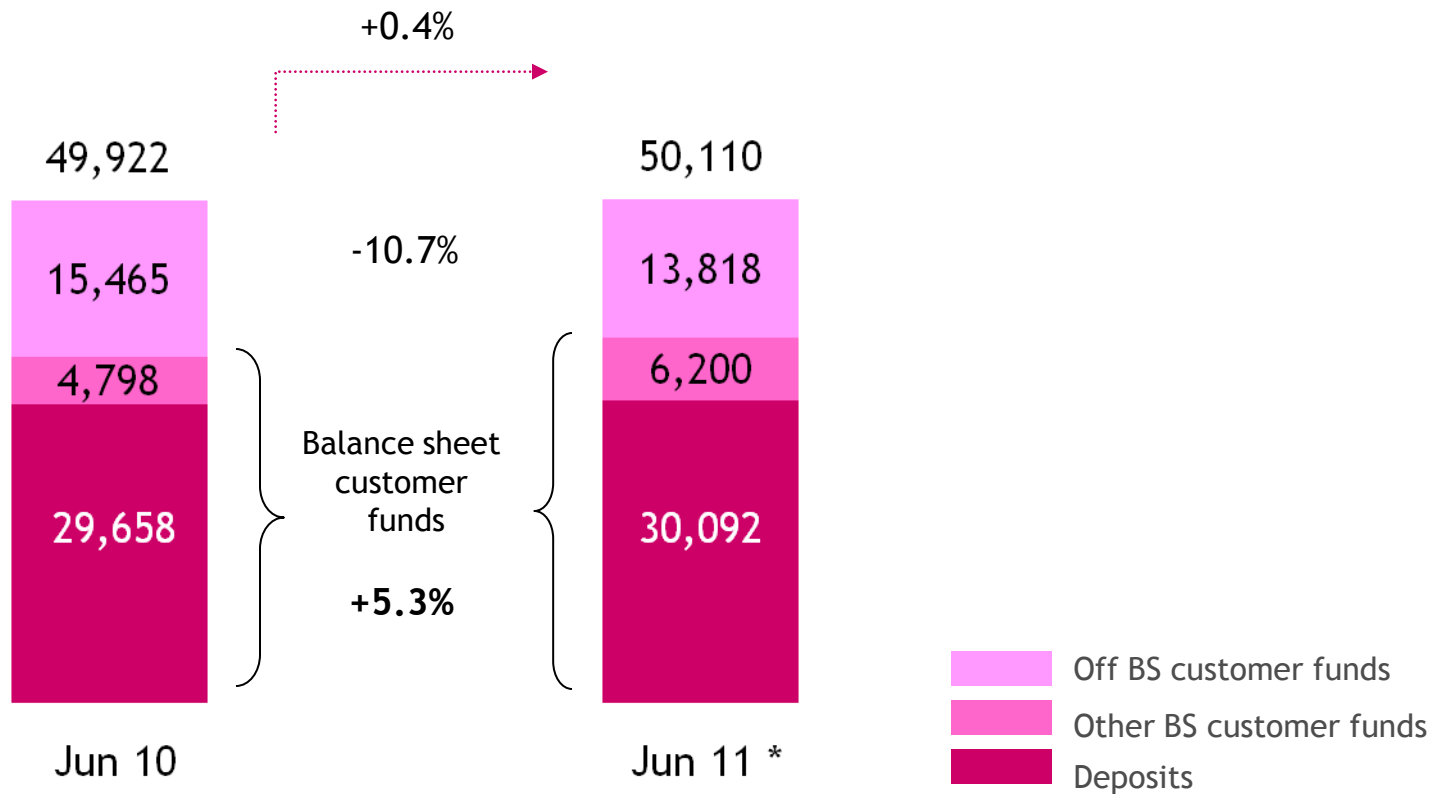
	1H10	1H11	YoY	
Net interest income	445.9	518.4	16.3%	Includes impact of disposal of loans of -26 million euros and mark-to-market of Portuguese public debt of -141 million euros registered in the trading book
Commissions	280.5	282.4	0.7%	
Net trading income	254.1	-47.5	<-100%	
Dividends, equity acc. earnings and other income	58.2	36.2	-37.9%	
Banking income	1,038.8	789.5	-24.0%	
Staff costs	281.9	279.4	-0.9%	Includes impact of the specific banking sector contribution of -16 million euros
Other administrative costs	170.5	155.3	-8.9%	
Depreciation	27.6	24.9	-9.8%	
Operating costs	479.9	459.5	-4.3%	
Operational profit before impairment	558.8	330.0	-40.9%	
Loans impairment (net of recoveries)	294.9	498.4	69.0%	
Other impairment and provisions	115.3	6.5	-94.4%	
Income tax and non-controlling interests	10.8	-198.9	<-100%	
Net income	137.9	24.0	-82.6%	

Stable customer funds, with growing balance sheet funds



(Eur million)

Customer funds



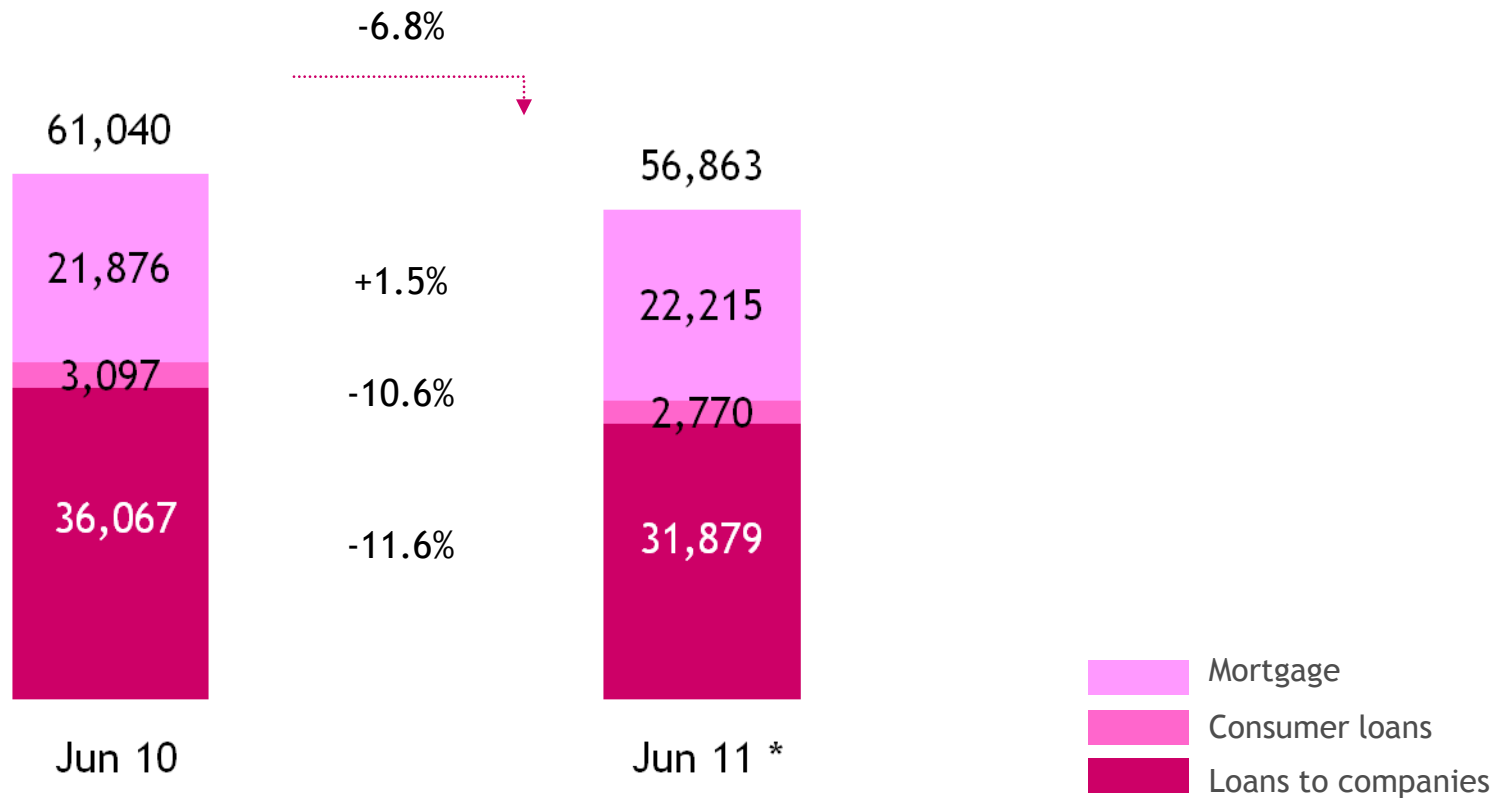
* Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Loans to customers in line with business cycle and deleveraging policy



(Eur million)

Loans to customers (gross)



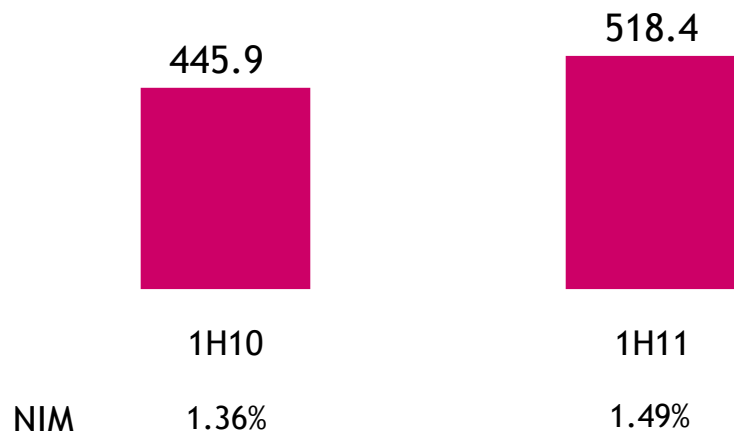
* Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Net interest income and net interest margin recovery on a yearly basis



(%, *Eur million*)

