

# **Earnings Presentation**

## **1<sup>st</sup> Quarter 2008**

**12 May 2008**

A thin red vertical line on the right side of the slide and a thin red horizontal line at the bottom, intersecting at the bottom right corner.

# DISCLAIMER

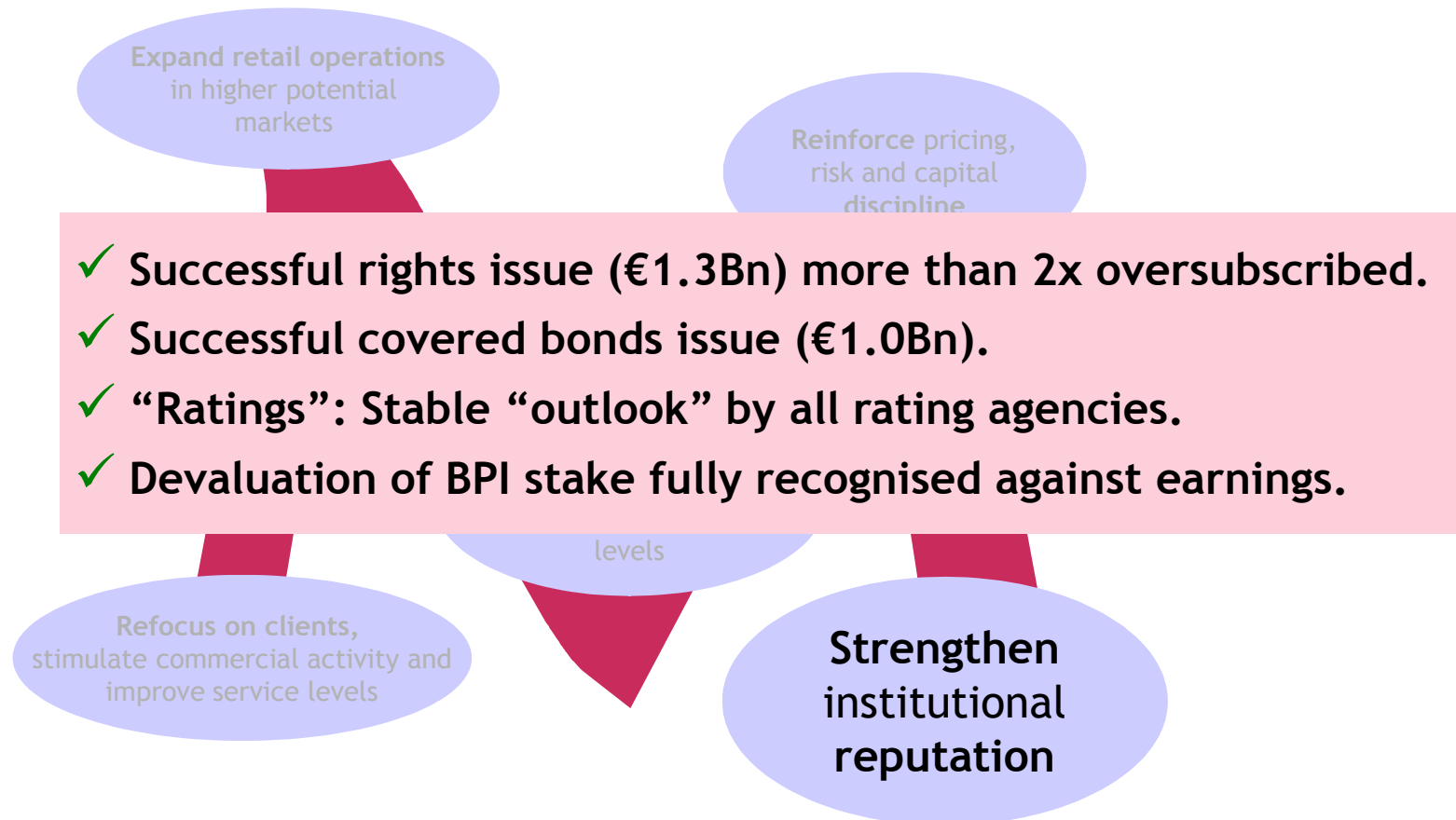
- This document is not an offer of securities for sale in the United States, Canada, Australia, Japan or any other jurisdiction. Securities may not be offered or sold in the United States unless they are registered pursuant to the US Securities Act of 1933 or are exempt from such registration. Any public offering of securities in the United States, Canada, Australia or Japan would be made by means of a prospectus that will contain detailed information about the company and management, including financial statements.
- The information in this presentation has been prepared under the scope of the International Financial Reporting Standards ('IFRS') project 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 earnings.

# Highlights

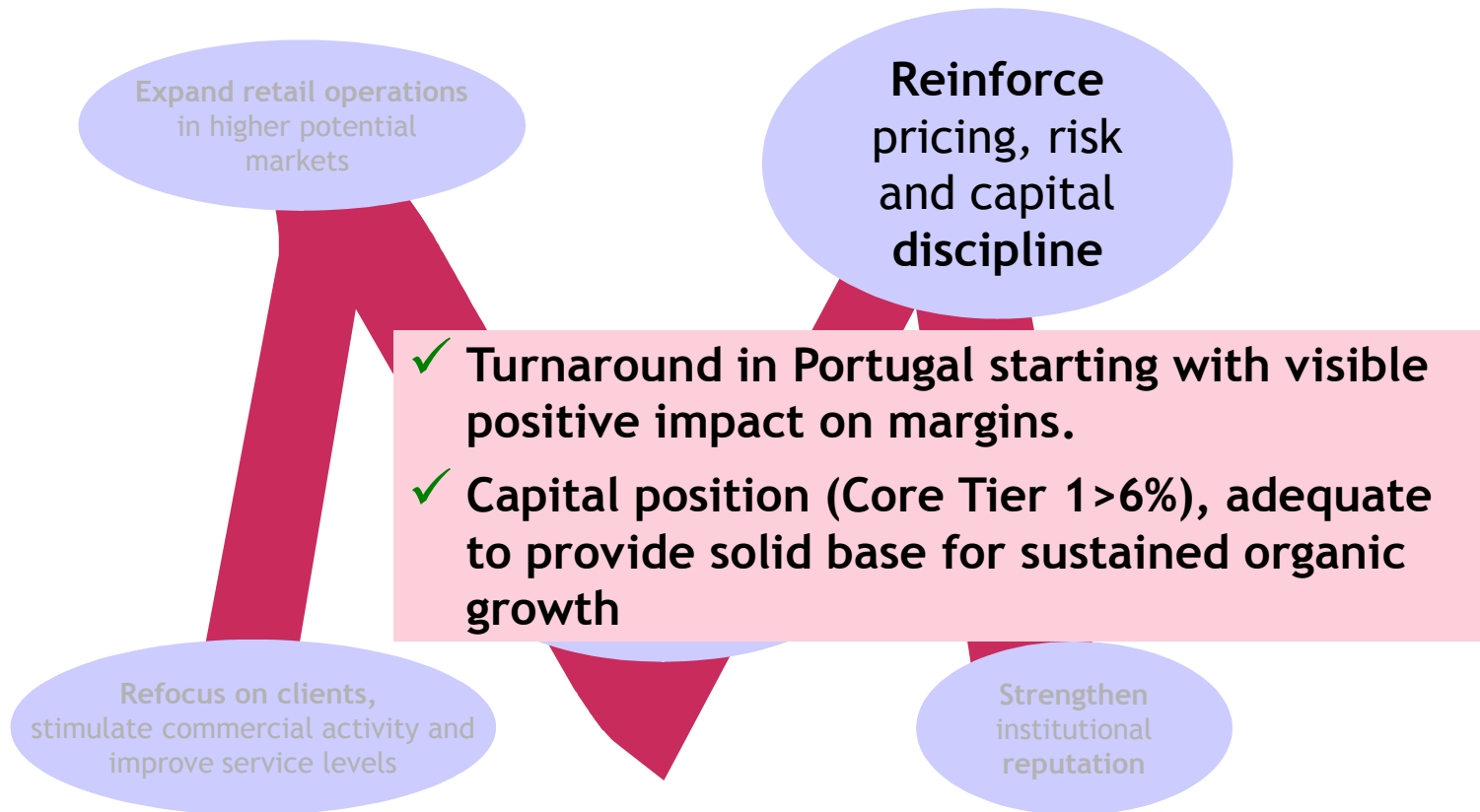
- 1** Pretax income from Portuguese operation up 45% from 4Q07
- 2** Pretax income for International operations up 29% from 4Q07
- 3** Group pretax income up 40% from 4Q07
- 4** Rights issue more than 2x oversubscribed
- 5** Successful covered bond issue
- 6** Devaluation of BPI stake fully recognised against earnings
- 7** Sustained franchise growth in core markets; expansion plans on track. Reached 2 million customers in Int. operations, ow 1 million in Poland.

Excluding specific items.

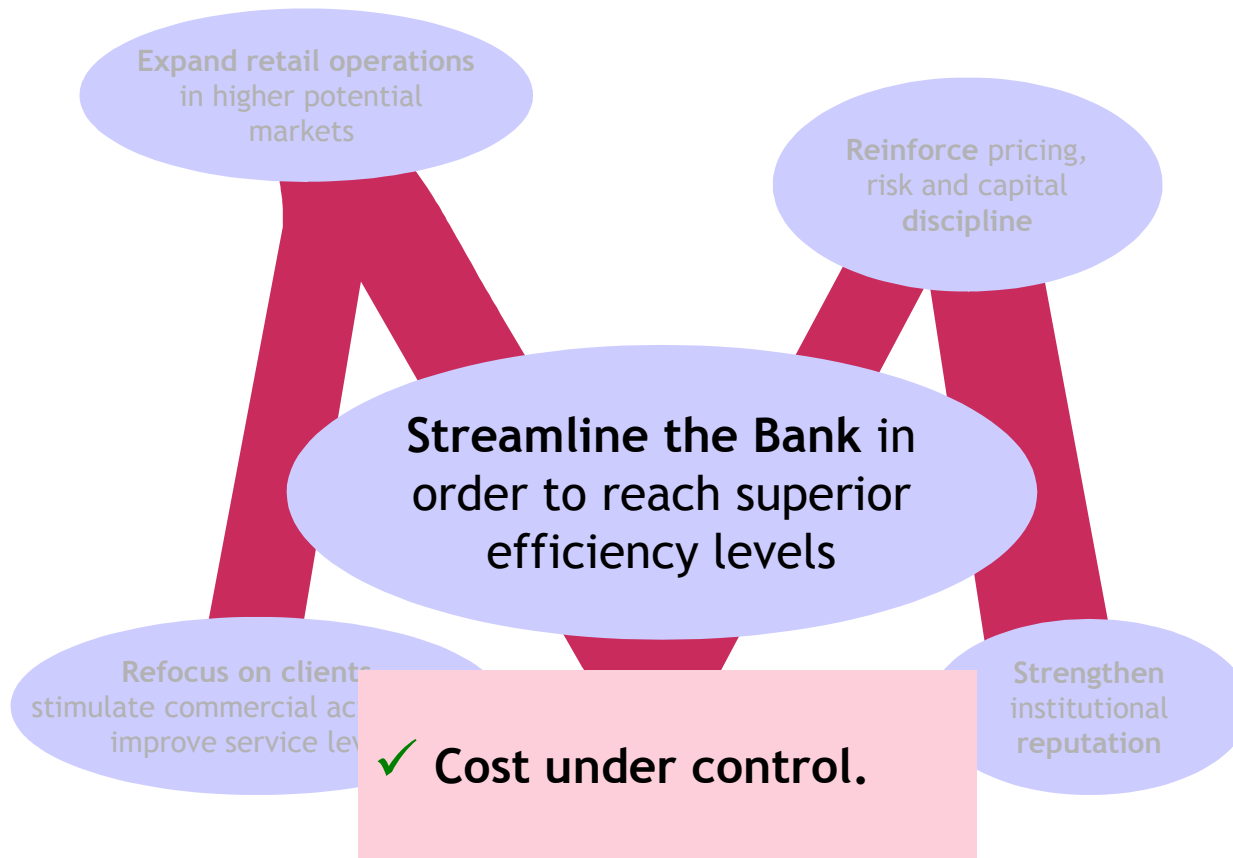
# Highlights



# Highlights



# Highlights



# Highlights

**Expand retail operations  
in higher potential  
markets**

Reinforce pricing,  
improve profitability

- ✓ **Volumes continue to grow- +10% in customers' funds and +14% in loans .**
- ✓ **Expansion projects according to plan: 43 new branches opened during first quarter, ow 14 in Portugal, 15 in Poland and 9 in Greece.**
- ✓ **International operations improving profitability, with 13.7% growth from 1Q07 to 1Q 08**

Refocus on clients,  
stimulate commercial activity and  
improve service levels

Strengthen  
institutional  
reputation

# Highlights





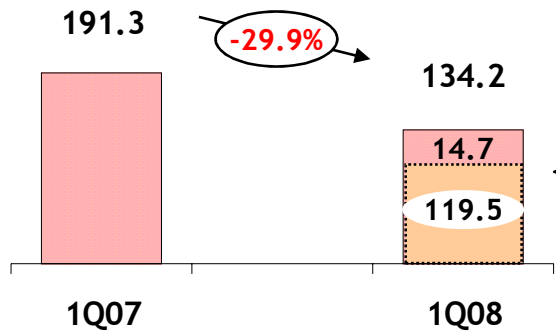
# Agenda

- Group
- Portugal
- Poland
- Greece
- Other International operations

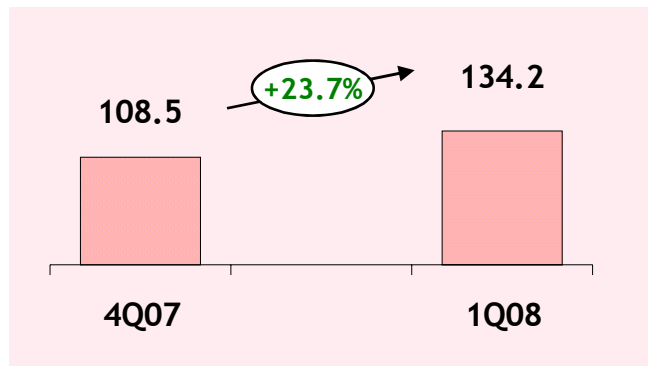
# YoY lower consolidated net income but improving versus last quarter

(Eur million)

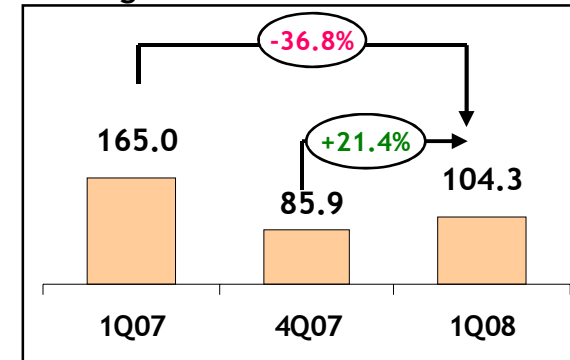
## Net Income



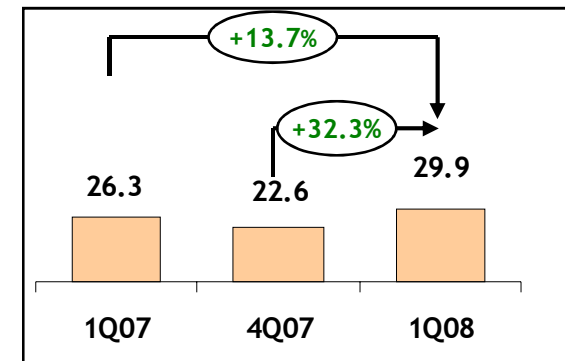
Specific Items:  
 - BPI stake (-132.7).  
 - Reduction of variable remuneration accrued in 2007 (+13.2)



## Portugal



## International

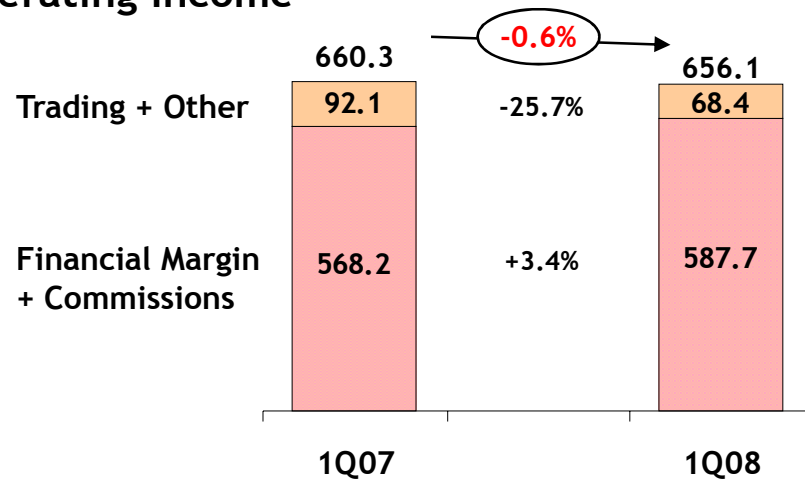


Excluding specific items.