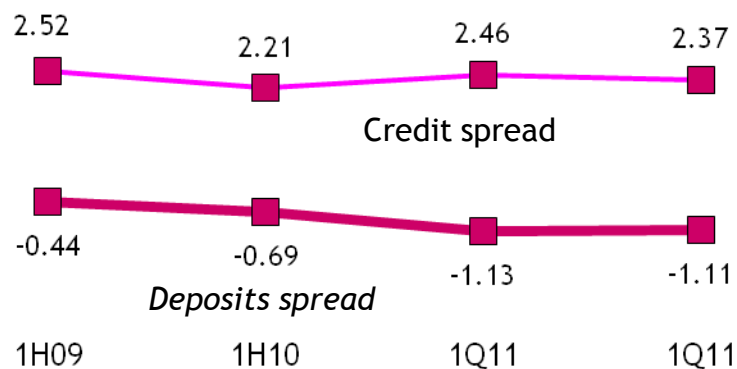
Net interest income



Versus 1Q11:

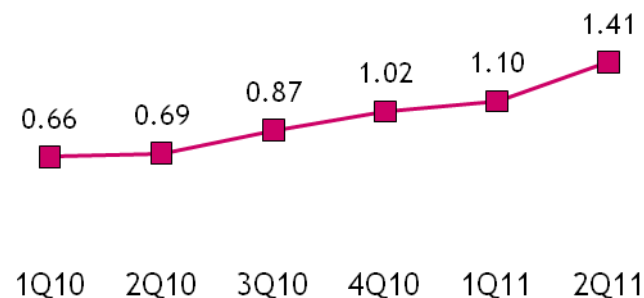
- stabilizing the negative level of deposits margin, benefiting from the rise in market interest rates
- credit spread penalized by base rate effect and volume growth, despite the positive impact of repricing

Deposits and credit average spreads vs. Eur3M



Euribor 3 months

(%, quarterly average)

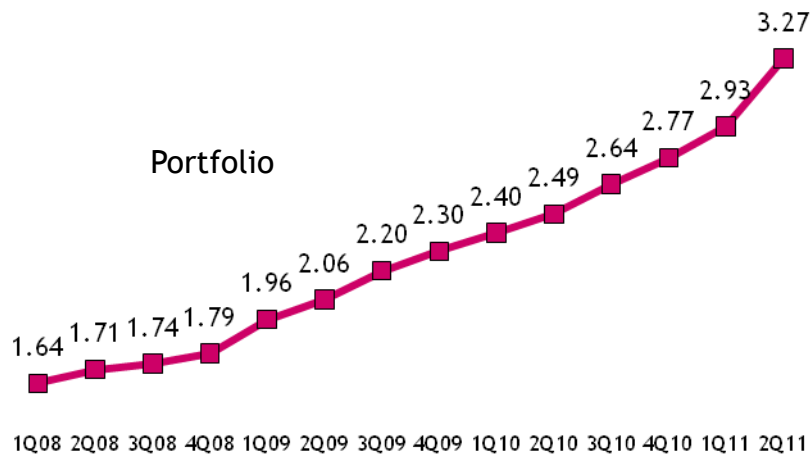


Repricing of credit proceeds



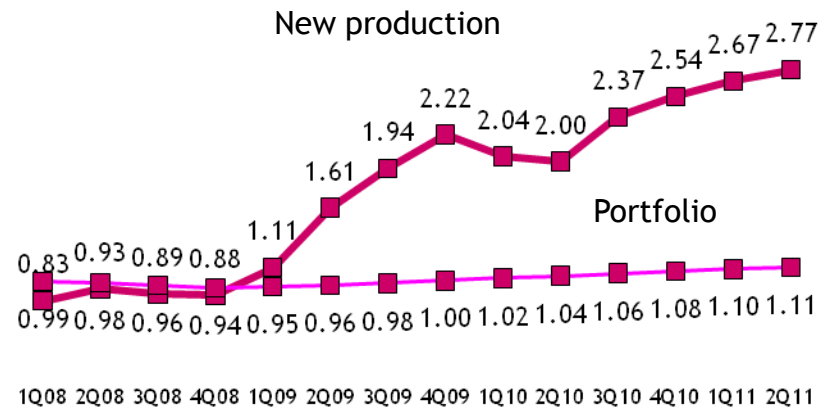
Corporate

(contractual spread, %)



Mortgage

(contractual spread, %)



- Portfolio spread increases 1.4 pp compared with 2010
- Repricing period of the corporate portfolio (56% of total loans) slowing down to 4 years. New production spreads already 2.8 pp above 2008
- Mortgage new production with average spread of around 3%, increasing the spread of mortgage portfolio (39% of total loans) to 1.1 pp

Banking commissions growth YoY and QoQ, due to banking commissions performance



(Eur million)

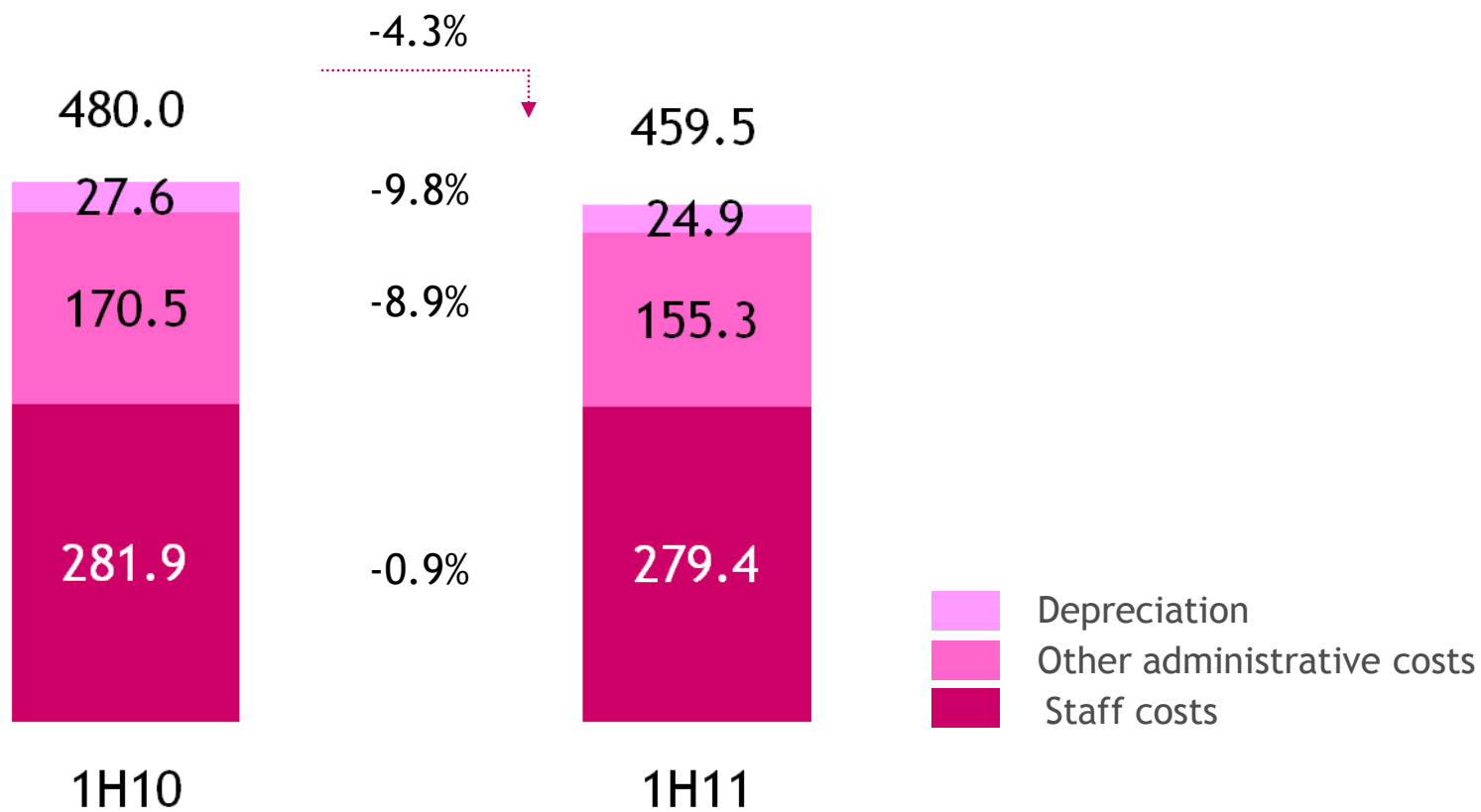
	1H10	1H11	YoY	2Q10	1Q11	2Q11	2Q11/ 2Q10	2Q11/ 1Q11
Banking commissions	236.6	253.1	7.0%	122.5	120.7	132.4	8.0%	9.6%
Cards	50.8	50.4	-0.6%	26.3	24.7	25.8	-1.9%	4.6%
Loans and guarantees	67.3	72.6	7.9%	35.0	34.4	38.1	9.0%	10.8%
Bancassurance	37.2	37.7	1.2%	18.5	19.2	18.5	-0.2%	-3.7%
Other commissions	81.3	92.4	13.6%	42.8	42.4	49.9	16.8%	17.7%
Market related commissions	43.9	29.4	-33.1%	19.7	14.9	14.4	-26.7%	-3.2%
Securities operations	31.3	17.0	-45.6%	13.1	8.6	8.4	-36.3%	-3.0%
Asset management	12.7	12.3	-2.4%	6.6	6.3	6.1	-7.7%	-3.4%
Total commissions	280.5	282.4	0.7%	142.3	135.7	146.8	3.2%	8.2%

Reduction of operating costs in Portugal



(Eur million)

Operating costs



Note: staff costs in 1Q11 include a reversal of provisions in the amount of 31.4 million euros associated with pension charges of former members of the Executive Board of Directors and in 2Q11 include early retirement costs in the amount of 3.4 million euros