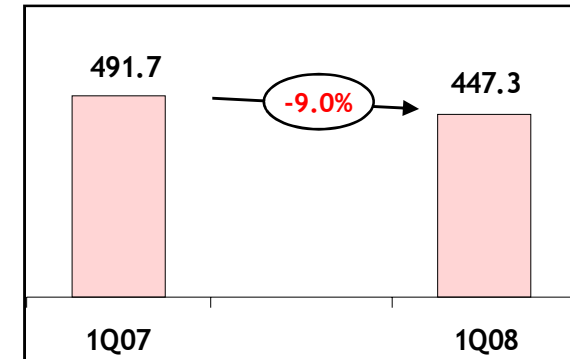
# Group net interest income growth compensating for lower trading profits

(Eur million)

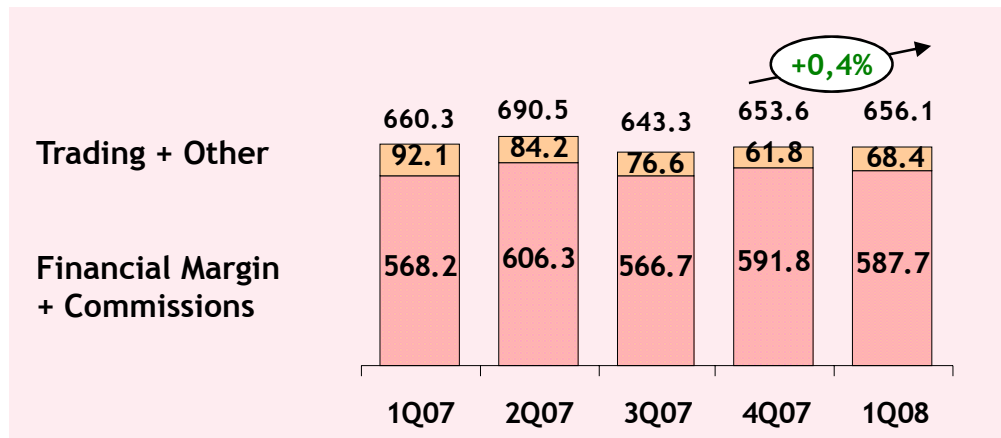
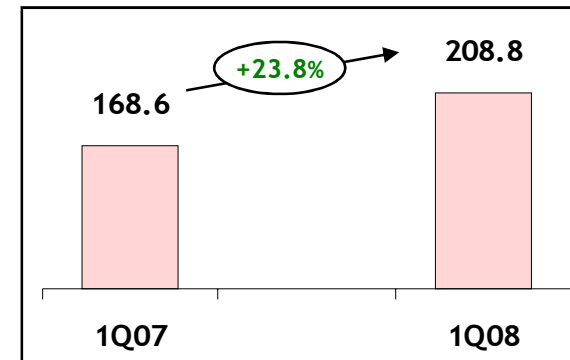
## Operating Income



## Portugal



## International



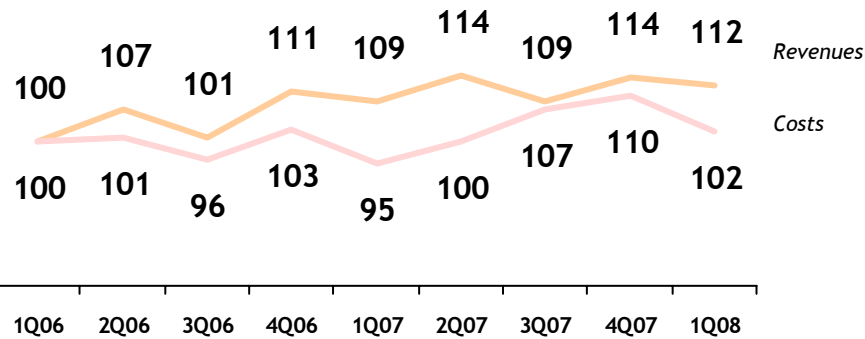
Excluding specific items.

# Improved efficiency from cost control

(Eur million)

## Jaws

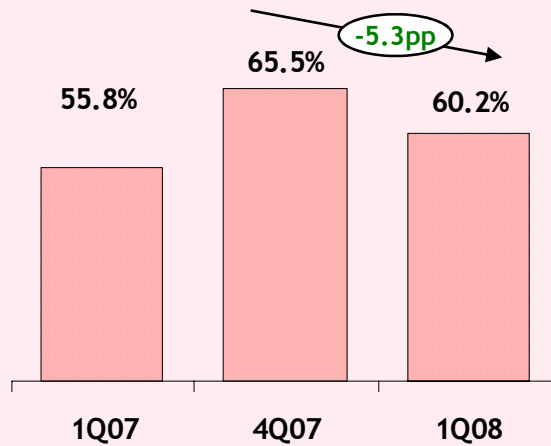
Basic Revenues and Costs  
Base 100: 1Q06



## Highlights

- Stable revenue growth.
- Operating costs decreasing vs. Q4 07, in spite of expansion projects.
- Improvement of cost to income ratio when compared with last quarter.

### Cost / Income ratio



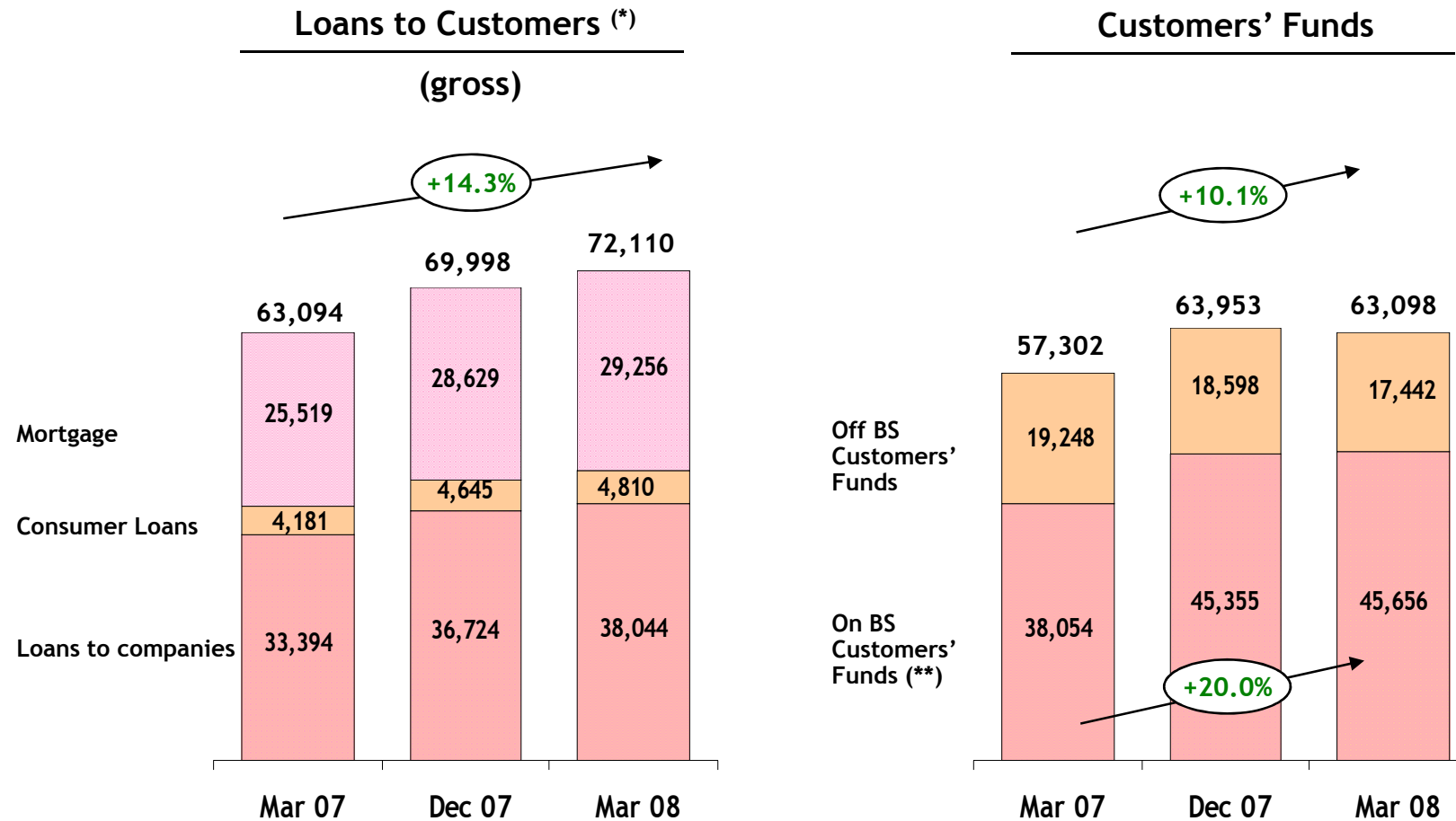
### Operating Profit



Excluding specific items.

# Double digit growth in volumes in both credit and customer funds

(Eur million)



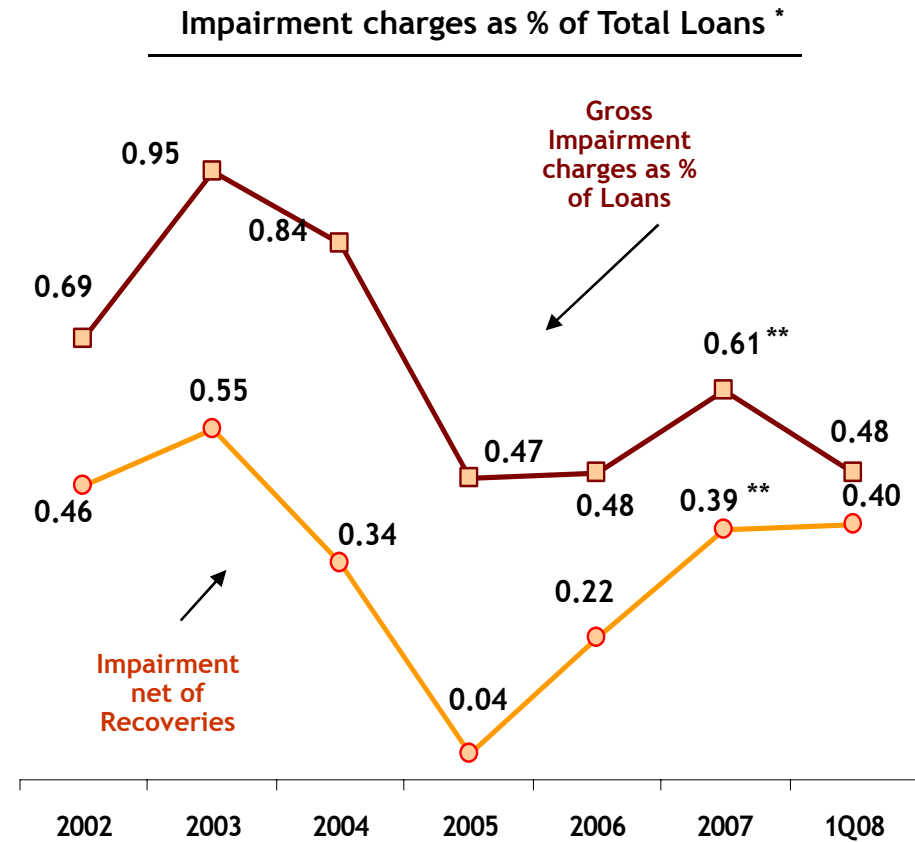
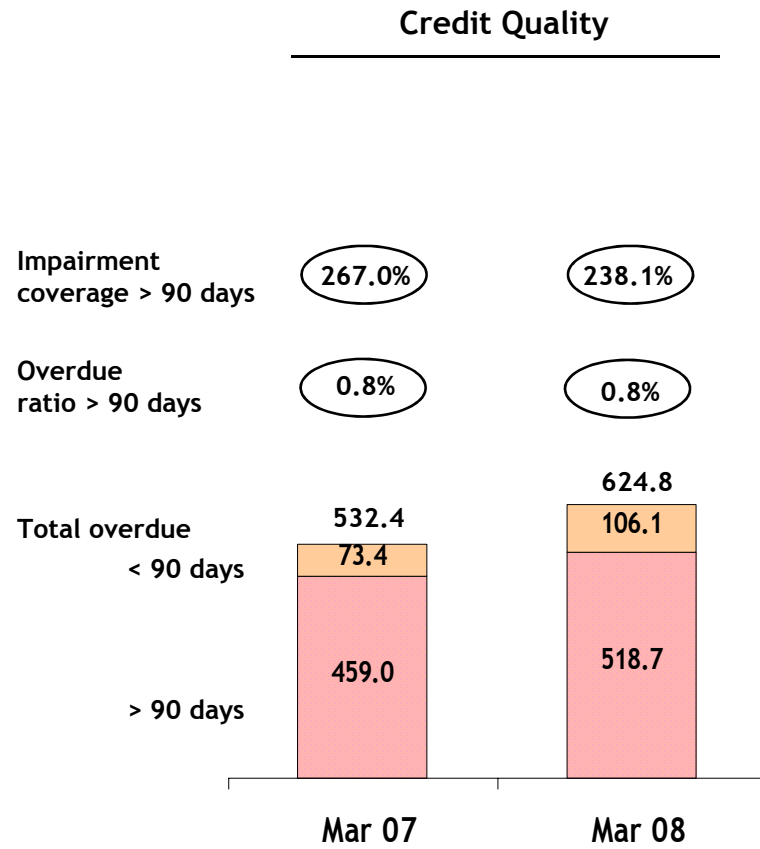
(\*) Includes securitized loans.

(\*\*) Includes Deposits and Debt Securities placed with customers.



# Stable cost of risk in the context of sustained loan volume growth

(Eur million)



Excluding specific items.

\* Impairment charges on a comparable basis.

\*\* Of the yearly increase, 9 bps were justified by two particular cases. Excluding these cases, the impairment net of recoveries would have been 30 bps.



## Good credit quality performance

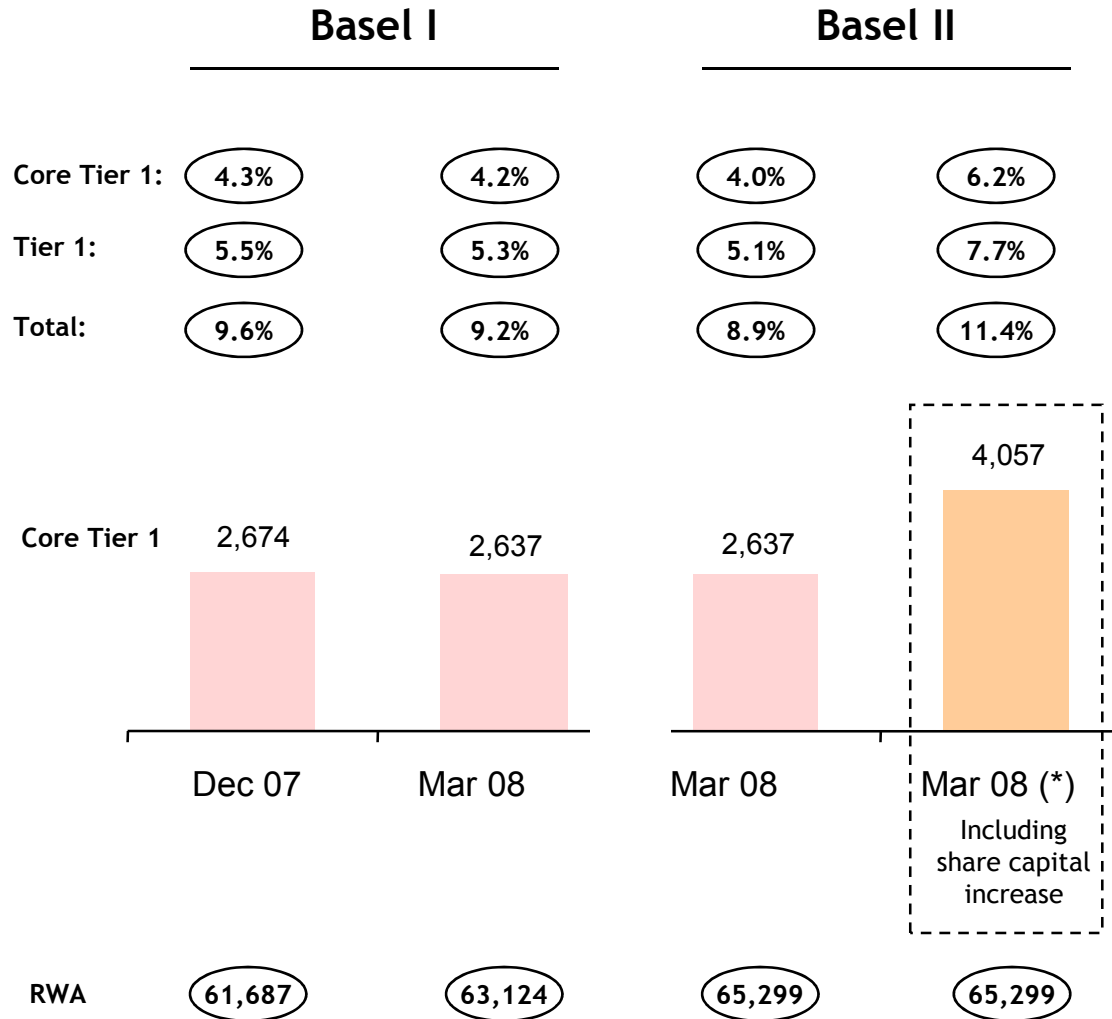
### Overdue Loans / Total Loans

% Portfolio	1Q07	2Q07	3Q07	4Q07	1Q08
Individuals	0.61	0.59	0.62	0.60	0.67
Mortgage	0.31	0.28	0.30	0.31	0.33
Consumer	2.47	2.45	2.62	2.37	2.74
Companies	1.05	1.12	1.16	0.97	1.04
Services	0.34	0.38	0.44	0.37	0.48
Commerce	1.25	1.40	1.58	1.45	1.34
Others	1.41	1.48	1.49	1.20	1.29
<b>Total</b>	<b>0.84</b>	<b>0.87</b>	<b>0.90</b>	<b>0.79</b>	<b>0.87</b>

**No exposure to US subprime, no consumer credit issues  
and no exposure to insurance monoliners**

# Solvency evolution and proforma including the share capital increase

(Eur million)



(\*) Proforma.



# Share Capital Increase Successfully Completed

- ✓ **Share Capital Increase fully subscribed, resulting in the issuance of 1,083,270,433 shares**
  - ✓ Strong support from shareholders, with 1,071,230,855 shares subscribed to pursuant to the exercise of subscription rights, representing a 98.9% take-up.
  - ✓ 12,039,578 shares made available to satisfy oversubscription orders, which totaled 1,292,988,792 shares.
  - ✓ Total demand amounted to 2,364,219,647 shares, or c.218% of the total number of shares on offer.
- ✓ **Strong share price performance during process**
  - ✓ Positive reaction and support of the transaction by market as shown by solid share price performance from announcement to pricing (+10.8%) (\*).

(\*) Closing price on 18 February 2008 of €1.696 to closing price of €1.88 per share on 28 April 2008 adjusted for issuance linked to rights issue.

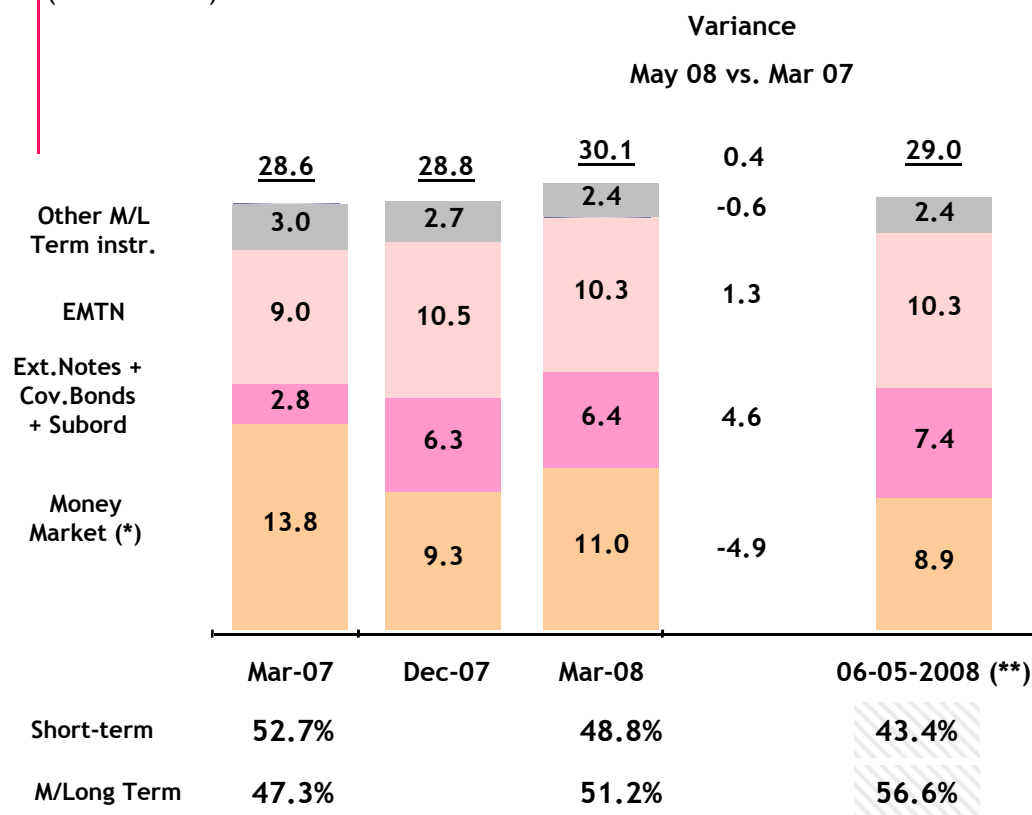
## Credit ratings: stable outlook from all rating agencies

	Short Term	Long Term	Outlook
Moody's	P-1	Aa3	Stable
Standard and Poor's	A-1	A	Stable
Fitch Ratings	F1	A+	Stable

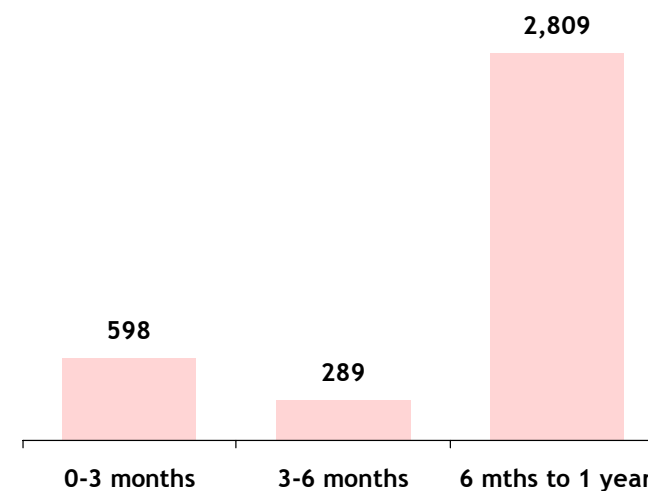
# Positive evolution of liquidity position

## Wholesale funding

(Eur billion)



### Medium Long Term Wholesale Funding - Maturity profile



	Q1 07	Q4 07	Q1 08
Loans to deposits	181%	170%	178%
Loans to on BS customers funds	156%	147%	151%
Loans to customers funds	103%	105%	110%

(\*) Includes commercial paper, interbank and other short term instruments

(\*\*) Including covered bond impact



# Agenda

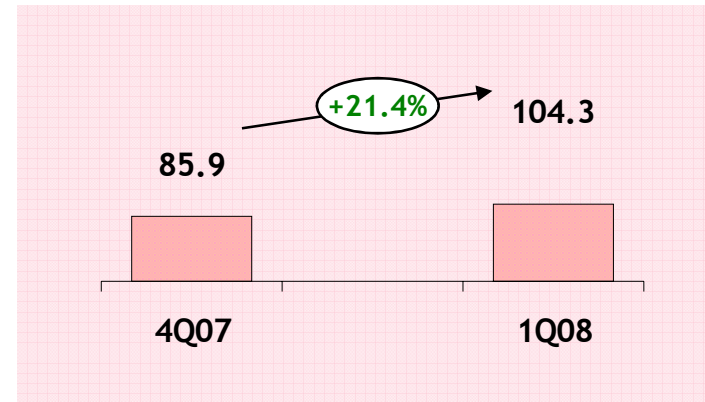
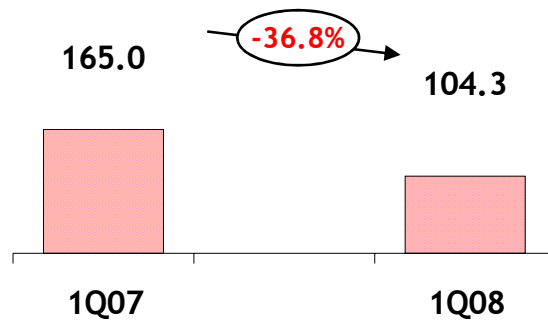
- Group
- Portugal
- Poland
- Greece
- Other International operations



# Net income lower YoY, but clearly higher QoQ

(Eur million)

Net Income



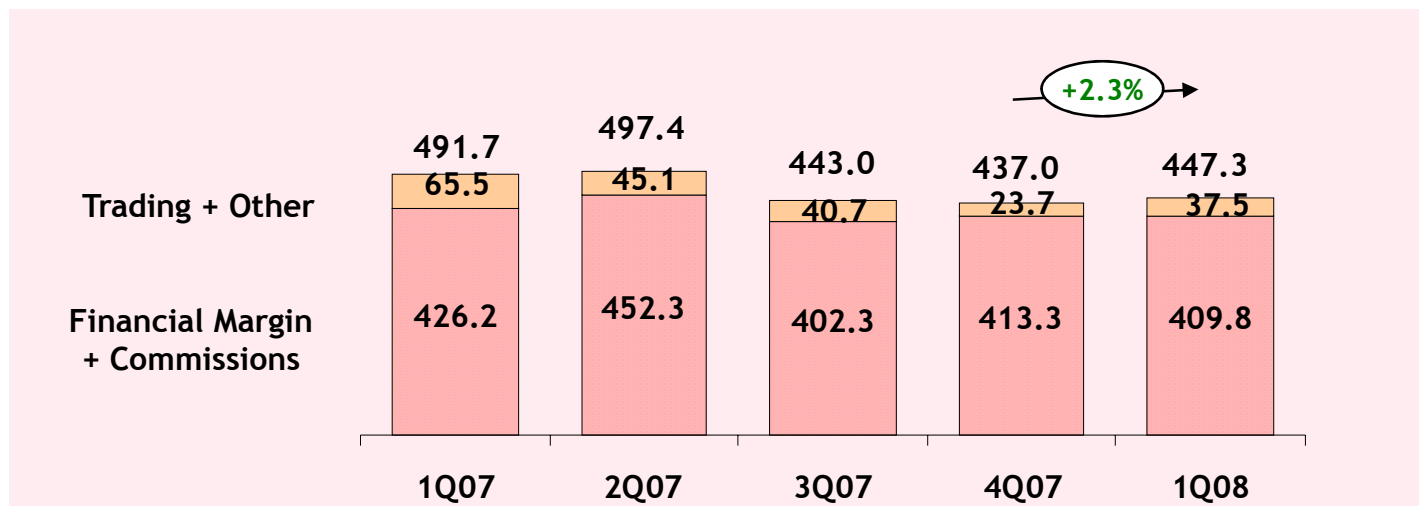
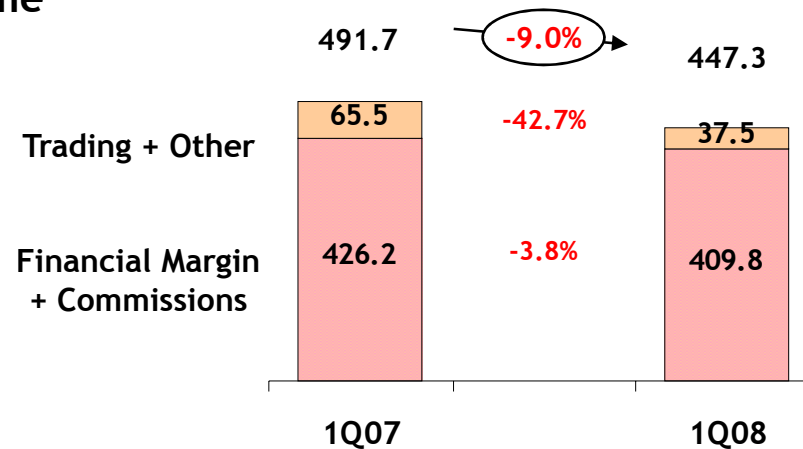
Excluding specific items.



# Top line reflects adverse market environment and lower commissions yoy, but already recovering from 4Q07

(Eur million)

## Operating Income



Excluding specific items.

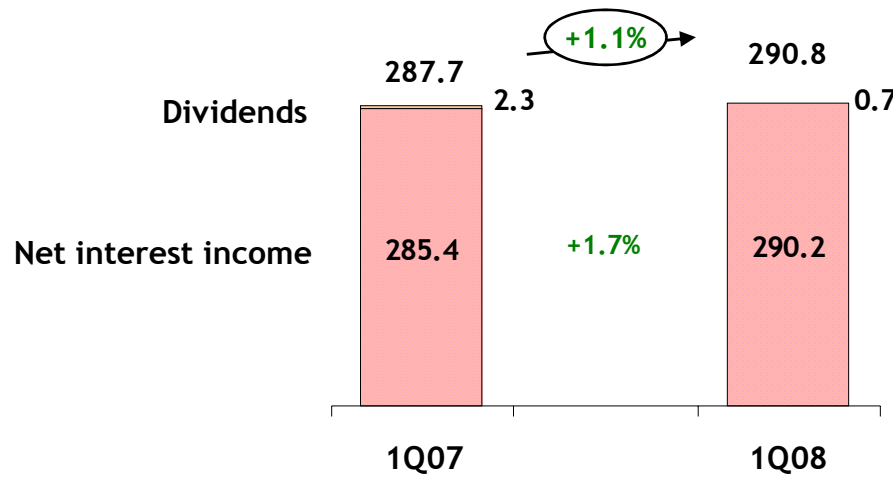




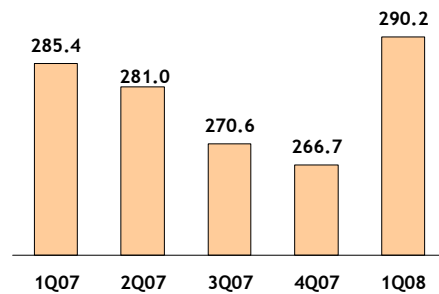
# Solid net interest income performance with credit margin recovery

(Eur million)

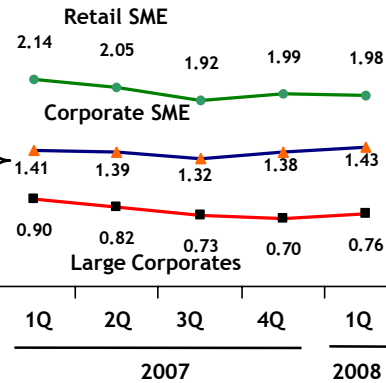
## Financial Margin



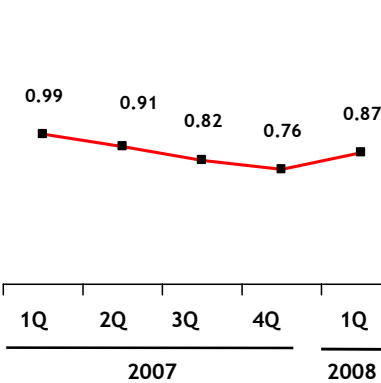
## Quarterly Net Interest Income



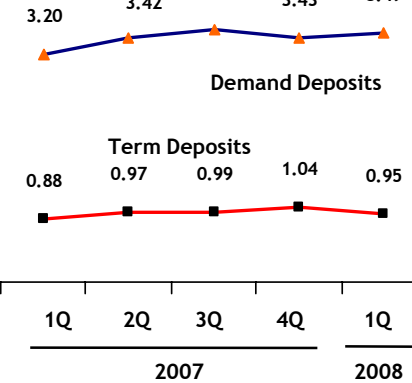
## Spreads on Corporate Loans (%)



## Spreads on Mortgage Loans (%)



## Spreads on Deposits (%)

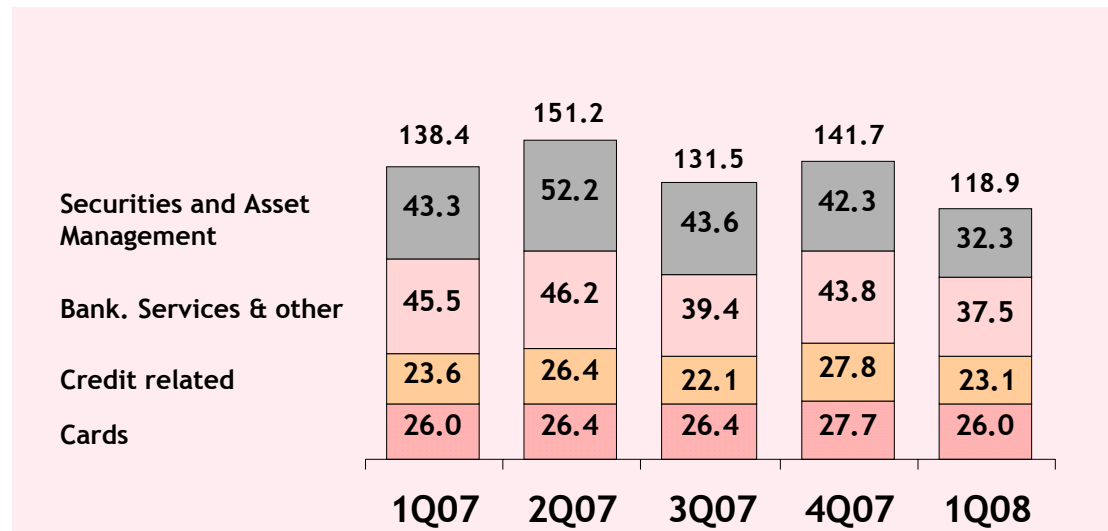
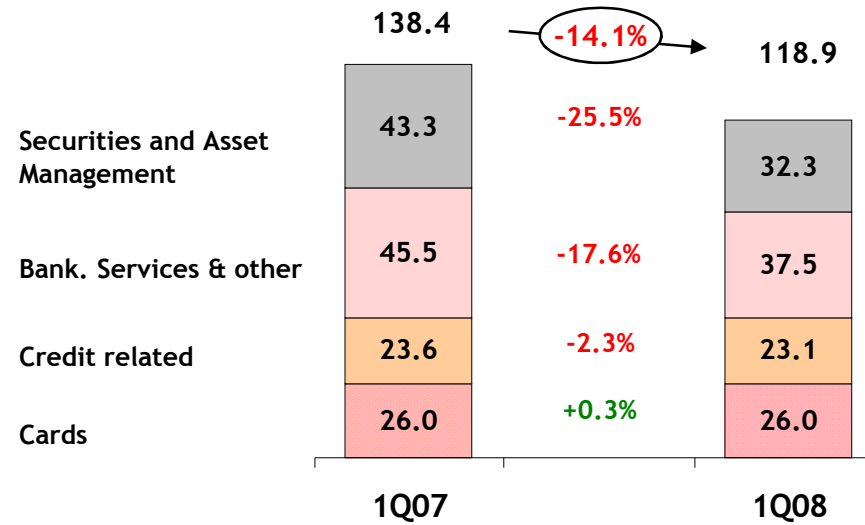




# Lower commissions mainly reflect adverse financial markets

(Eur million)

## Commissions



Excluding specific items.