Impairment reinforced, anticipating macroeconomic challenges



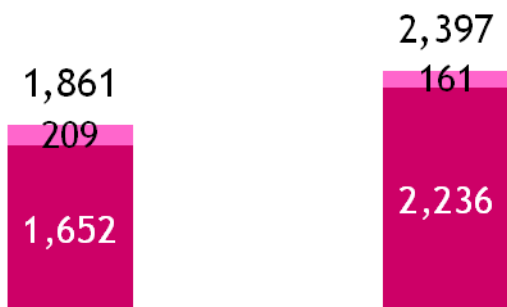
(%, Eur million)

Credit quality

Overdue >90 days coverage 105.5% 103.6%

Overdue loans > 90 days ratio 2.7% 3.8%

Total overdue loans



Jun 10

Jun 11

< 90 days
 > 90 days

Impairment charges

Impairment charges net of recoveries as % of total gross loans
 97 bp 169 bp



1H10

1H11

- Portugal
- International operations
- Conclusions

Strong recovery of Poland, Mozambique and Angola


(Eur million)

Net income

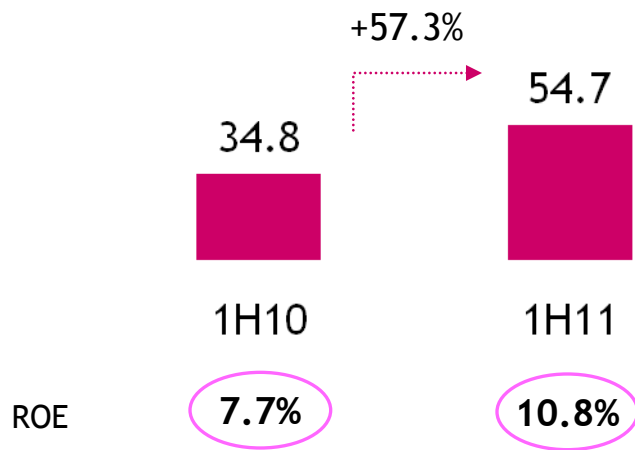
	1H10	1H11	YoY	YoY in local currency
International operations	25.3	64.4	154.1%	157.3%
Poland	34.4	54.7	58.7%	57.3%
Mozambique	29.9	41.9	40.5%	40.1%
Angola	9.8	15.1	54.5%	66.4%
Greece	-10.2	-8.7	14.5%	na
Romania	-13.1	-10.1	23.0%	22.4%
Other	1.0	11.5	>100%	>100%
Non-controlling interests	-26.4	-39.9	na	na

+50.8%

Poland: net profit driven by improved core income * and lower cost of risk

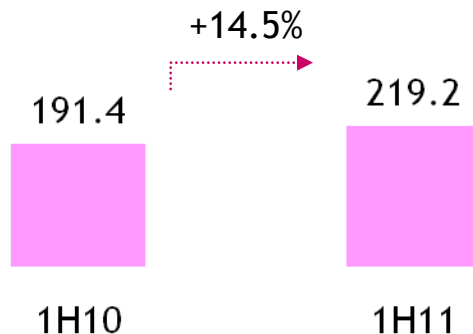
 (Eur million)

Net income

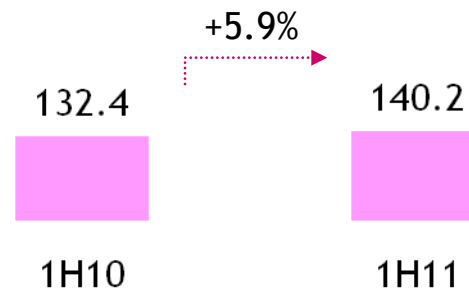


- Net income of 54.7 million euros in 1H11, a record growth of 57.3% versus 1H10, boosted by core income* growth and lower cost of risk
- Core income* grew by 14.5% on an annual basis, driven by strong growth in net interest income

Core income *




Operating costs

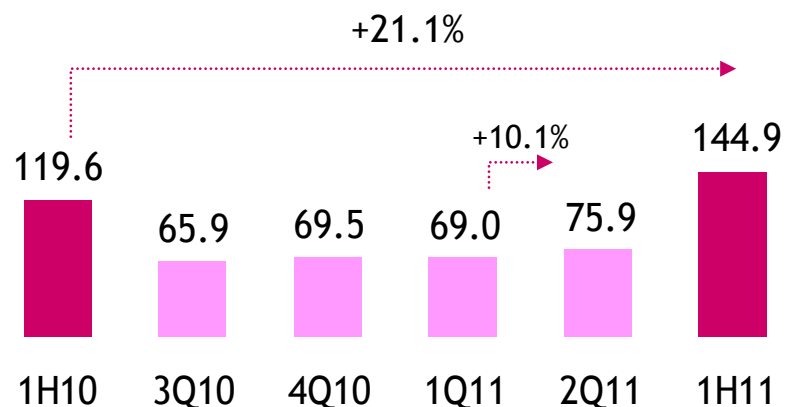


*Net interest income + net commission income
Excluding FX effect. Rates €PLN used: Profit and Loss account: 3,959375; Balance Sheet: 3,9903

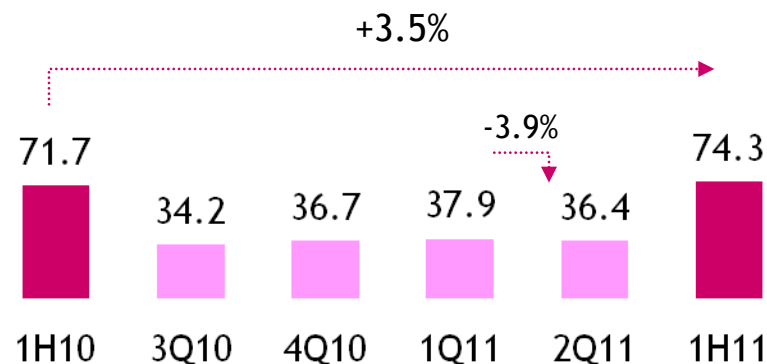
Stable net interest income and growth in commissions

 (Eur million)

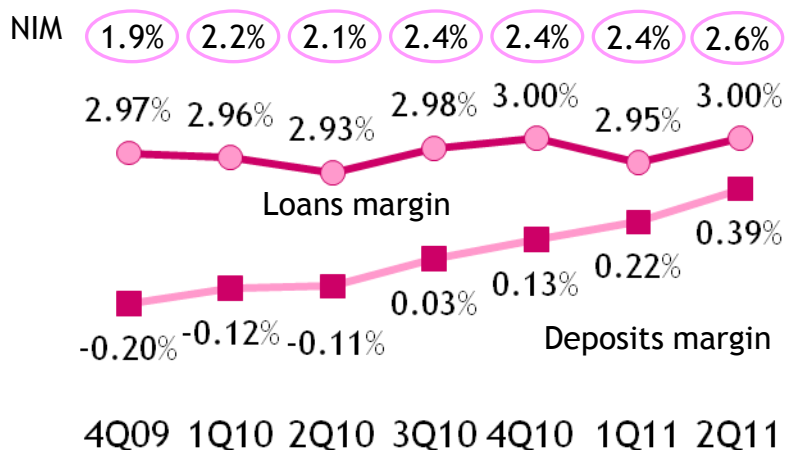
Net interest income*



Net commission income



NIM evolution*



- Net interest income * increased 21.1% on an annual basis and 10.1% in the quarter, supported by higher market interest rates that led to a better deposits margin
- Commissions increased by 3.5% on a annual basis and decreased by 3.9% in the quarter, mainly due to higher insurance fees in 1Q11

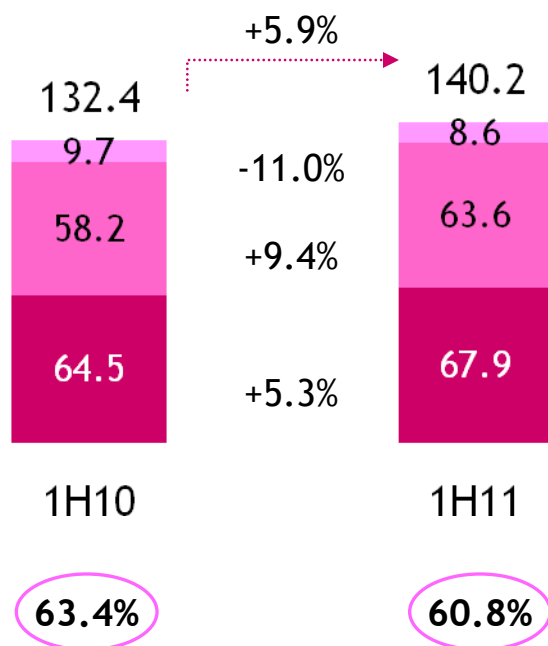
* Pro-forma data. Margin from all derivatives, including those hedging FX denominated loan portfolio, is presented in Net Interest Income, whereas in accounting terms part of this margin (9.7 M€ in 1H10 and 7.6 M€ in 1H11) is presented in net trading income Excluding FX effect. Rates €PLN used: Profit and Loss account: 3,959375; Balance Sheet: 3,9903

Efficiency improvement in spite of operating costs increase



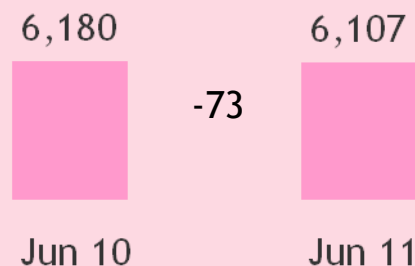
Operating costs

(Eur million)