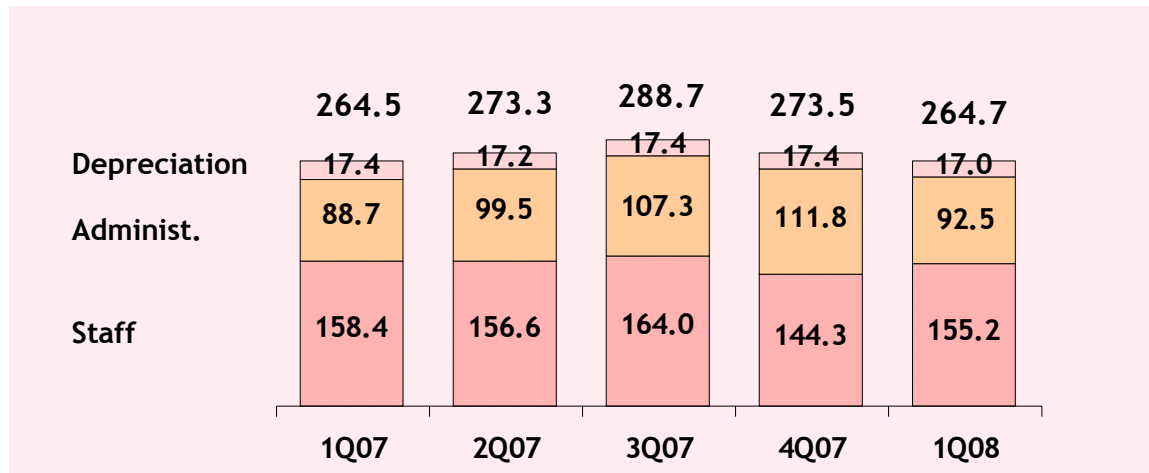
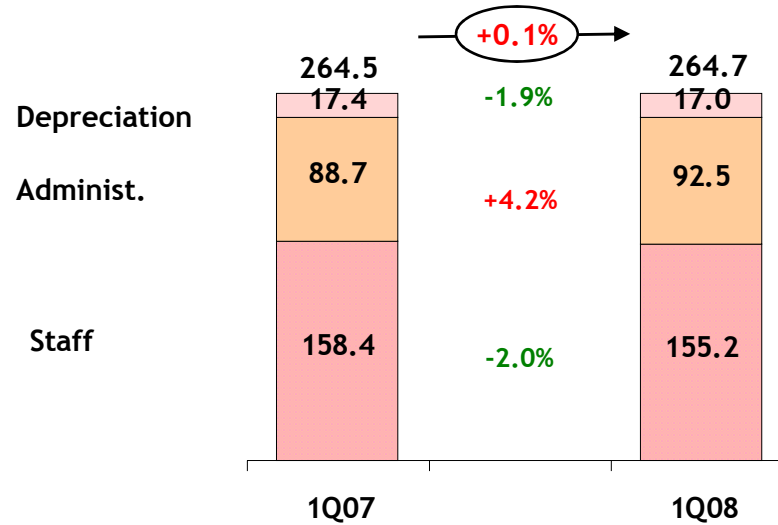




# Stable operating costs from greater focus in efficiency

(Eur million)

## Operating Costs



Excluding specific items.



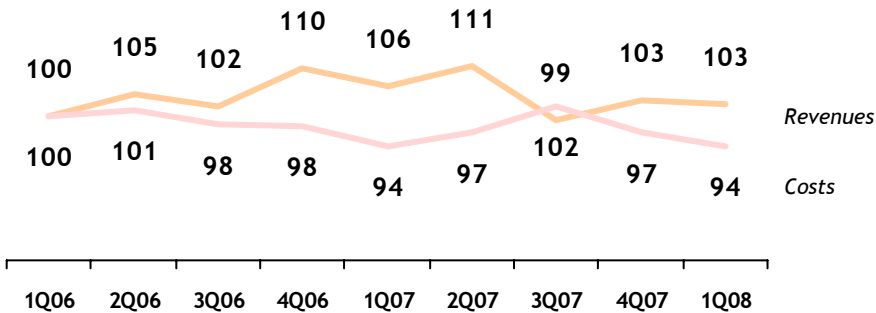


# Improved C/I position in the face of a challenging context

(Eur million)

## Jaws

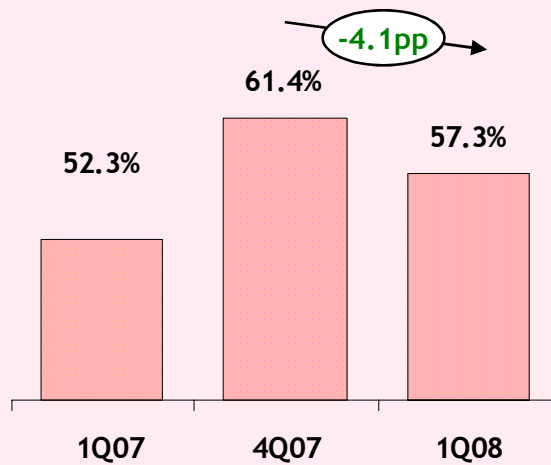
Basic Revenues and Op.Costs  
Base 100: 1Q06



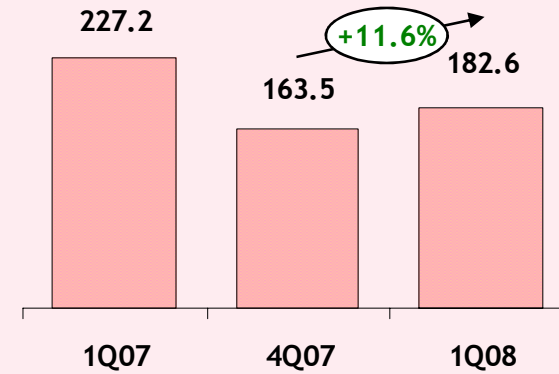
## Highlights

- Stable revenues .
- Costs under tight control.
- Improvement in cost to income vs. last quarter.

## Cost / Income ratio



## Operating Profit



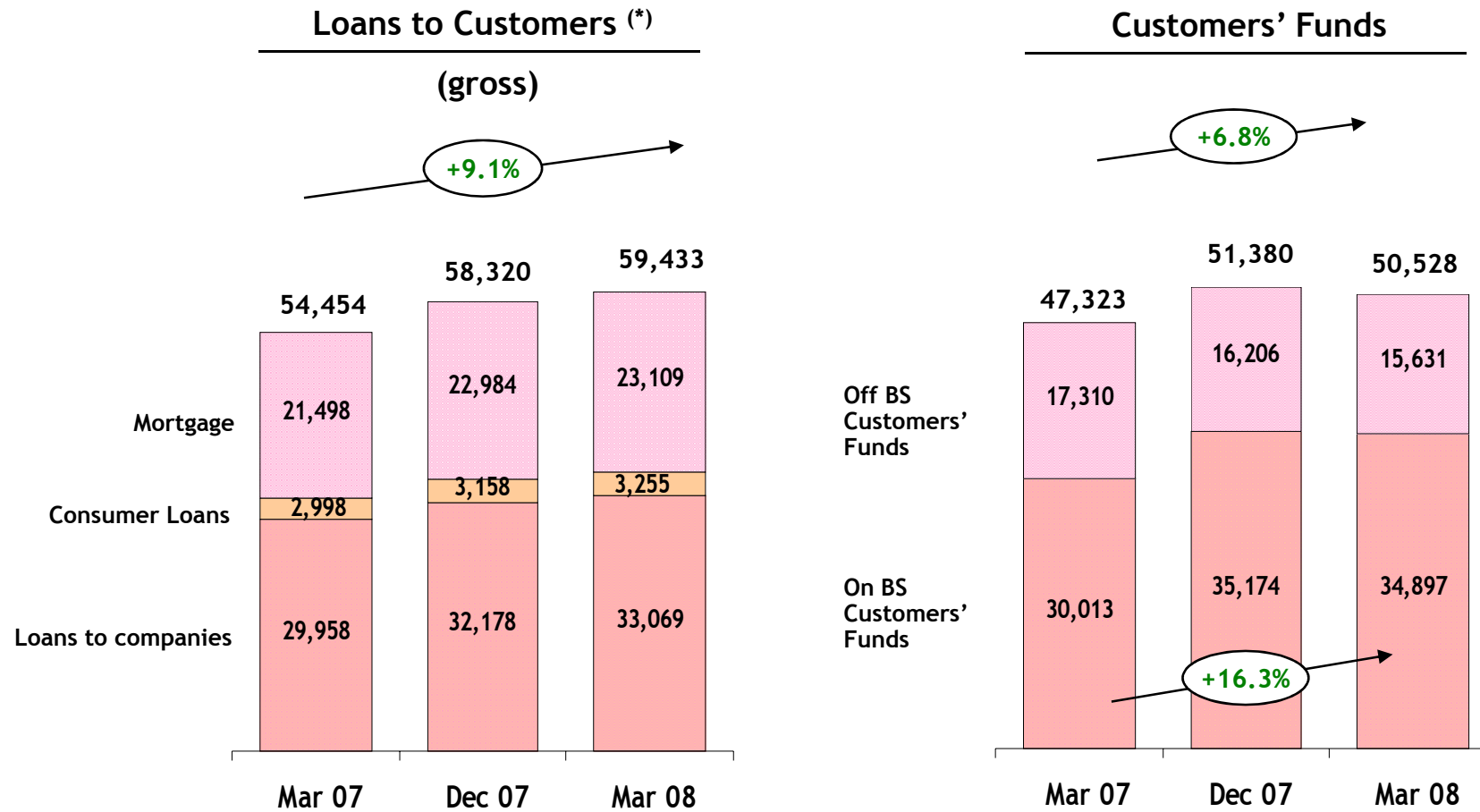
Excluding specific items.





# Yoy strong volume growth in both loans and customers funds

(Eur million)

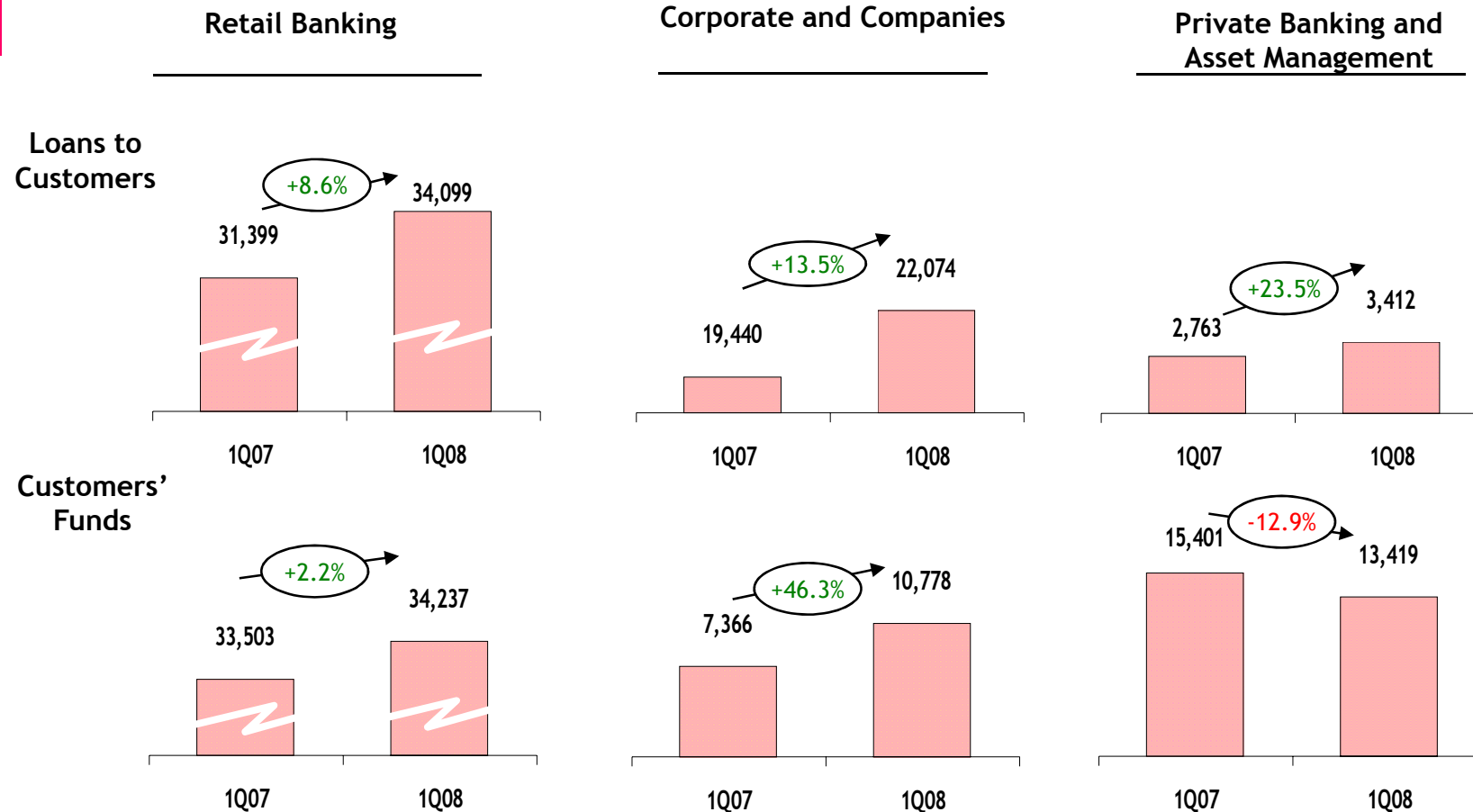


(\*) Includes securitized loans.