- Depreciation
- Other administrative costs
- Staff costs

Number of employees

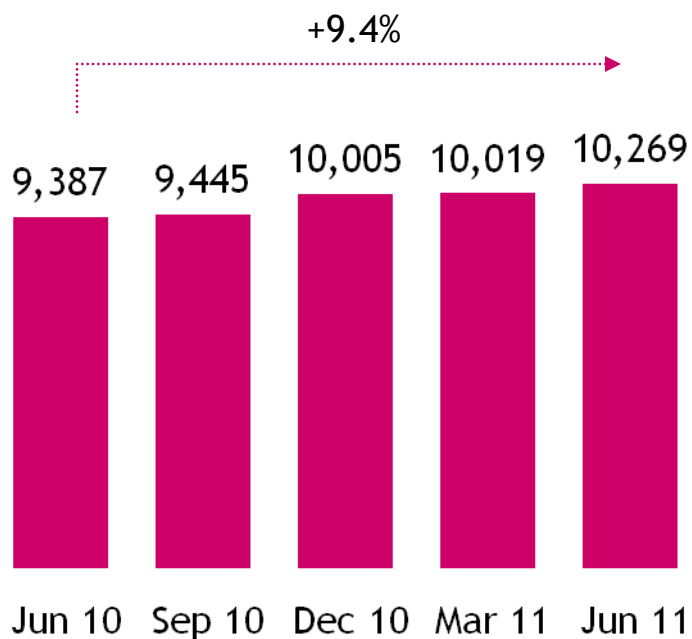


- Cost to income ratio in 2Q11 is already better than the 60% target (59.7%). In 1H11 there was also a significant improvement from the same period of previous year
- Staff costs increased by 5.3% on an annual basis. In the quarter, staff costs only grew by 1.4%
- In the 1H11 other administrative costs grew by 9.4% on an annual basis and by 6.6% on a quarterly basis. The increase in annual costs was driven by the increase in charges to the Banking Guarantee Fund and higher costs with rentals and marketing

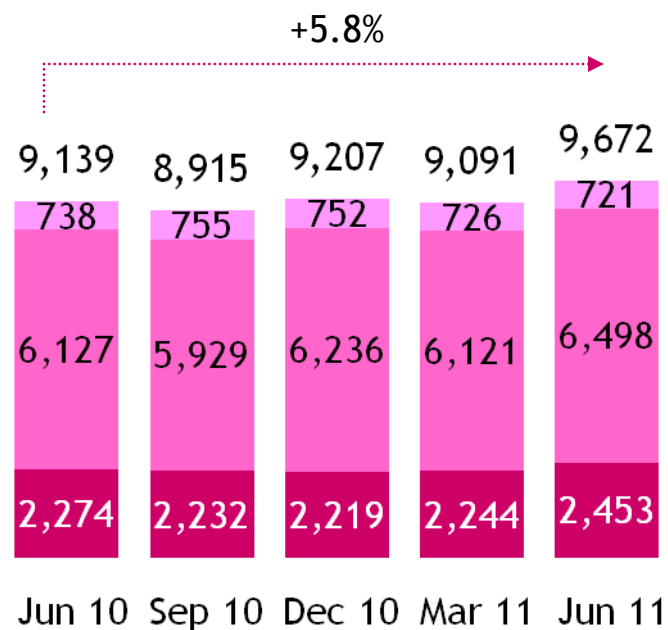
Sound customer funds growth and loans to customers on a quarterly and yearly basis




 (Eur million)

Customer funds*




Loans to customers (net)



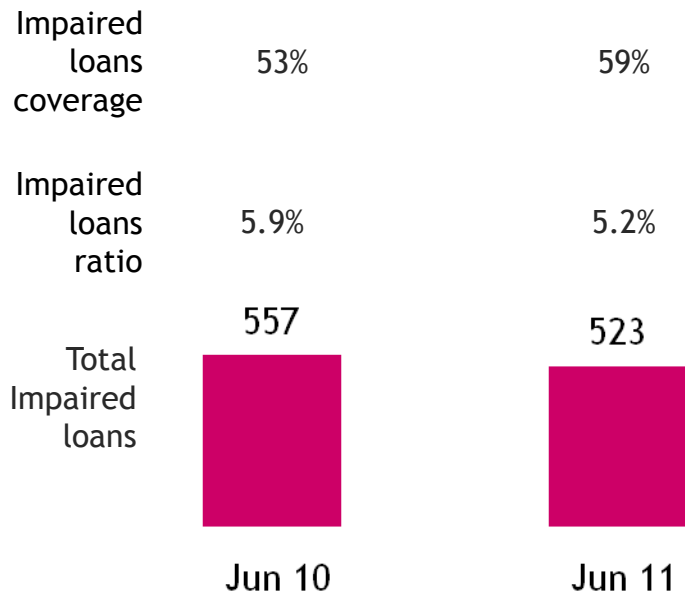
-  Consumer loans
-  Mortgage
-  Loans to companies

* Includes deposits, bank's bonds sold to individuals and investment products
 Excluding FX effect. Rates €PLN used: Profit and Loss account: 3,959375; Balance Sheet: 3,9903

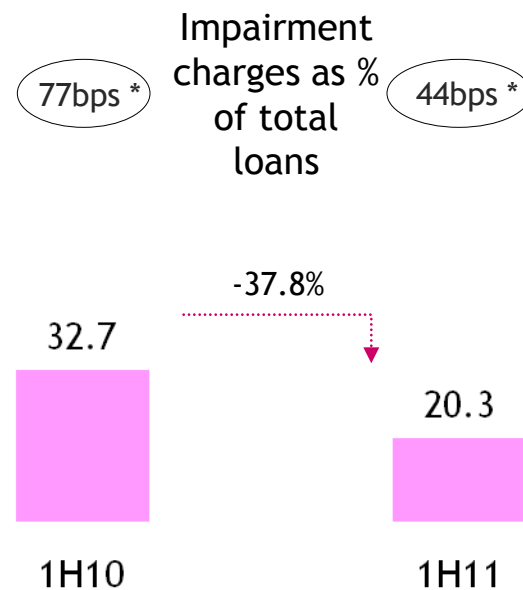
Progressive credit quality improvement and lower cost of risk

 (Eur million)

Credit quality



Impairment charges



- Impaired loans ratio decreased to 5.2% thanks to improvement in companies portfolio and stable, good quality in mortgage
- Coverage ratio of impaired loans improved by 6 p.p. to 59% on an annual basis, especially in companies portfolio
- Lower cost of risk in 1H11 (44 bps) vs. 1H10 (77bps)

* Impairment charges/ average net loans in the period (in bps, annualized)

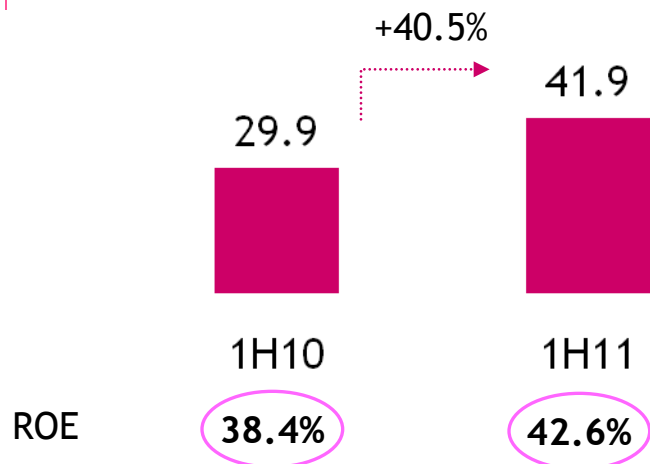
Excluding FX effect. Rates €PLN used: Profit and Loss account: 3,959375; Balance Sheet: 3,9903

Mozambique: positive net income evolution



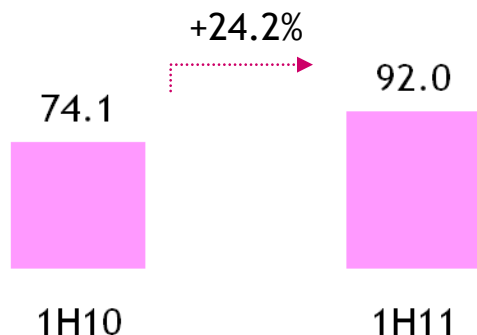
(Eur million)

Net income

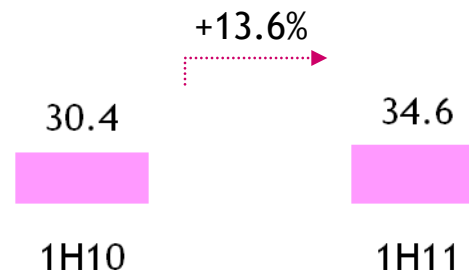


- Net income rises 40.5% (+40.1% in local currency)
- ROE reaches 42.6%
- Net income evolution supported on banking income good performance
- Ongoing expansion plan
- Strong volumes growth
- GDP growth in Mozambique remains at high levels: ~7.5% in 2011(P) and 7.8% in 2012(P) *

Banking income



Operating costs

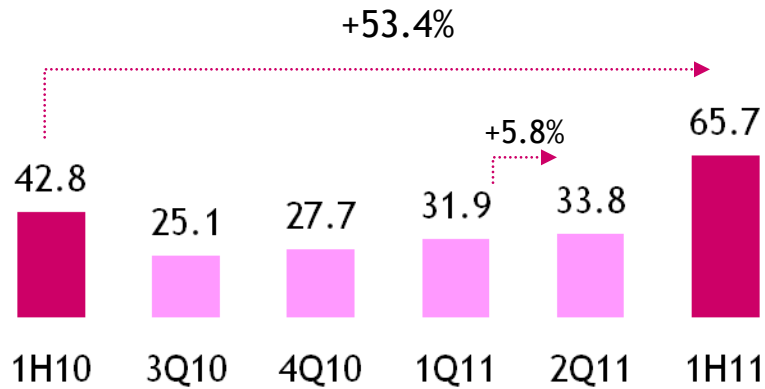


Growing trend of net interest income, higher commissions and efficiency improvement in spite of expansion plan

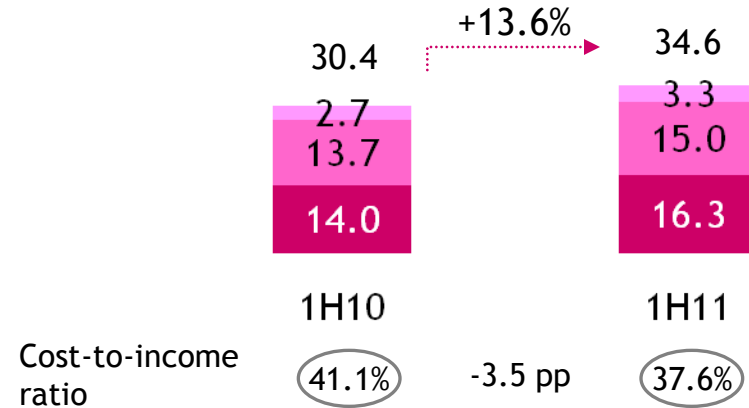


(Eur million)