# Solid growth across business segments

(Eur million)

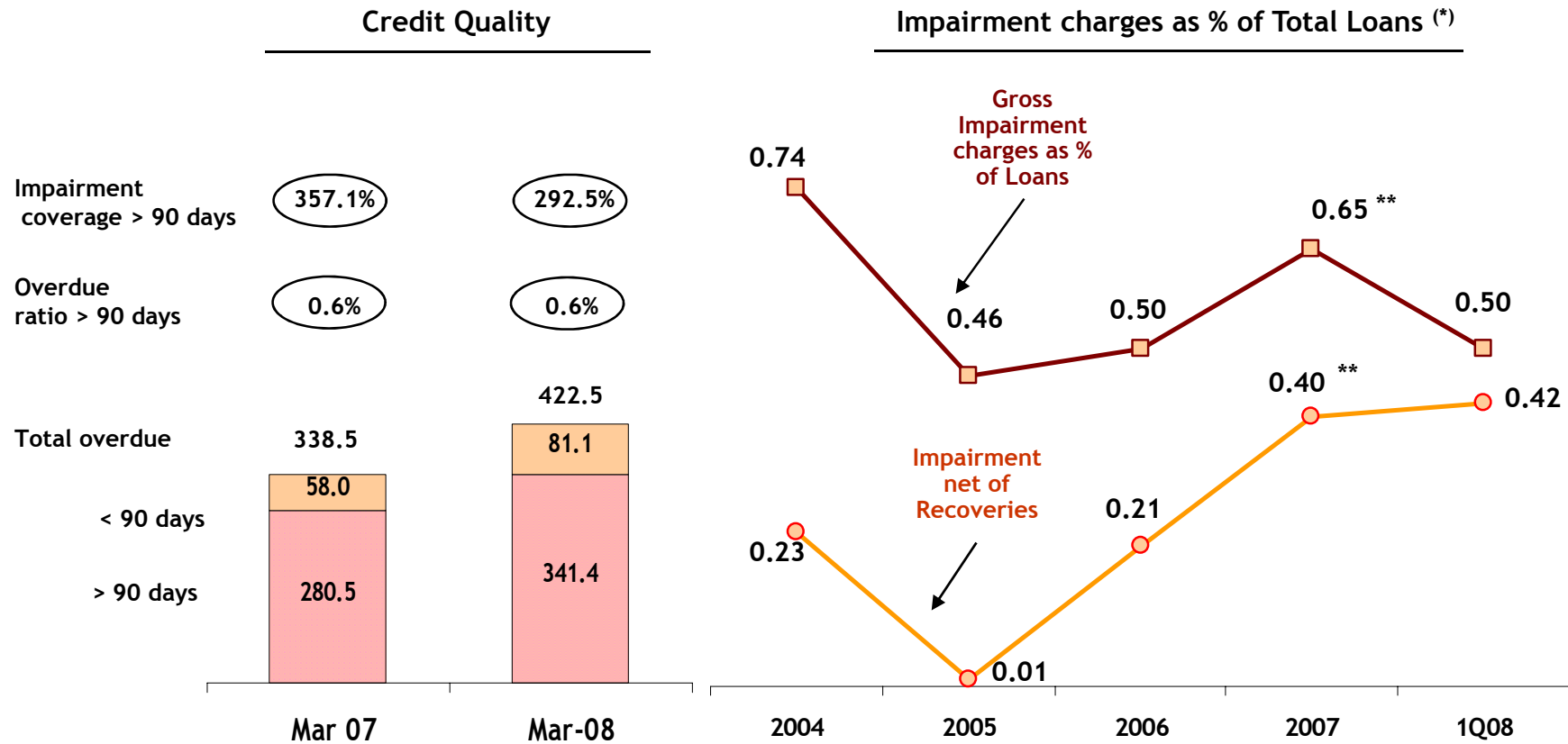


Note: Given the allocation to the business areas (2Q07) of credit booked at BII and commercial paper issued by their clients, this information is presented on comparable terms.



# Stable asset quality & cost of risk in the context of sustained credit volume growth

(Eur million)



\* Impairment charges on a comparable basis.

\*\* Of the yearly increase, 11 bps were justified by two particular cases. Excluding these cases, the impairment net of recoveries would have been 29 bps.

# Good credit quality performance

## Overdue Loans / Total Loans

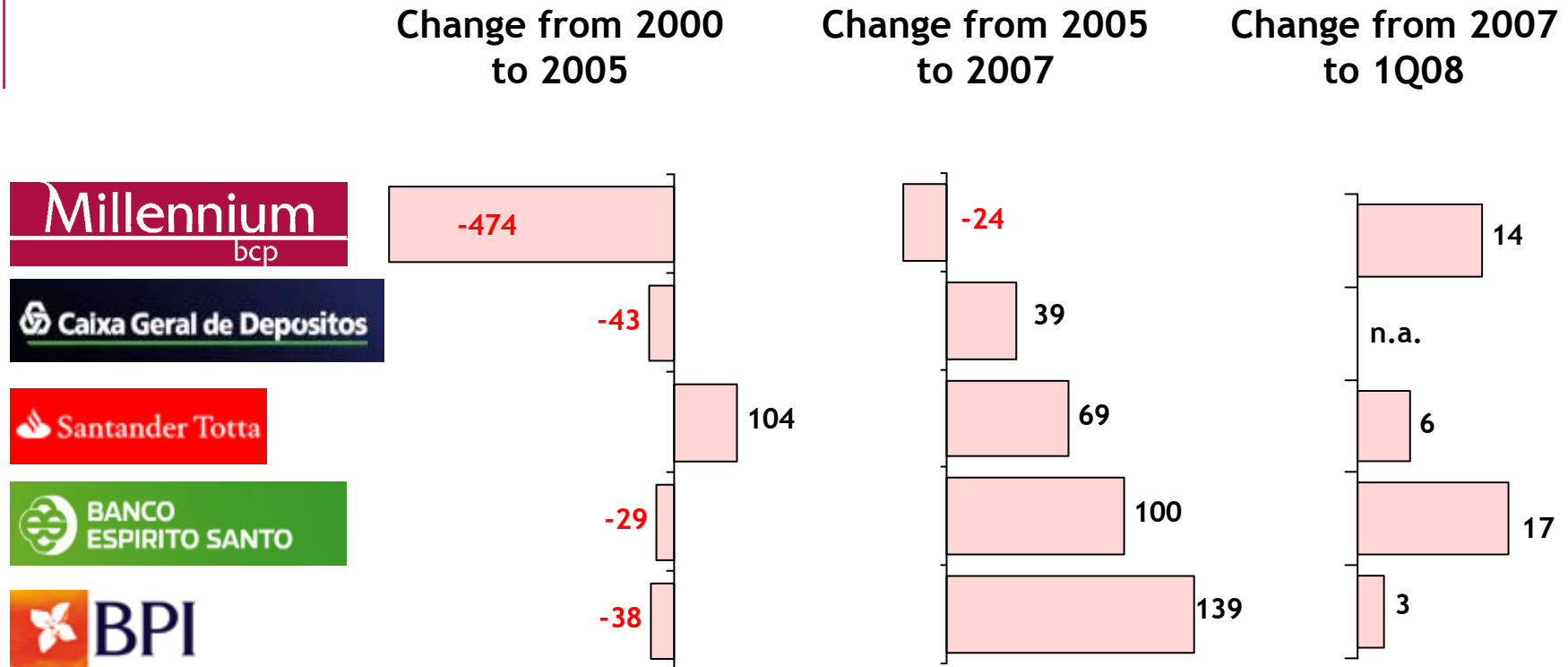


% Portfolio	1Q07	2Q07	3Q07	4Q07	1Q08
Individuals	0.51	0.51	0.53	0.46	0.53
Mortgage	0.30	0.28	0.30	0.30	0.35
Consumer	2.05	2.13	2.22	1.55	1.85
Companies	0.71	0.82	0.88	0.77	0.85
Services	0.30	0.35	0.41	0.34	0.45
Commerce	1.13	1.34	1.45	1.35	1.26
Others	0.86	1.00	1.05	0.90	1.02
<b>Total</b>	<b>0.62</b>	<b>0.68</b>	<b>0.72</b>	<b>0.63</b>	<b>0.71</b>



# Millennium 2010 Program - New Branches

(# branches)



# Agenda

- Group
- Portugal
- Poland
- Greece
- Other International operations

Exchange rate: fixed exchange rate was used for comparison purposes

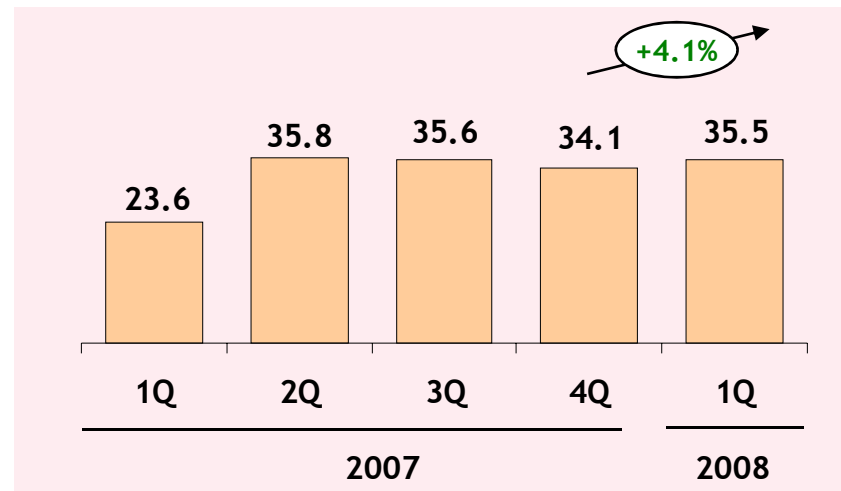
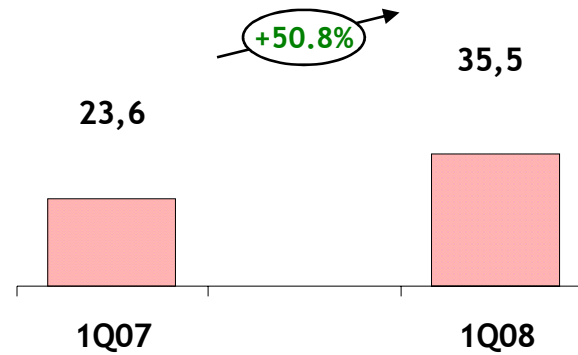
(Balance sheet: 1€ =3.5220 PLN; P/L: 1€ = 3.57603333PLN)



# Sustained net income growth

(Eur million)

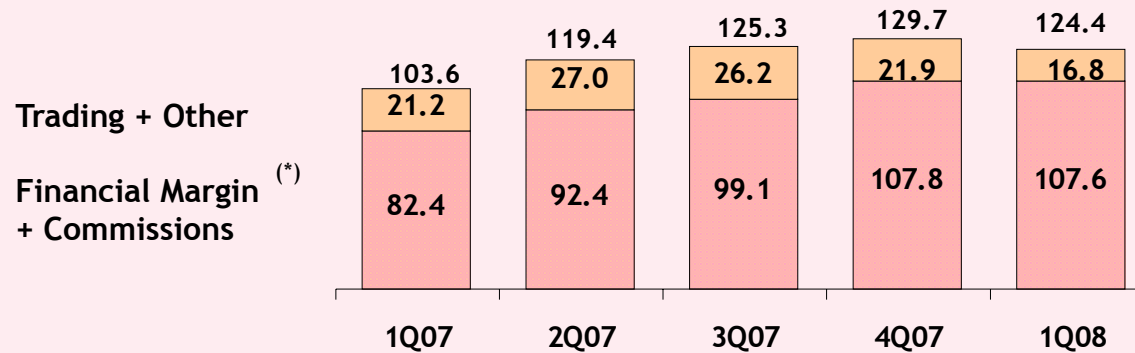
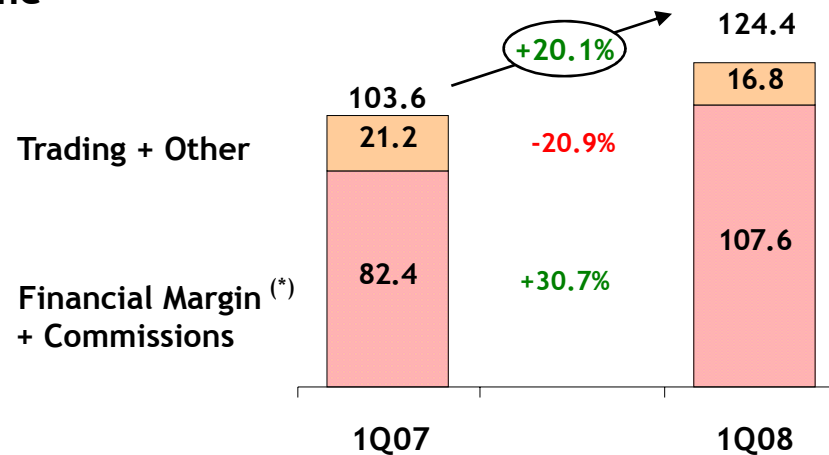
Net Income



# Strengthened operating income performance on the back of sound core business

(Eur million)

## Operating Income

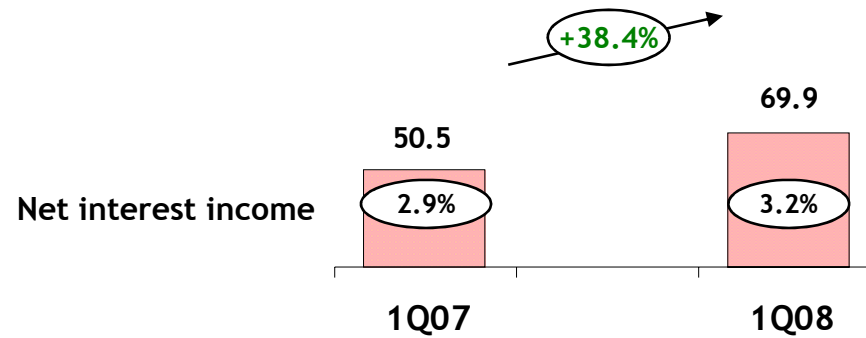


(\*) Proforma data. Margin from all derivatives hedging FX denominated loan portfolio is presented in Net Interest Income, whereas in accounting terms part of this margin is presented in Result on Financial Operations.

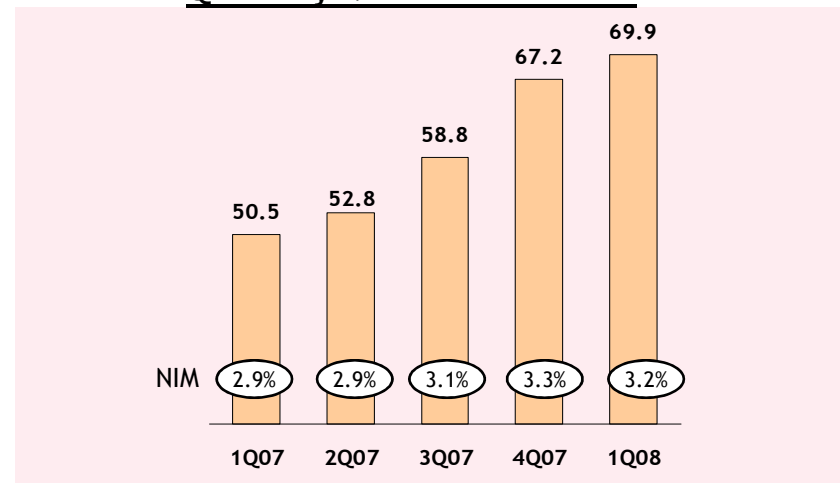
# Strong net interest income growth

(Eur million)

## Financial Margin



### Quarterly Net Interest Income

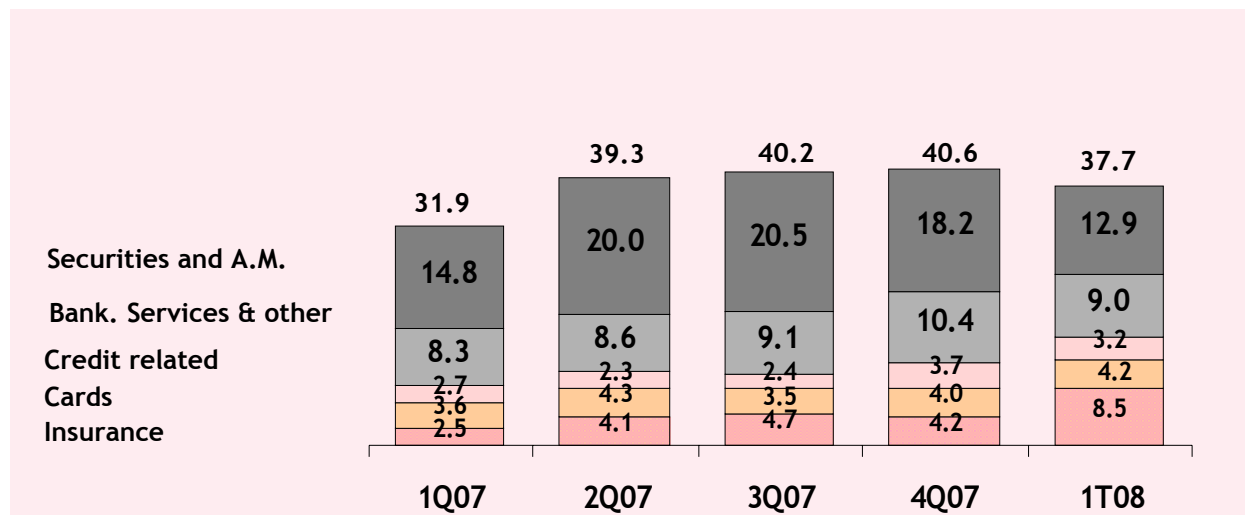
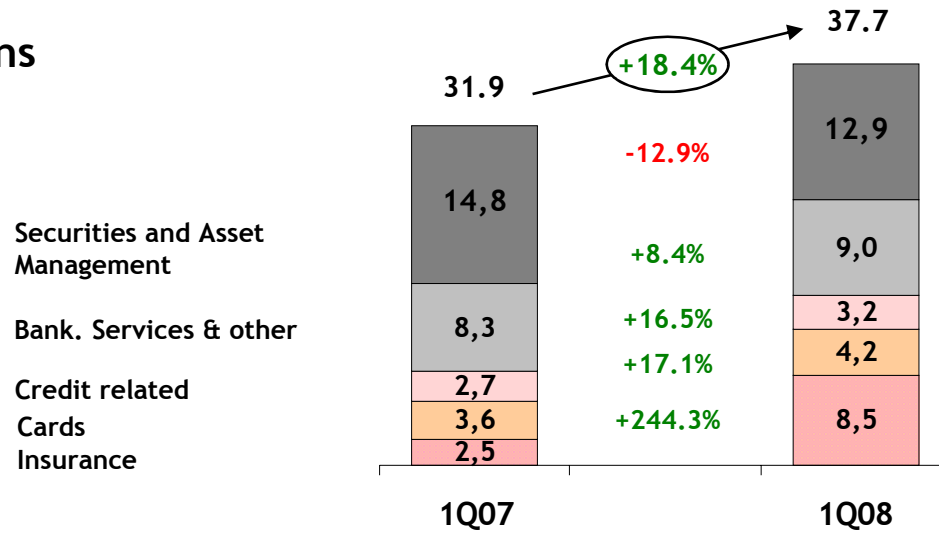


# Sustained increase in commissions



(Eur million)

## Commissions

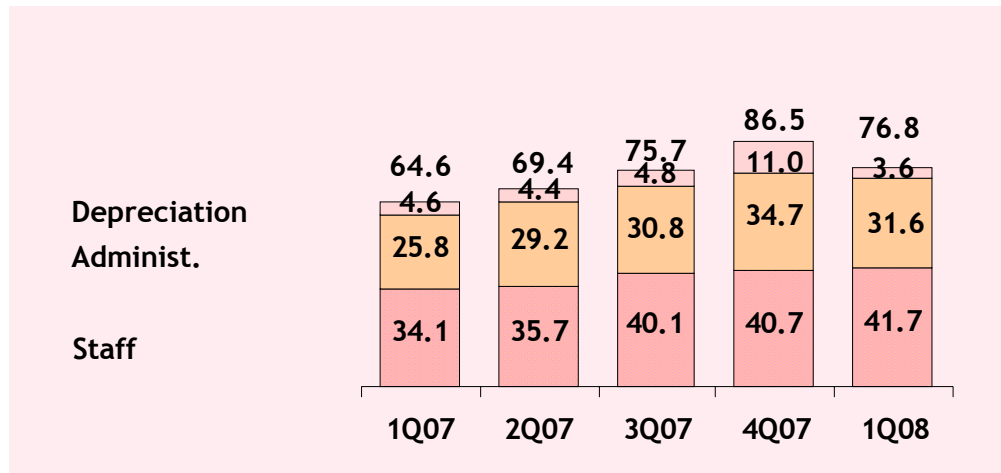
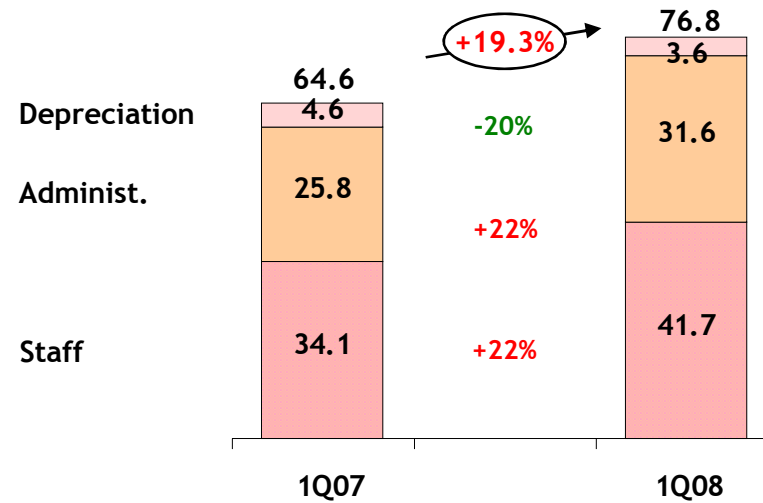


# Operating costs growing at a slower pace than revenues



(Eur million)

## Operating Costs

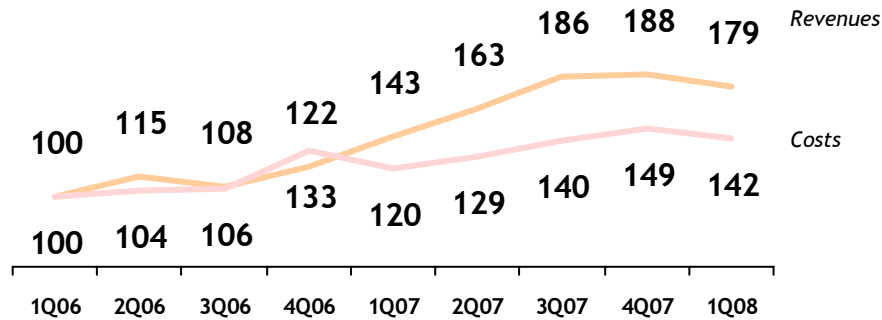




# Improved efficiency ratio

(Eur million) Jaws

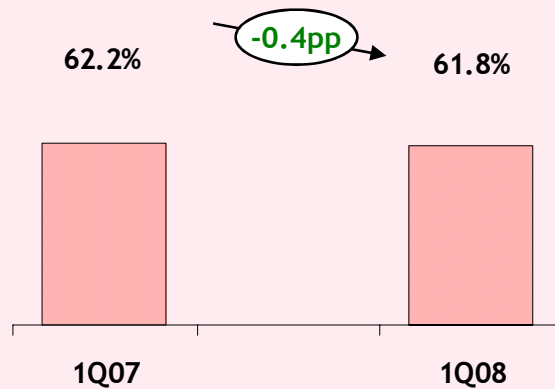
Basic Revenues and Costs  
Base 100: 1Q06



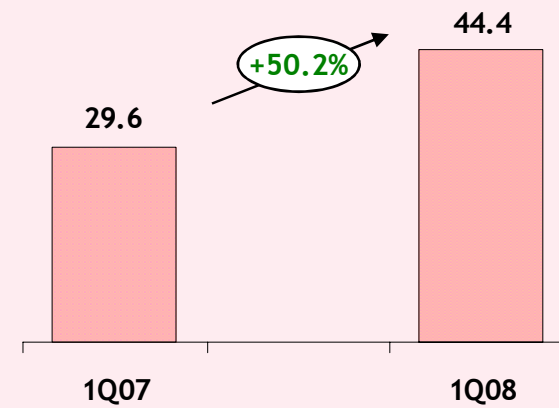
## Highlights

- Fast pace revenues growth although at a lower rate than 4Q07.
- Costs under control despite expansion.
- Cost to income ratio continues to decrease.

### Cost / Income ratio



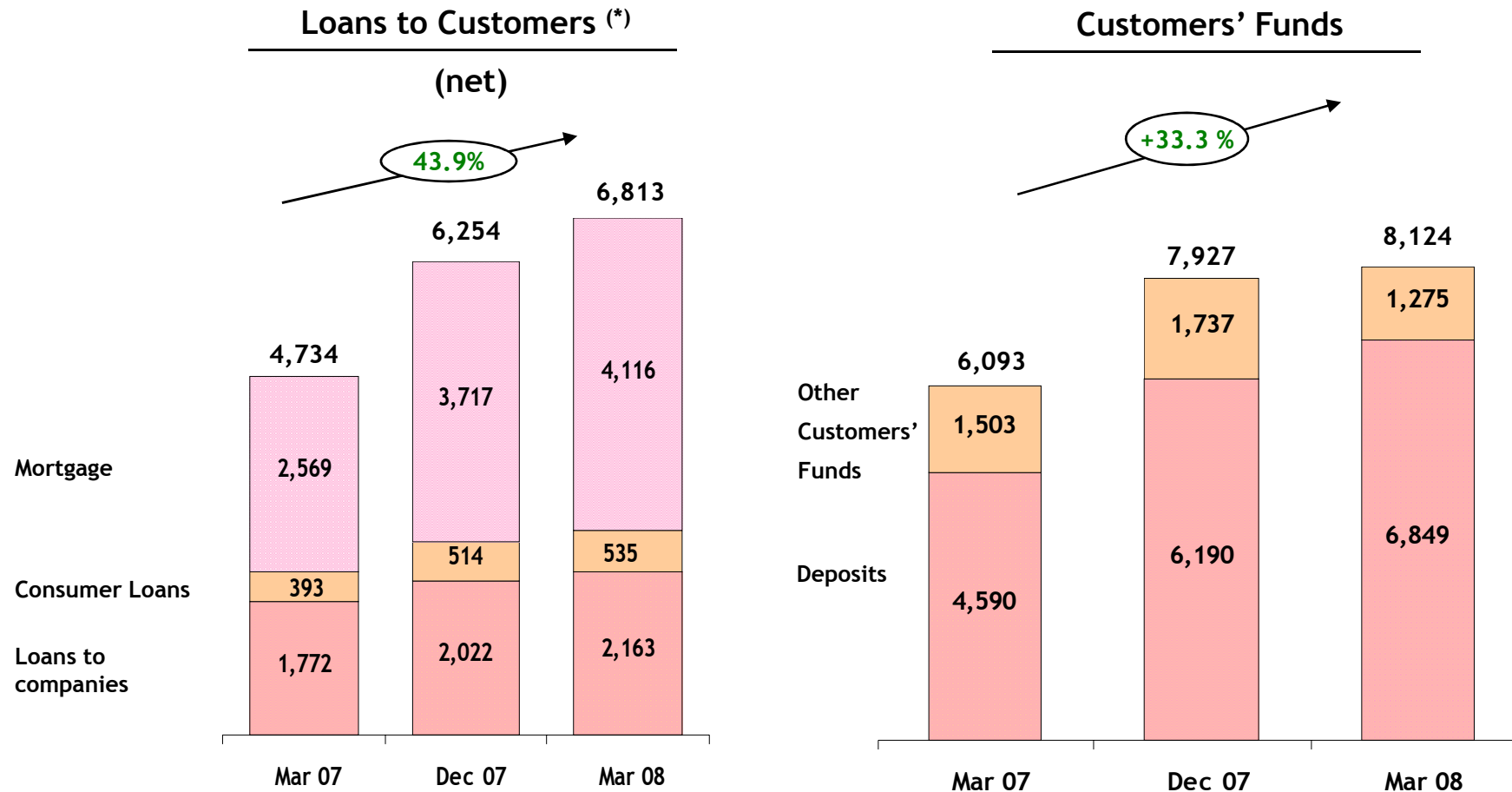
### Operating Profit



# Sustained volume growth



(Eur million)

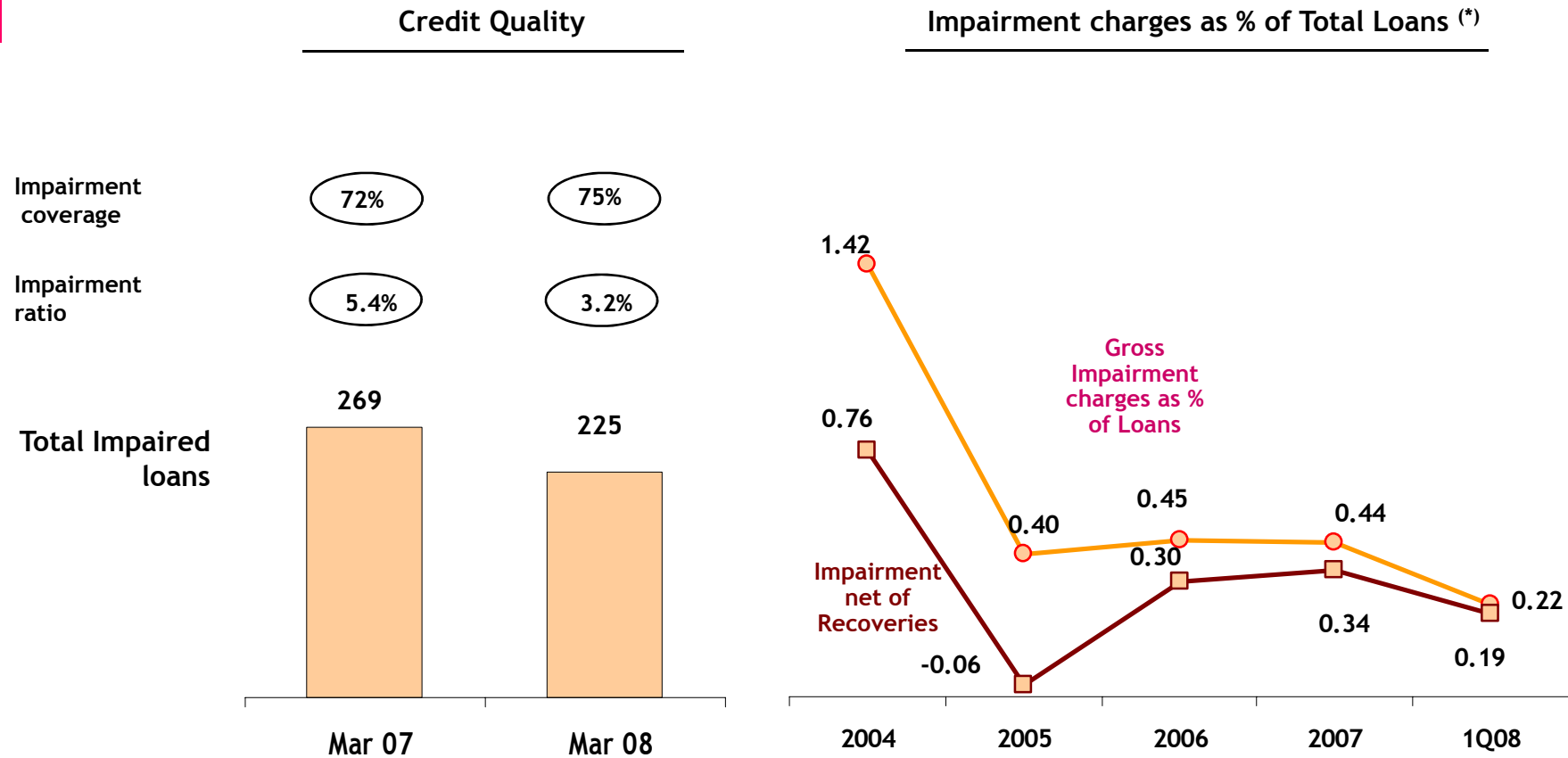


(\*) Includes securitized loans.

# Improvement in asset quality & cost of risk in absolute and relative terms



(Eur million)



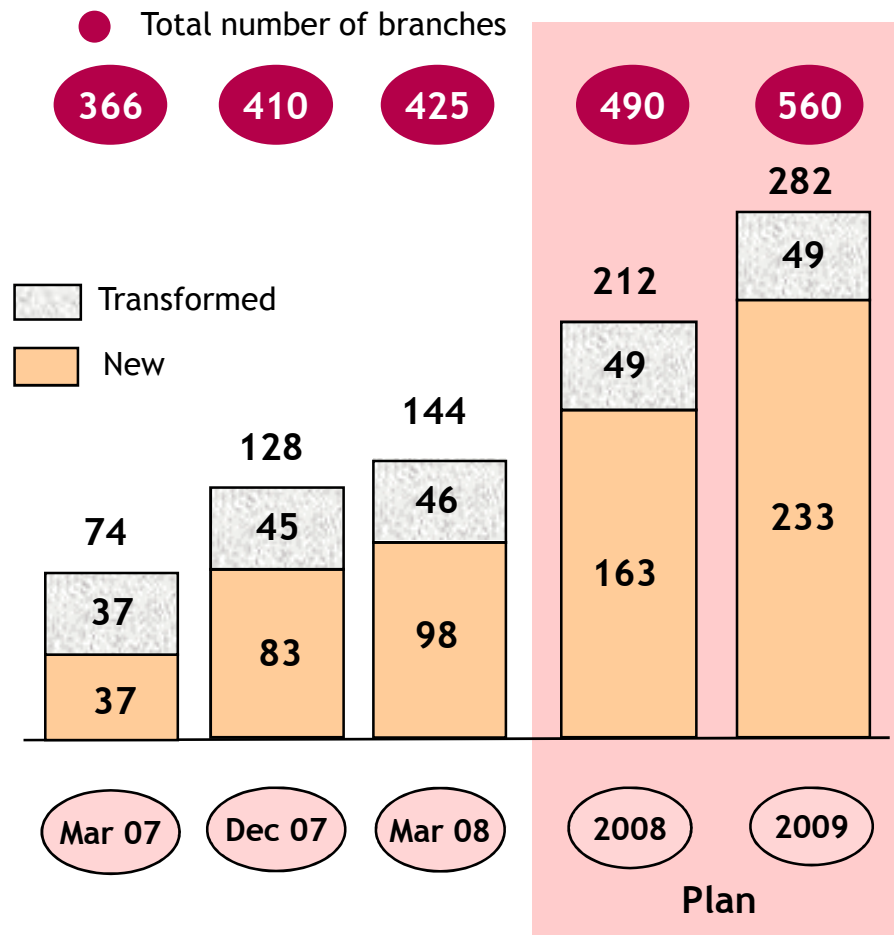
(\*) Impairment charges on a comparable basis.