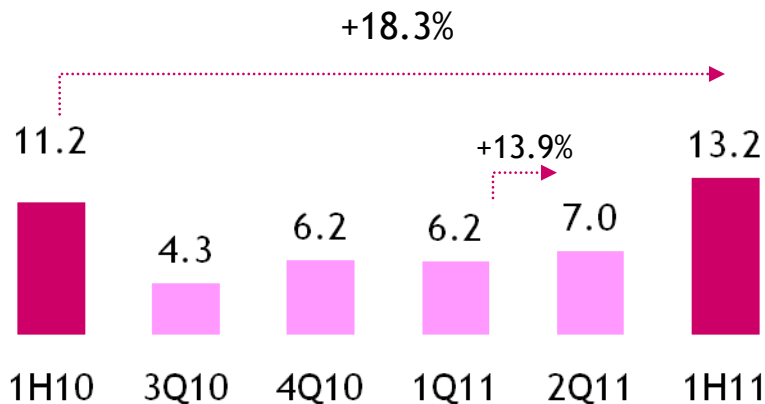
Net interest income



Operating costs

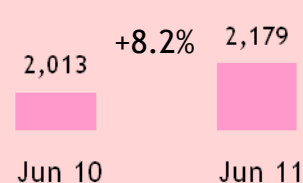


Commissions

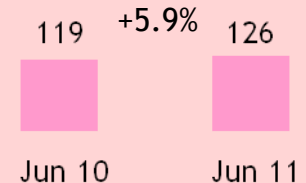


- Depreciation
- Other administrative costs
- Staff costs

Employees



Branches

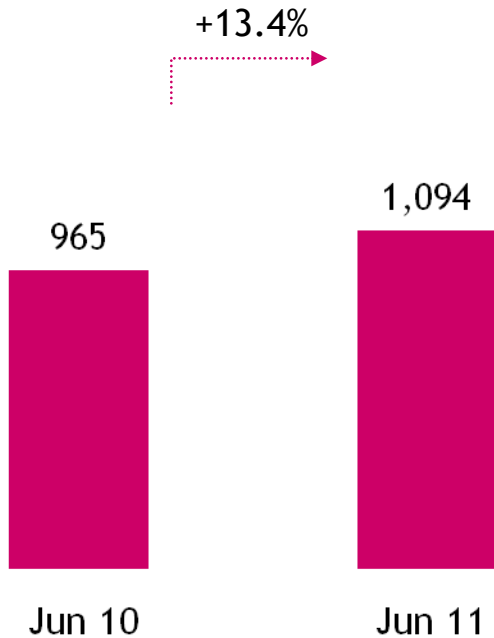


Sustained customer funds and loans to customers volume growth, with a low level of delinquency



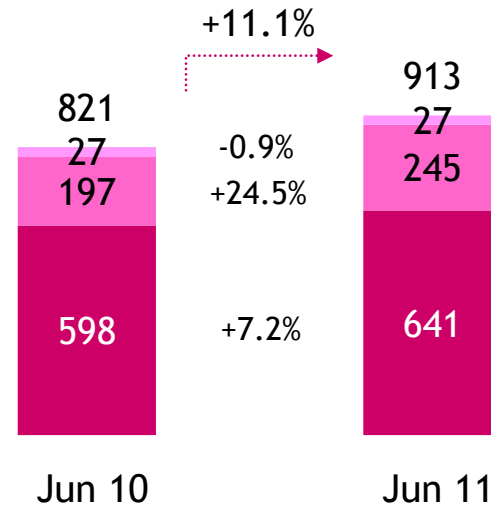
(Eur million)

Customer funds



Loans to customers (gross)

541%	Overdue loans >90 days coverage ratio	464%
0.9%	Overdue loans > 90 days ratio	1.3%



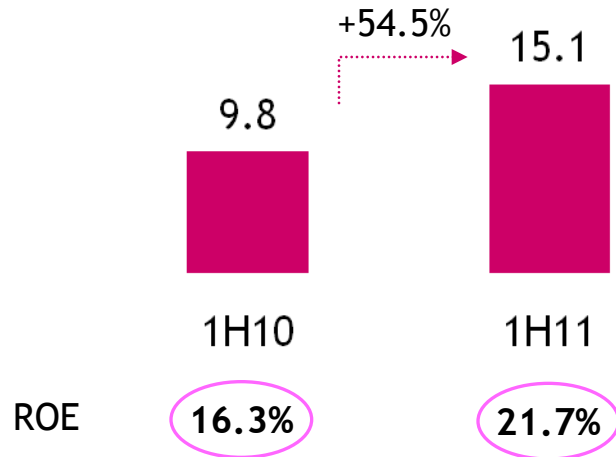
- Mortgage
- Consumer loans
- Loans to companies

Angola: strong growth in net income driven by revenues and volumes increase, despite ongoing expansion plan



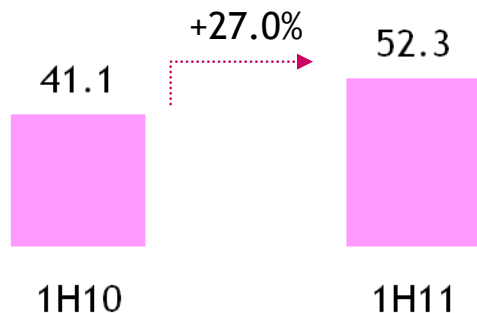
(Eur million)

Net income

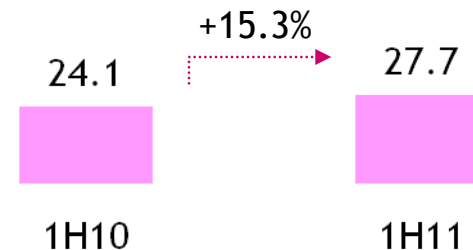


- Net income rises 54.5% (+66.4% in local currency)
- ROE of 21.7%
- Strong growth in revenues, loans and deposits
- GDP growth in Angola remains at high levels: ~7.8% in 2011 (P) and ~10.5% in 2012 (P) *
- 18% depreciation of kwanza, on an annual basis

Banking income



Operating costs



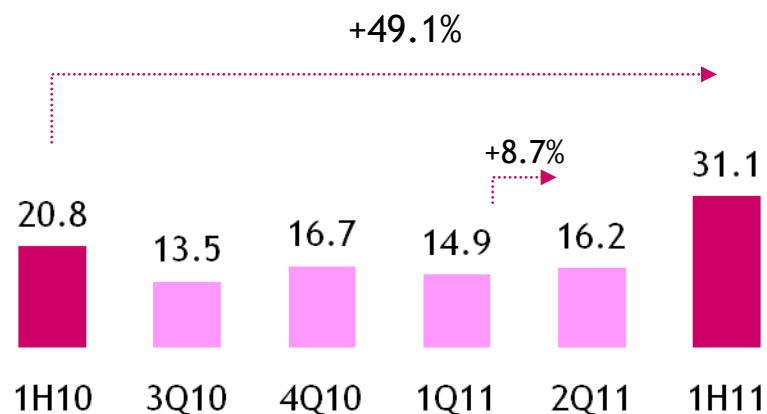
* Source: International Monetary Fund (World Economic Outlook Database, April 2011)

Strong increase in core income and operating costs in line with expansion plan, with significant improvement in efficiency

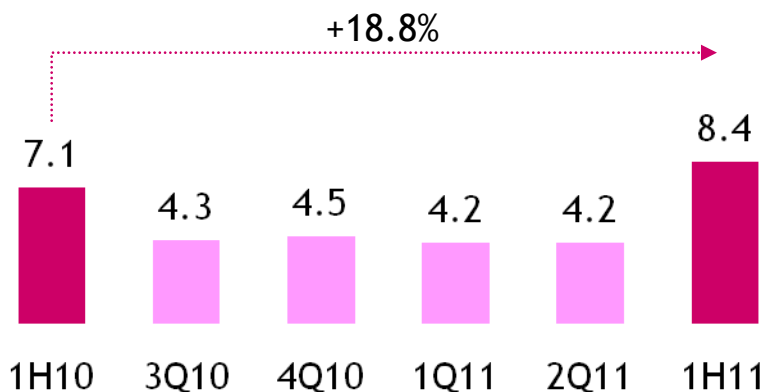


(Eur million)

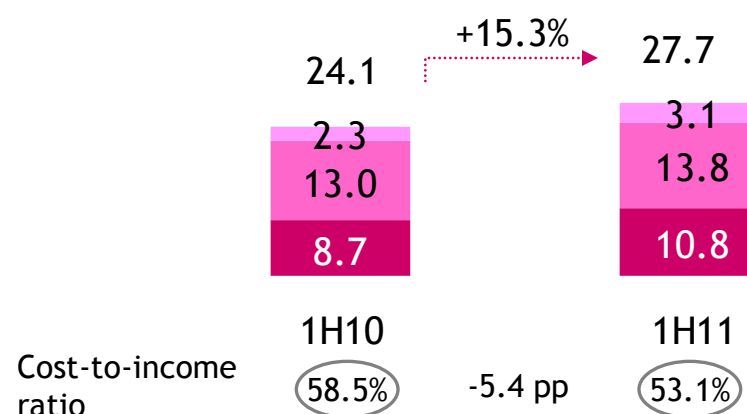
Net interest income



Commissions

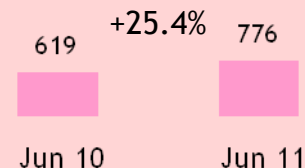


Operating costs

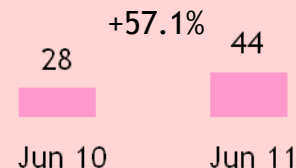


- Depreciation
- Other administrative costs
- Staff costs

Employees



Branches

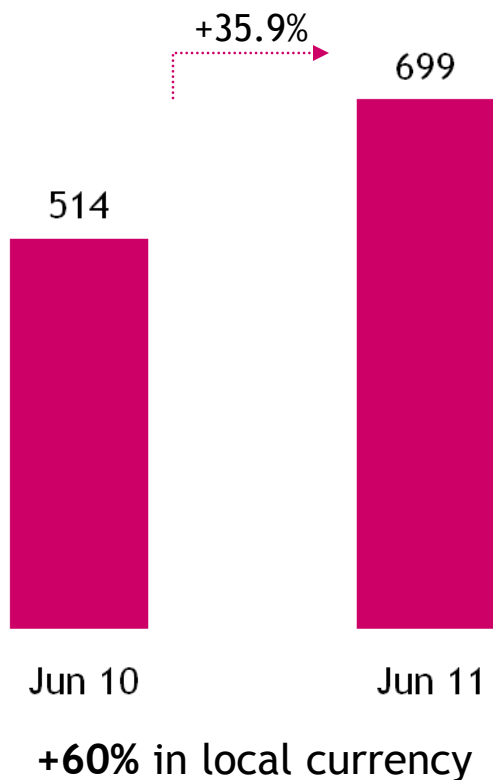


Strong volume growth

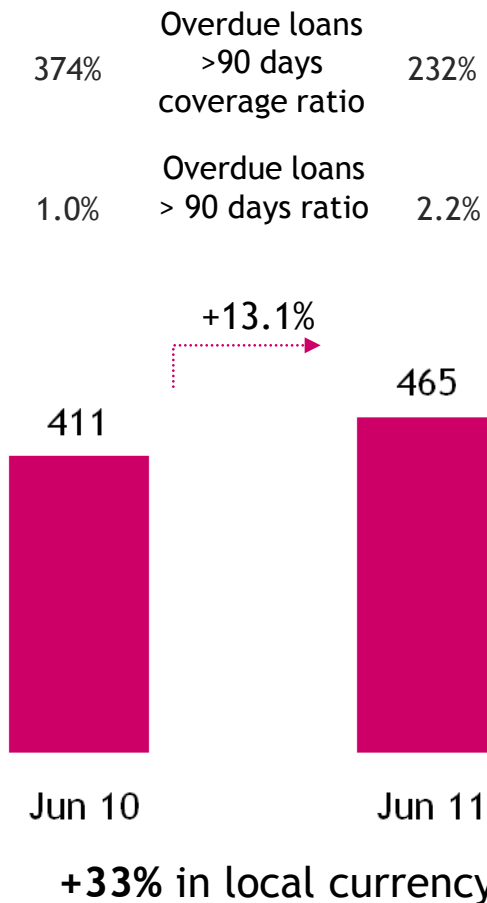


(Eur million)

Customer funds



Loans to customers (gross)



Greece: affected by the sovereign crisis



Net Income

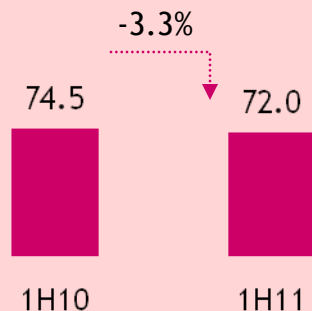
(Eur million)



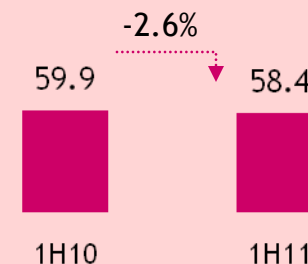
- Net losses of the 1H11 stood at 8.7 million euros
- Net interest income at 37.3 million euros (excluding the impact of the repurchase of bonds in the amount of 19.5 million euros), 34% lower than the 1H10, reflecting the fierce competition for deposits.
- Commissions down by 36% from 1H10, mainly due to the slowing down of new loans
- Trading gains of 5.7 million euros in 1H11, from 0.7 million euros losses in the 1H10
- Impairment charges up by 28.1 million euros in 1H11, an increase of 10.6% from 1H10
- Operating costs decline 2.6% versus 1H10

Banking income

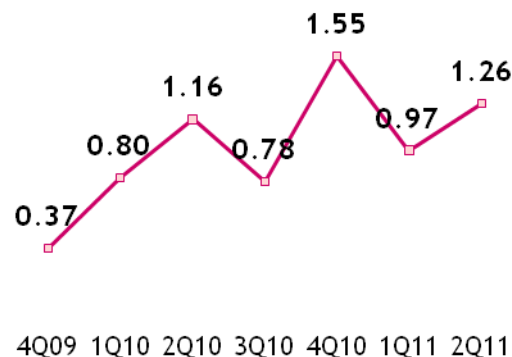
(Eur million)



Operating costs



Net impairment charges as % of total loans (gross)



Branches



Employees

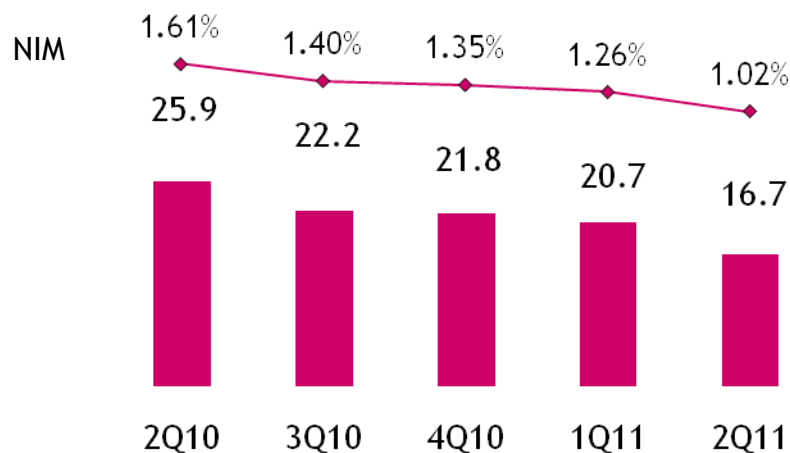


Net interest income affected by volumes and funding conditions

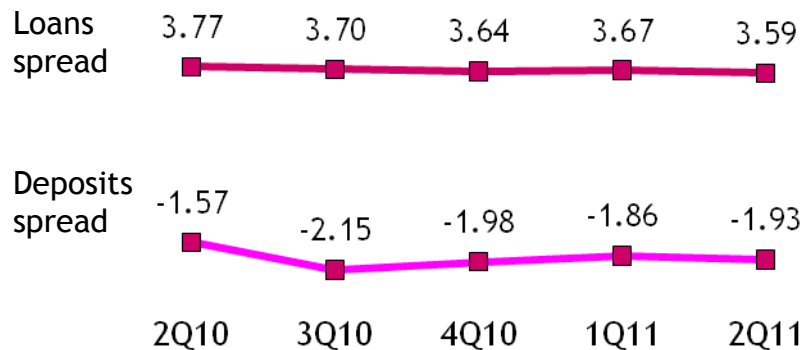


(%, Eur million)

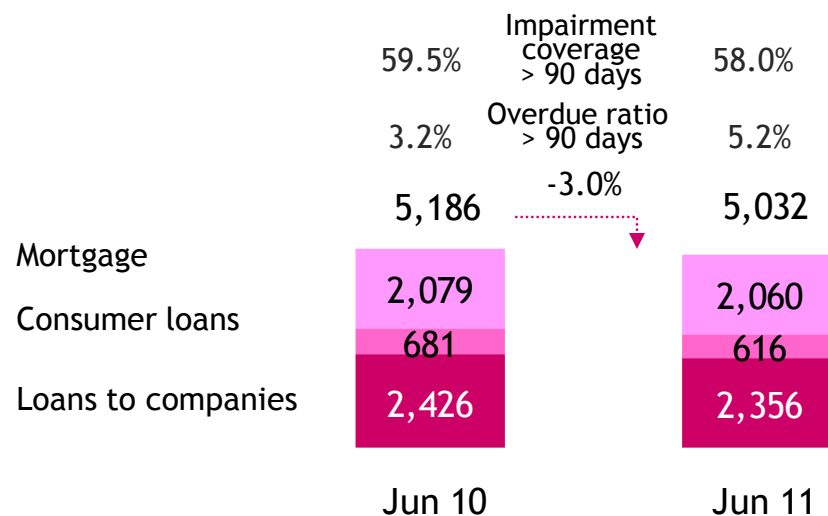
Net interest income (quarterly)*



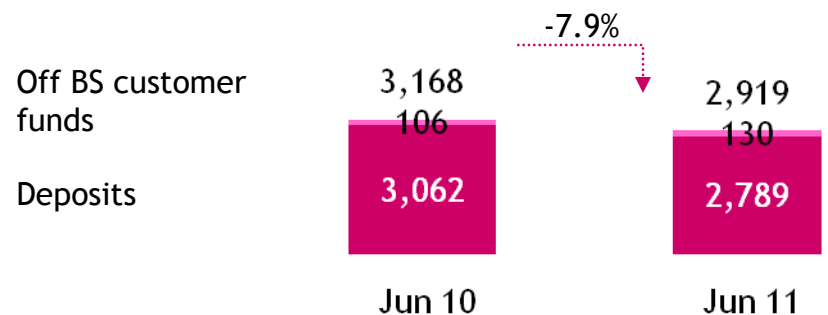
Loans and deposits spread



Loans to customers (gross)



Customer funds **



* Excludes impact of repurchase of Kion II bonds
 ** The figures presented exclude securities' custody

- Portugal
- International operations
- Conclusions

Summary of 1st half 2011

- Capital increase led to improved core tier I ratio of 8.5%
- Focus on liquidity: increase in BS customer funds (+5.8%) and reduction on loans to customers (-4.8%), leading to an improvement on the commercial gap * by €6.6 bn on an annual basis
- Strong results in Poland, Angola and Mozambique, that together grew earnings in 50.8%
- Core income (net interest income and commissions) grew up 8.9% on an annual basis, with emphasis on net interest income (+14.6%)
- Continued cost optimization policy, with a 3.5% reduction in operating costs in annual terms
- Reinforcement of impairment charges by 46.3%