# The 4th biggest retail branch network in Poland



## Branch expansion status



- With 425 branches, Bank Millennium has the fourth biggest network in Poland.
- 85% of new branches to be opened until 2008 year-end have already been reserved.
- Nearly 200 new employees recruited in 1Q 2008 for the expansion project.
- New branches with a positive contribution to P&L.

# Agenda

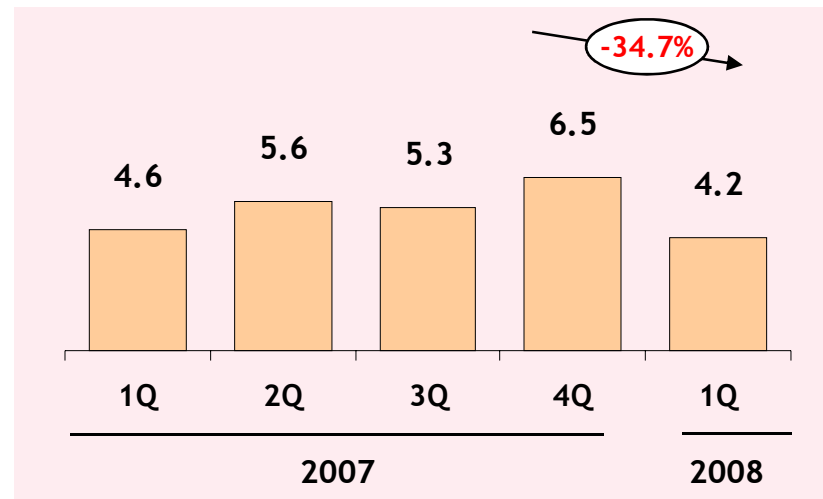
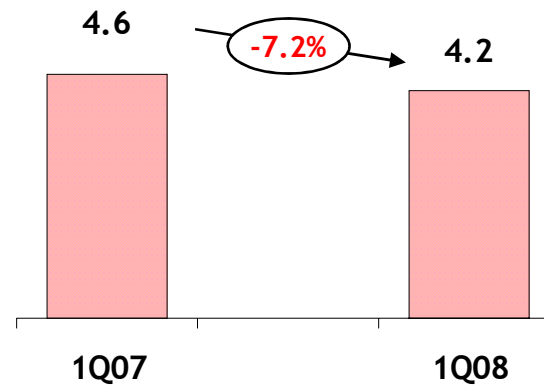
- Group
- Portugal
- Poland
- Greece
- Other International operations



# Profitability suffers from expansion efforts

(Eur million)

Net Income

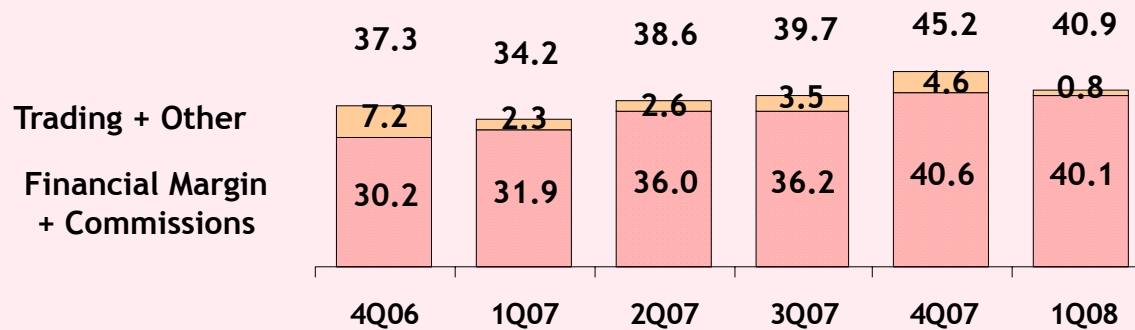
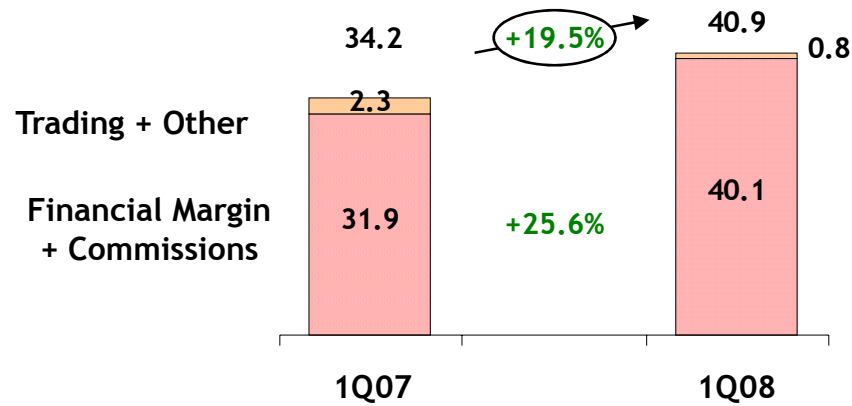




# Strong top line growth from core business

(Eur million)

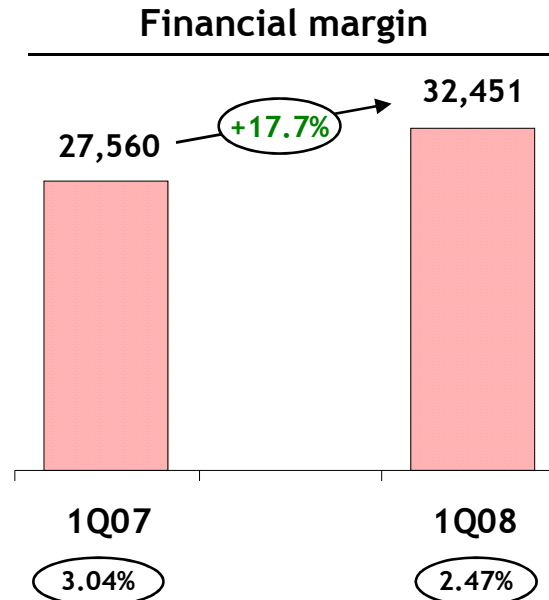
## Operating Income





# Solid net interest income evolution despite pressure on credit margins

(Eur million)

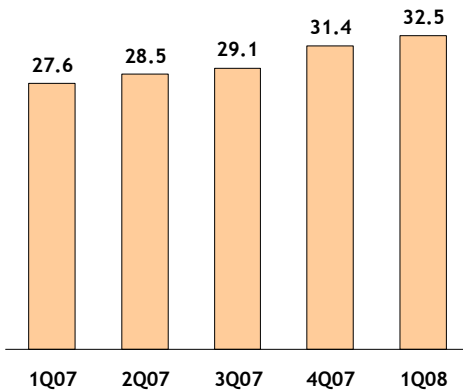


NIM

3.04%

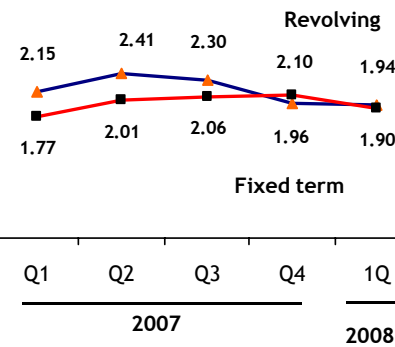
2.47%

Quarterly Net Interest Income

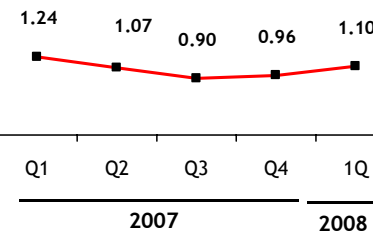


NIM (YTD) 3.00% 2.90% 2.73% 2.70% 2.47%

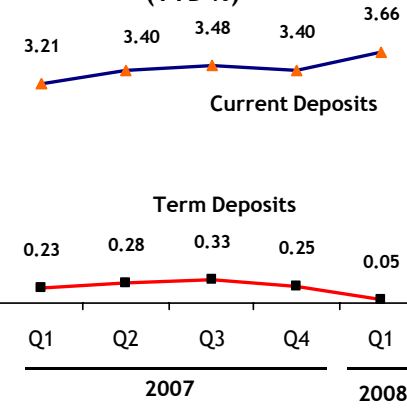
Spreads on Corporate Loans (YTD %)



Spreads on Mortgage Loans (YTD %)



Spreads on Deposits (YTD %)



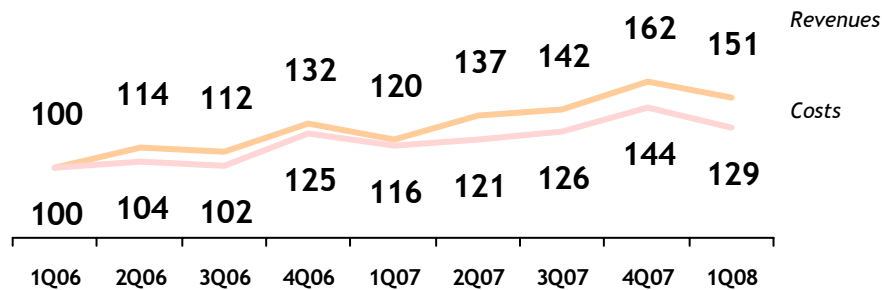


# Improved efficiency from costs control

(Eur million)

## Jaws

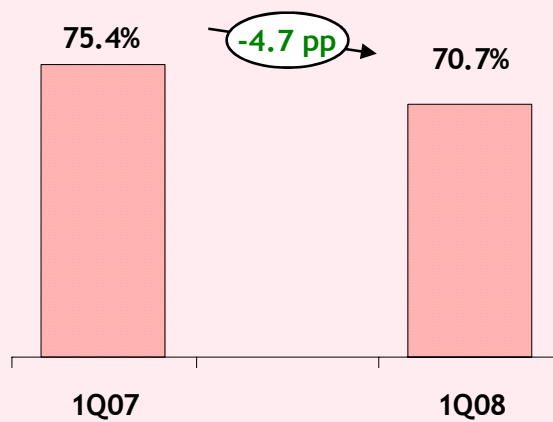
Basic Revenues and Costs  
1Q06 = 100



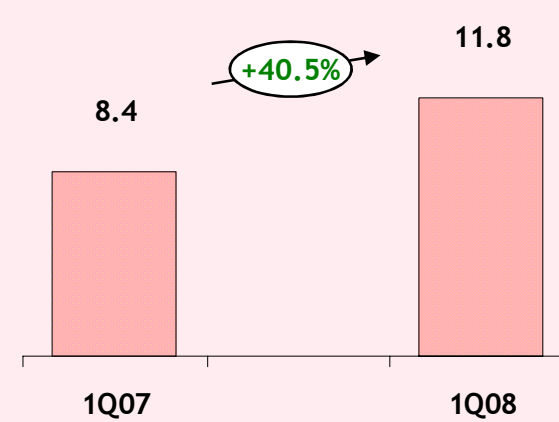
## Highlights

- Total revenues growth hindered by almost zero trading profits
- Costs under control despite aggressive expansion plan
- Cost to income still at high levels due to current investment stage and effort to achieve economies of scale, but improving

### Cost / Income ratio



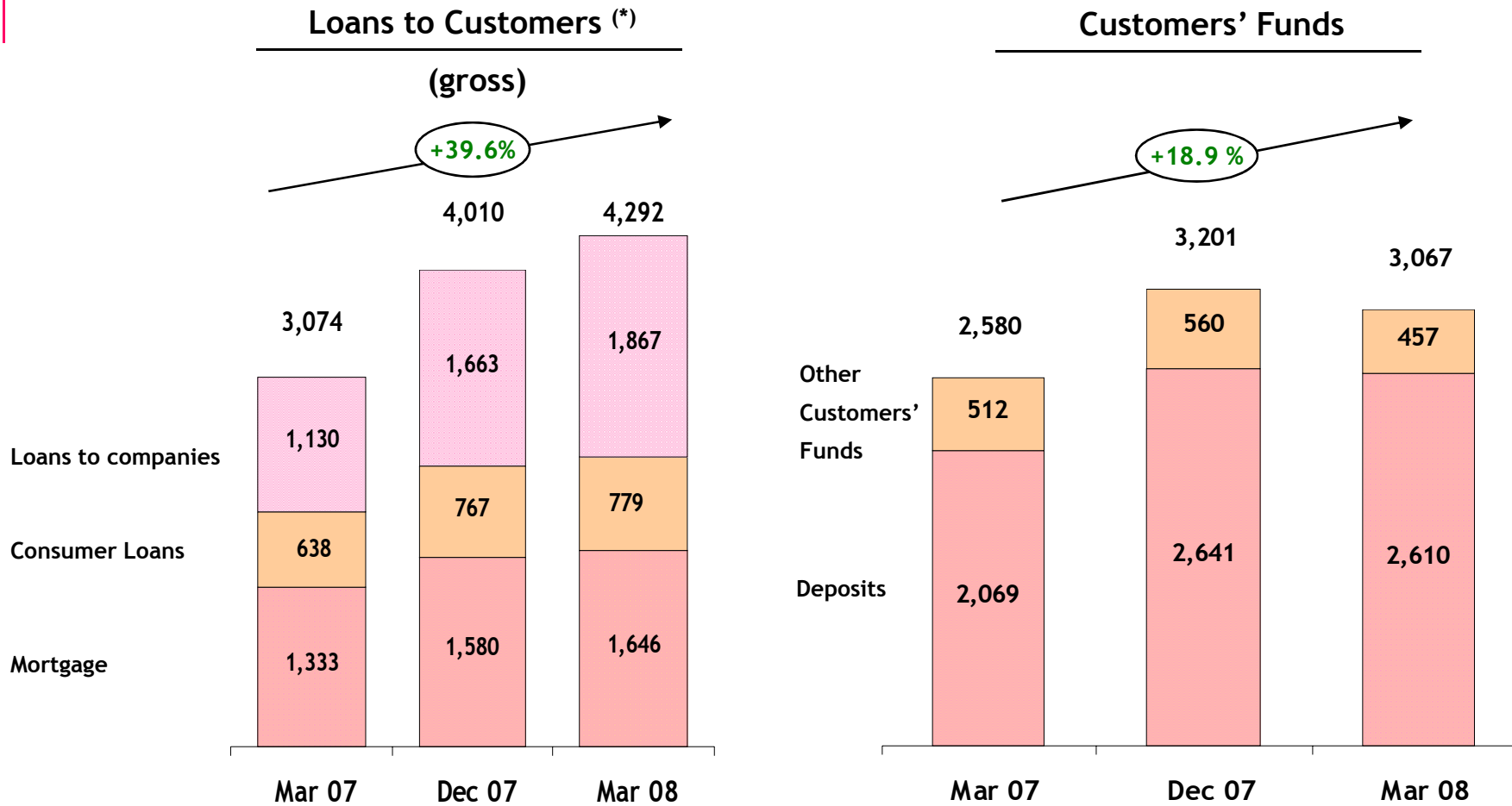
### Operating Profit





# Strong volume evolution driven by loans to companies and deposits

(Eur million)



(\*) Includes securitised loans.