* Commercial gap: Gross loans- Balance sheet customer funds

Note: Customer funds and loans to customers were adjusted from a Repo operation, in the amount of 2,256 million euros, on 30 June 2011

Annexes

Public debt exposure

(Eur billion)

	Portugal	Greece	Ireland	Poland	Others	Total
Trading book	2.6	0.0	0.0	0.1	0.0	2.8
< 1 year	2.4	0.0	0.0	0.0	0.0	2.5
> 1 year	0.1	0.0	0.0	0.0	0.0	0.2
Banking book	3.5	0.7	0.2	1.0	0.7	6.2
< 1 year	0.9	0.2	0.0	0.7	0.6	2.4
> 1 year	2.6	0.5	0.2	0.3	0.1	3.8
Total	6.1	0.8	0.2	1.2	0.7	8.9
< 1 year	3.3	0.2	0.0	0.8	0.6	4.9
> 1 year	2.8	0.5	0.2	0.3	0.1	4.0

- ▶ Of the Portuguese debt exposure, €2.6bn is in the trading book (mark-to-market)
- ▶ The banking book has €2.6bn of Portuguese debt with over 1 year maturity (2.6% of total assets)
- ▶ Total Portuguese debt with over 1 year maturity is €2.8bn (2.8% of consolidated assets)

Main Awards in 2011

Portugal	“Best Bank in Portugal”	EMEA Finance
	“Millennium bcp” brand awarded as the most valuable among the Portuguese private owned banks	Brand Finance
	Millennium bcp and Médis brands distinguished as Brands of Excellence	Superbrands Portugal
	“Best Private Bank in Portugal”	Euromoney
	“Best Management Report in 2010”	APCE
	“MicroFinance Recognition Award” in the category of Commitment to social and financial transparency to Millennium bcp Microcredit	Microfinance
	“Deal of the Year 2010” to “Project ELOS”, of which Millennium bcp is shareholder and financial advisor	Euromoney
	“Most Innovative Bank in Portugal” to ActivoBank	World Finance
“Trustworthy Brand 2011” in Health Insurance to Medis	Seleções do Readers Digest	
Poland	“Best Advertising in Social Networks”	Media & Marketing
	“Best Sustainability Deal 2010” to the Wind Projecto Margonin, financed under Project Finance by Bank Millennium in Poland, with Millennium Investment Bank as financial advisor	EMEA Finance
Romania	“Effie Award” for the mortgage loans campaign “Happiness”	Effie
Angola	“Best Banking Group in Angola 2011”	World Finance
	“Best Bank in Angola”	Euromoney
Mozambique	“Best Banking Group in Mozambique 2011”	World Finance

Banking commissions YoY growth

(Eur million)

Consolidated

	1H10	1H11	YoY	2Q10	1Q11	2Q11	2Q11/ 2Q10	2Q11/ 1Q11
Banking commissions	324.1	336.6	3.9%	164.3	162.7	173.9	5.8%	6.9%
Cards	89.8	91.5	1.8%	46.3	44.8	46.7	0.9%	4.1%
Loans and guarantees	85.4	89.9	5.3%	43.6	42.9	47.1	7.8%	9.7%
Bancassurance	37.2	37.7	1.2%	18.5	19.2	18.5	-0.2%	-3.7%
Other commissions	111.6	117.5	5.3%	55.9	55.8	61.7	10.4%	10.6%
Market related commissions	80.9	64.5	-20.3%	38.5	32.7	31.8	-17.5%	-2.8%
Securities operations	54.3	38.8	-28.6%	24.9	19.9	18.9	-23.9%	-4.7%
Asset management	26.6	25.7	-3.3%	13.6	12.9	12.9	-5.7%	0.0%
Total commissions	405.0	401.1	-1.0%	202.8	195.4	205.7	1.4%	5.2%

Staff costs containment, namely in Portugal

(Eur million)

Staff costs

	1H10	1H11	YoY
Portugal	281.9	279.4	-0.9%
of which: remunerations	187.7	186.7	-0.6%
International operations	142.3	138.2	-2.9%
Poland	63.9	67.9	6.2%
Mozambique	14.0	16.3	16.2%
Angola	8.7	10.8	24.1%
Greece	28.6	29.2	2.0%
Other	27.1	14.0	-48.2%
Staff costs	424.2	417.6	-1.6%

Note: staff costs in 1Q11 include a reversal of provisions in the amount of 31.4 million euros associated with pension charges of former members of the Executive Board of Directors and in 2Q11 include early retirement costs in the amount of 3.4 million euros

Credit portfolio quality and coverage

(Eur million)

Consolidated

Credit Portfolio	Overdue > 90 days		Overdue > 90 days / total loans		Coverage	
	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11
Individuals	568	769	1.6%	2.2%	96.0%	82.7%
Mortgage	169	224	0.6%	0.7%	109.5%	82.6%
Consumer	399	545	8.1%	11.7%	90.2%	82.8%
Corporate	1,578	2,124	3.6%	5.2%	108.4%	108.3%
Services	489	660	2.8%	3.8%	107.6%	119.6%
Commerce	296	359	5.9%	7.7%	90.1%	80.4%
Construction	374	519	7.2%	9.8%	59.9%	72.8%
Others	419	587	2.7%	4.4%	165.8%	143.9%
Total	2,146	2,893	2.7%	3.8%	105.1%	101.5%

Credit portfolio quality and coverage



(Eur million)

Credit Portfolio	Overdue > 90 days		Overdue > 90 days / total loans		Coverage	
	Jun 10	Jun 11	Jun 10	Jun 11	Jun 10	Jun 11
Individuals	348	444	1.4%	1.8%	94.7%	84.1%
Mortgage	137	158	0.6%	0.7%	117.3%	102.9%
Consumer	210	286	6.8%	10.3%	80.0%	73.7%
Corporate	1,304	1,792	3.6%	5.2%	108.4%	108.4%
Services	371	526	2.4%	3.4%	122.5%	137.5%
Commerce	260	299	6.6%	8.8%	86.8%	76.4%
Construction	333	475	7.5%	10.5%	61.0%	72.2%
Others	340	492	2.8%	4.6%	156.0%	131.7%
Total	1,652	2,236	2.7%	3.8%	105.5%	103.6%

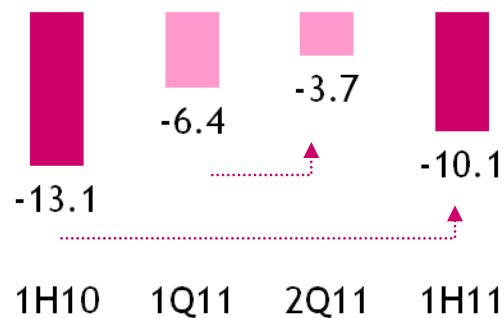
Romania: improvement of core income and volumes growth



(Eur million)

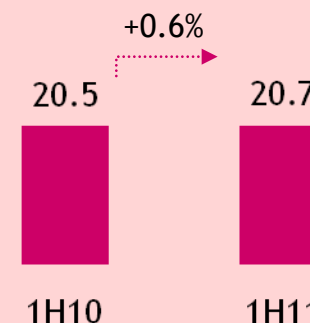
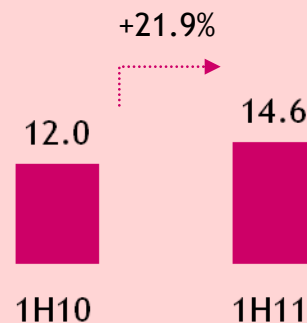
Net income

(Eur million)



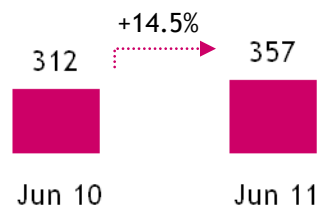
Banking income

Operating costs

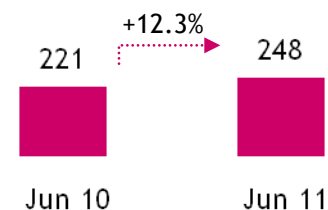


- Recovery of core income continues
- Costs containment
- Increase of loans to customers and customer funds

Loans to customers (gross)



Customer funds



Branches



Employees



Financial Statements

Consolidated Balance Sheet and Income Statement

	30 June 2011	31 December 2010	30 June 2010
	(Thousands of Euros)		
Assets			
Cash and deposits at central banks	1,254,872	1,484,262	1,149,109
Loans and advances to credit institutions			
Repayable on demand	1,308,829	1,259,025	1,016,118
Other loans and advances	2,786,291	2,343,972	1,239,636
Loans and advances to customers	73,708,984	73,905,406	75,920,346
Financial assets held for trading	3,929,229	5,136,299	3,671,978
Financial assets available for sale	3,546,695	2,573,064	2,570,369
Assets with repurchase agreement	18,353	13,858	74,609
Hedging derivatives	328,074	476,674	581,780
Financial assets held to maturity	6,371,734	6,744,673	5,834,514
Investments in associated companies	333,662	397,373	428,233
Non current assets held for sale	1,012,735	996,772	1,922,777
Investment property	515,686	404,734	418,616
Property and equipment	596,410	617,240	625,690
Goodwill and intangible assets	396,791	400,802	463,403
Current tax assets	28,874	33,946	31,312
Deferred tax assets	961,459	688,630	605,886
Other assets	2,618,098	2,533,009	2,438,912
	<u>99,716,776</u>	<u>100,009,739</u>	<u>98,993,288</u>
Liabilities			
Amounts owed to credit institutions	20,659,486	20,076,556	16,779,325
Amounts owed to customers	47,728,831	45,609,115	44,072,444
Debt securities	15,070,178	18,137,390	19,573,724
Financial liabilities held for trading	1,069,437	1,176,451	1,495,234
Other financial liabilities at fair value			
through profit and loss	3,754,905	4,038,239	4,687,815
Hedging derivatives	447,704	346,473	395,806
Non current liabilities held for sale	-	-	969,040
Provisions for liabilities and charges	208,583	235,333	254,605
Subordinated debt	1,449,340	2,039,174	1,988,449
Current income tax liabilities	11,823	11,960	2,028
Deferred income tax liabilities	645	344	4,107
Other liabilities	1,948,814	1,091,228	1,471,084
	<u>92,349,746</u>	<u>92,762,263</u>	<u>91,693,661</u>
Equity			
Share capital	6,065,000	4,694,600	4,694,600
Treasury stock	(79,508)	(81,938)	(88,721)
Share premium	71,722	192,122	192,122
Preference shares	1,000,000	1,000,000	1,000,000
Other capital instruments	9,853	1,000,000	1,000,000
Fair value reserves	(357,273)	(166,361)	46,965
Reserves and retained earnings	57,294	(190,060)	(165,128)
Profit for the period attributable to Shareholders	88,398	301,612	163,240
	<u>6,855,486</u>	<u>6,749,975</u>	<u>6,843,078</u>
Total Equity attributable to Shareholders of the Bank			
Non-controlling interests	511,544	497,501	456,549
	<u>7,367,030</u>	<u>7,247,476</u>	<u>7,299,627</u>
Total Equity	<u>99,716,776</u>	<u>100,009,739</u>	<u>98,993,288</u>

	30 June 2011	30 June 2010
	(Thousands of Euros)	
Interest income	1,938,677	1,636,856
Interest expense	(1,130,968)	(931,897)
	<u>807,709</u>	<u>704,959</u>
Net interest income		
Dividends from equity instruments	1,108	19,087
Net fees and commission income	401,109	404,991
Net gains / losses arising from trading and hedging activities	(9,020)	319,980
Net gains / losses arising from available for sale financial assets	30,045	(5,423)
Other operating income	4,933	9,091
	<u>1,235,884</u>	<u>1,452,685</u>
Other net income from non banking activity	9,725	8,564
	<u>1,245,609</u>	<u>1,461,249</u>
Total operating income		
Staff costs	417,575	424,214
Other administrative costs	283,989	301,094
Depreciation	47,945	51,552
	<u>749,509</u>	<u>776,860</u>
Operating costs		
	496,100	684,389
Loans impairment	(562,127)	(384,177)
Other assets impairment	(42,120)	(20,393)
Goodwill impairment	-	(73,565)
Other provisions	37,916	(20,266)
	<u>(70,231)</u>	<u>185,988</u>
Operating profit		
Share of profit of associates under the equity method	23,994	28,887
Gains / (losses) from the sale of subsidiaries and other assets	(4,447)	(2,554)
	<u>(50,684)</u>	<u>212,321</u>
Profit before income tax		
Income tax		
Current	(42,184)	(28,508)
Deferred	221,507	6,761
	<u>128,639</u>	<u>190,574</u>
Profit after income tax		
Attributable to:		
Shareholders of the Bank	88,398	163,240
Non-controlling interests	40,241	27,334
	<u>128,639</u>	<u>190,574</u>
Profit for the period		
Earnings per share (in euros)		
Basic	0.02	0.05
Diluted	0.02	0.05

Consolidated Income Statement (Quarterly Evolution)

For the six month periods ended 30 June, 2011 and 2010

(Eur million)

	Quarterly					Year-to-date		
	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	Jun10	Jun11	Δ % 11 / 10
Net interest income	364.4	386.8	425.1	401.6	406.1	705.0	807.7	14.6%
Dividends from equity instruments	18.2	16.4	0.4	0.0	1.1	19.1	1.1	-94.2%
Net fees and commission income	202.8	196.8	209.8	195.4	205.7	405.0	401.1	-1.0%
Other operating income	10.1	4.5	11.4	20.2	-10.0	15.1	10.2	-32.4%
Net trading income	179.2	30.9	83.7	23.7	-2.7	314.6	21.0	-93.3%
Equity accounted earnings	12.1	24.3	14.3	16.7	7.3	28.9	24.0	-16.9%
Banking income	786.8	659.7	744.7	657.6	607.5	1,487.6	1,265.2	-15.0%
Staff costs	215.4	229.1	237.9	192.0	225.6	424.2	417.6	-1.6%
Other administrative costs	153.4	145.3	155.4	139.4	144.6	301.1	284.0	-5.7%
Depreciation	25.8	32.1	26.6	24.8	23.1	51.6	47.9	-7.0%
Operating costs	394.6	406.5	419.9	356.2	393.3	776.9	749.5	-3.5%
Operating profit bef. imp.	392.2	253.2	324.8	301.4	214.2	710.7	515.6	-27.4%
Loans impairment (net of recoveries)	219.4	165.7	163.4	166.6	395.6	384.2	562.1	46.3%
Goodwill impairment	73.6	0.0	73.6	0.0	0.0	73.6	0.0	-100.0%
Other impairm. and provisions	18.8	15.8	14.0	28.6	-24.4	40.7	4.2	-89.7%
Profit before income tax	80.4	71.7	73.8	106.2	-156.9	212.3	-50.7	<-100%
Income tax	-0.3	2.4	-27.2	9.7	-189.0	21.7	-179.3	<-100%
Non-controlling interests	13.8	15.2	16.8	18.8	21.5	27.3	40.2	47.2%
Net income	66.8	54.2	84.2	77.7	10.7	163.2	88.4	-45.8%

Consolidated Income Statement (Portugal and International operations)

For the six month periods ended 30 June, 2011 and 2010

(Eur million)

	Group			Portugal			International operations														
	Total		Δ %	Total		Δ %	Bank Millennium (Poland)			Millennium bim (Moz.)			Millennium Bank (Greece)			Other int. operations					
	Jun10	Jun11		Jun10	Jun11		Jun10	Jun11	Δ %	Jun10	Jun11	Δ %	Jun10	Jun11	Δ %	Jun10	Jun11	Δ %			
Interest income	1637	1939	18.4%	1068	1326	24.2%	569	613	7.6%	292	321	10.1%	59	88	50.2%	123	145	17.2%	95	58	-38.5%
Interest expense	932	1131	21.4%	622	808	29.9%	310	323	4.3%	183	184	0.5%	16	22	41.3%	67	88	30.9%	44	29	-34.2%
Net interest income	705	808	14.6%	446	518	16.3%	259	289	11.7%	109	137	26.1%	43	66	53.4%	56	57	1.0%	51	29	-42.3%
Dividends from equity instruments	19	1	-94.2%	19	1	-95.7%	0	0	-36.9%	0	0	-38.4%	0	0	17.9%	0	0	-45.5%	0	0	>100%
Intermediation margin	724	809	11.7%	464	519	11.8%	260	290	11.6%	109	138	25.8%	43	66	53.4%	56	57	1.0%	51	29	-42.3%
Net fees and commission income	405	401	-1.0%	281	282	0.7%	124	119	-4.7%	71	74	4.5%	11	13	18.3%	17	11	-36.7%	25	21	-19.6%
Other operating income	15	10	-32.4%	11	11	5.8%	4	-1	<-100%	-1	-4	<-100%	3	5	59.3%	2	-1	<-100%	0	-1	<-100%
Basic income	1,144	1,220	6.6%	756	813	7.6%	388	407	4.8%	179	208	15.9%	57	84	46.9%	75	66	-11.8%	77	49	-36.2%
Net trading income	315	21	-93.3%	254	-48	<-100%	60	69	13.4%	26	21	-19.5%	17	8	-53.3%	-1	6	>100%	18	34	86.0%
Equity accounted earnings	29	24	-16.9%	29	24	-16.9%	0	0	--	0	0	--	0	0	--	0	0	--	0	0	--
Banking income	1,488	1,265	-15.0%	1,039	789	-24.0%	449	476	6.0%	205	229	11.4%	74	92	24.2%	74	72	-3.3%	95	83	-12.7%
Staff costs	424	418	-1.6%	282	279	-0.9%	142	138	-2.9%	64	68	6.2%	14	16	16.2%	29	29	2.0%	36	25	-30.6%
Other administrative costs	301	284	-5.7%	170	155	-8.9%	131	129	-1.4%	56	62	10.6%	14	15	9.2%	26	24	-7.9%	35	28	-20.2%
Depreciation	52	48	-7.0%	28	25	-9.8%	24	23	-3.8%	10	9	-10.2%	3	3	22.1%	5	5	-0.4%	7	6	-7.6%
Operating costs	777	750	-3.5%	480	459	-4.3%	297	290	-2.3%	130	138	6.9%	30	35	13.6%	60	58	-2.6%	77	59	-23.9%
Operating profit bef. imp.	711	516	-27.4%	559	330	-40.9%	152	186	22.2%	76	90	19.1%	44	57	31.7%	15	14	-6.2%	18	24	35.2%
Loans impairment (net of recoveries)	384	562	46.3%	295	498	69.0%	89	64	-28.7%	33	22	-33.9%	7	7	-0.0%	25	28	10.6%	24	7	-72.3%
Goodwill impairment	74	0	-100.0%	74	0	-100.0%	0	0	--	0	0	--	0	0	--	0	0	--	0	0	--
Other impairm. and provisions	41	4	-89.7%	42	6	-84.5%	-1	-2	<-100%	0	-1	<-100%	0	-2	<-100%	0	1	>100%	-1	0	39.5%
Profit before income tax	212	-51	<-100%	149	-175	<-100%	64	124	95.2%	43	70	61.3%	37	52	41.0%	-11	-16	-38.4%	-5	18	>100%
Income tax	22	-179	<-100%	10	-199	<-100%	12	19	68.3%	9	15	71.3%	7	9	43.7%	-1	-7	<-100%	-3	2	>100%
Non-controlling interests	27	40	47.2%	1	0	<-100%	27	40	50.9%	0	0	--	0	0	37.1%	0	0	-94.9%	26	40	51.1%
Net income	163	88	-45.8%	138	24	-82.6%	25	64	>100%	34	55	58.7%	30	42	40.5%	-10	-9	14.5%	-29	-23	18.4%

Millennium

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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 6.485.353.210