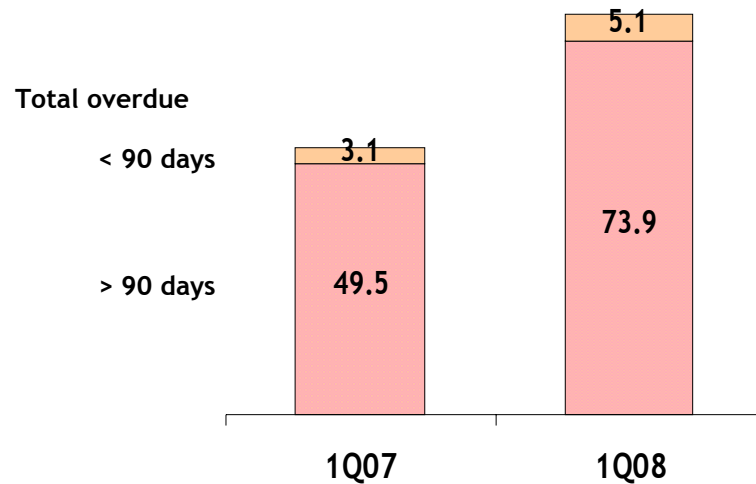
# Stable asset quality but increasing cost of risk

(Eur million)

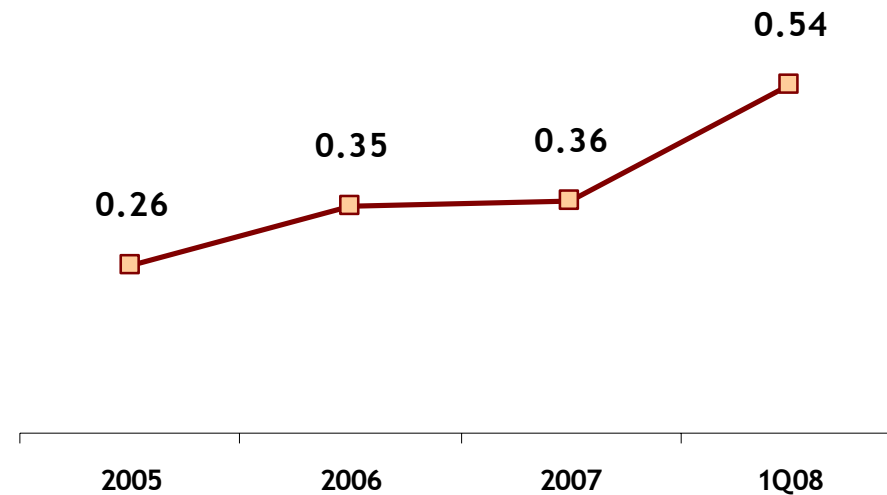
Credit Quality

Impairment coverage > 90 days 62.3% 64.6%

Overdue ratio > 90 days 1.6% 1.7%



Impairment charges as % of Total Loans

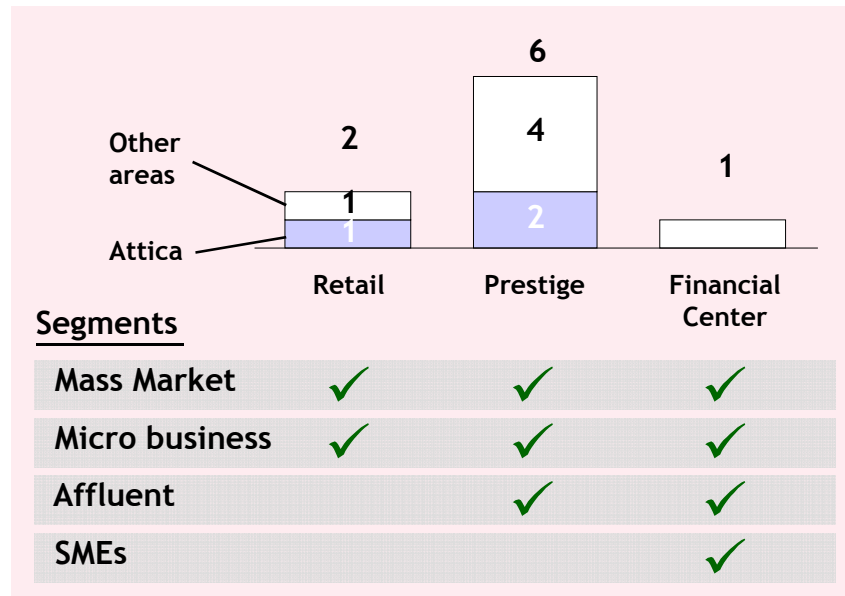






# Branch Network: Catering for More Segments and Expanding Reach

Branches Opening in Q1 '08



- Geographical expansion proceeds with the opening of 9 branches in 1Q08.
- Large proportion of Prestige branches (6 opened), in line with focus on gathering Customer funds.
- Ongoing focus outside large metropolitan areas, where Millennium bank is underrepresented.

Presence as of 31 Mar 08



# Agenda

- Group
- Portugal
- Poland
- Greece
- Other International operations

# Mozambique: Sustained and profitable leadership position



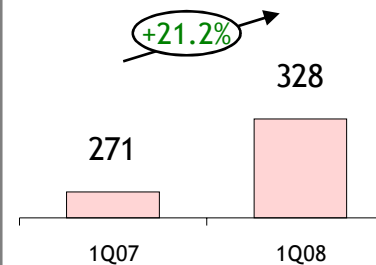
(Eur million)

## Highlights

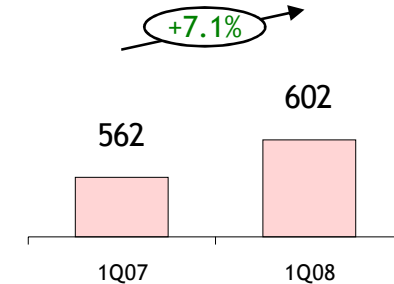
- Market leadership with market shares above 37%.
- Sustained growth with strong profitability.
- ROE above 50%.
- Cost to Income of 42%.

## Volumes

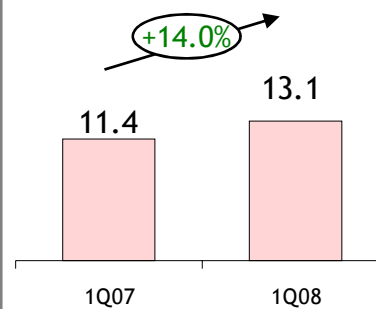
### Loans to Customers



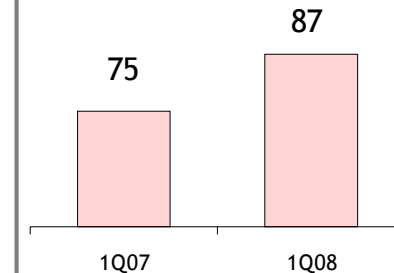
### Customers' Funds



## Net Profit



## Branches





# US: Operation close to breakeven as result of cost control effort

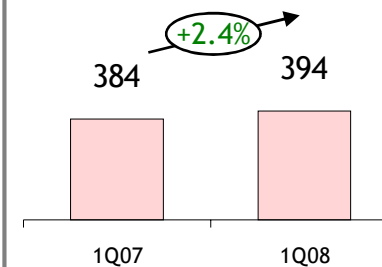
(Eur million)

## Highlights

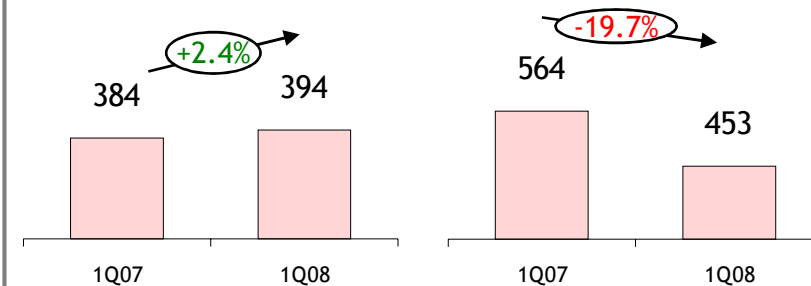
- Community Bank at large, focused primarily on the Portuguese, Greek and Brazilian ethnic groups.
- Operation at breakeven level as result of strict control cost program.
- Global liquidity crisis and sharp reduction on interest rates in US affecting deposit's volume and margins.
- Potential negative impact expected from US economy recession.
- Negative impact from dollar devaluation.

## Volumes

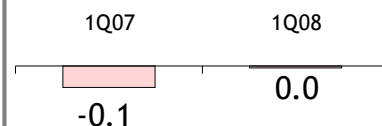
### Loans to Customers



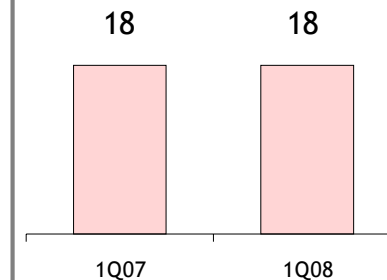
### Customers' Funds



## Net Profit



## Branches



# Turkey: Possible option to benefit from growth context



(Eur million)

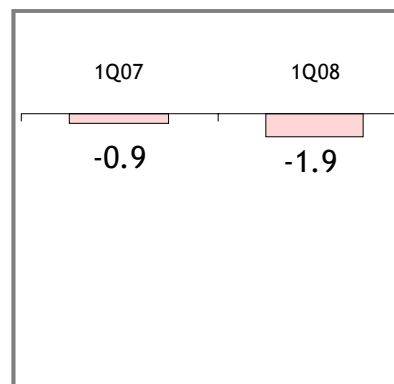
## Highlights

- Main focus on cost control and rebalancing the loan portfolio.
- Strong growth in customers loans. Market continues thorny on customers funds.
- Robust growth (+42%) of core income. Losses explained by lower than usual trading results due to markets turbulence.
- Turkey is a fast growing economy, although there are some macro and political risks going forward.

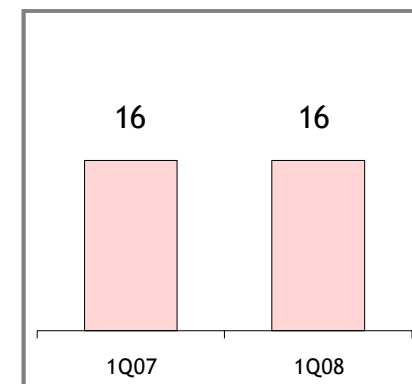
## Volumes



## Net Profit



## Branches





# Angola: Strong credit volume growth on the back of solid macro performance

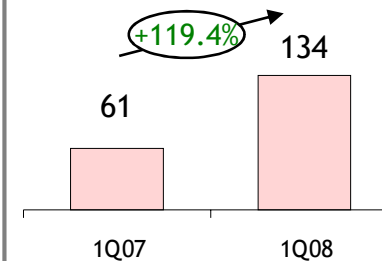
(Eur million)

## Highlights

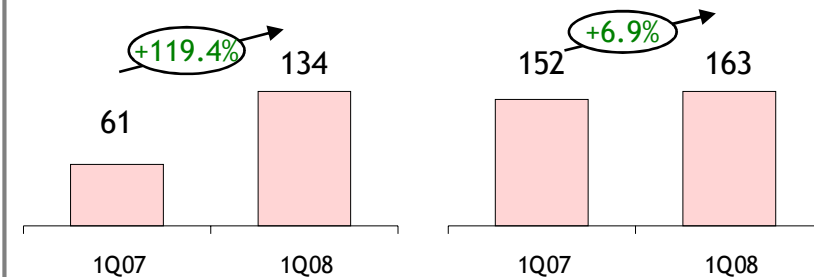
- Strong credit volume growth.
- Results affected by branch expansion plan and dollar devaluation.
- Partnership with Sonangol and BPA will boost growth.
- Angola is one of the fastest growing economies in the world.

## Volumes

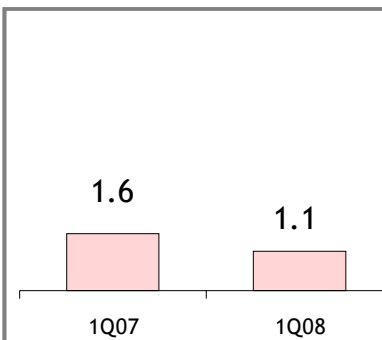
### Loans to Customers



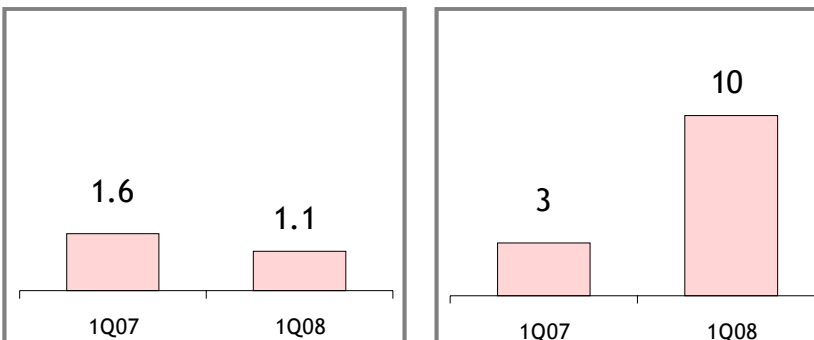
### Customers' Funds

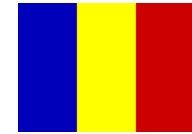


## Net Profit



## Branches





# Romania: Encouraging initial figures and good market acceptance

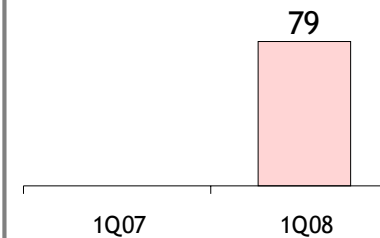
(Eur million)

## Highlights

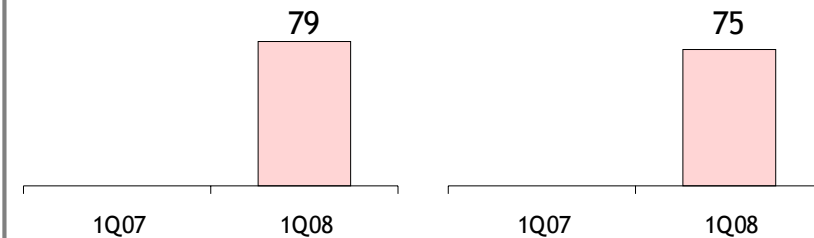
- Developing according to plan.
- Highly accepted by clients. A credit oriented operation able to originate an important flow of customers funds.
- Some risk on macro going forward but Romania is a high growth banking market on the medium/long term.

## Volumes

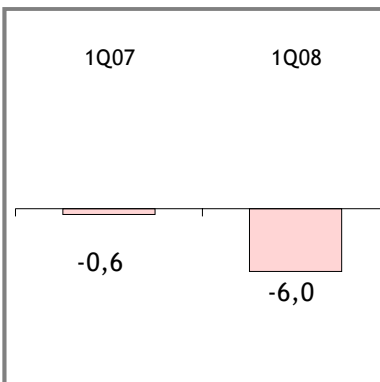
### Loans to Customers



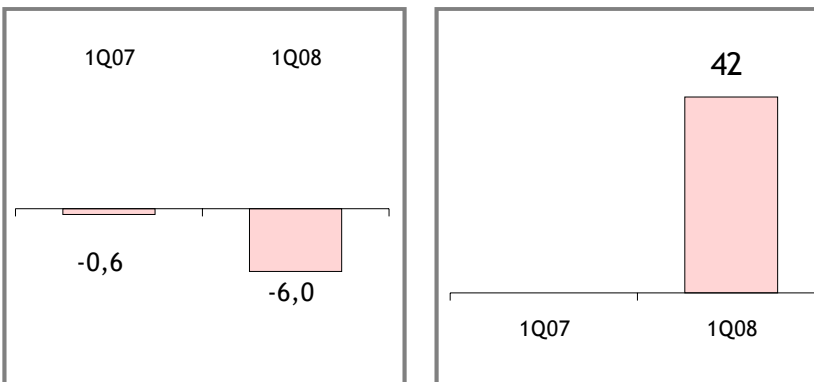
### Customers' Funds



## Net Profit \*



## Branches



\* Including costs accounted at BCP.

## Conclusion

- ✓ Improved performance versus 4Q 2007
- ✓ Devaluation of BPI fully recognized against earnings
- ✓ Portuguese Business Remains Strong with Substantial Upside Potential via Cost Optimization and Repricing
- ✓ International Business - Strong and Profitable Growth
- ✓ Expansion plans on track
- ✓ Solid capital base to support organic growth plans



# Appendix

## Financial Statements



# Consolidated Balance Sheet

## At 31 March, 2008 and 2007

	31 March 2008	31 December 2007	31 March 2007
		(Thousands of Euros)	
<b>Assets</b>			
Cash and deposits at central banks	1.699.441	1.958.239	1.639.424
Loans and advances to credit institutions			
Repayable on demand	630.063	820.699	608.849
Other loans and advances	4.677.337	6.482.038	4.645.064
Loans and advances to customers	67.885.174	65.650.449	58.001.282
Financial assets held for trading	2.797.320	3.084.892	3.177.272
Financial assets available for sale	4.488.304	4.418.534	4.896.921
Assets with repurchasing agreement	43.135	8.016	6.279
Hedging derivatives	169.749	131.069	180.551
Held to maturity	150	-	-
Investments in associated companies	319.461	316.399	302.358
Property and equipment	690.552	699.094	724.966
Goodwill and intangible assets	533.538	536.533	529.473
Current tax assets	21.848	29.913	22.470
Deferred tax assets	629.230	650.636	617.654
Other assets	3.299.472	3.379.650	3.579.562
	<u>87.884.774</u>	<u>88.166.161</u>	<u>78.932.125</u>
<b>Liabilities</b>			
Amounts owed to central banks	1.013.066	784.347	534.015
Amounts owed to others credit institutions	9.311.121	8.648.135	11.149.601
Amounts owed to customers	38.917.352	39.246.611	32.662.296
Debt securities	25.406.478	26.798.490	24.119.479
Financial liabilities held for trading	1.474.755	1.304.265	857.889
Other financial liabilities held for trading			
at fair value through results	2.124.477	1.755.047	-
Hedging derivatives	108.430	116.768	130.150
Provisions for liabilities and charges	233.233	246.949	207.711
Subordinated debt	2.921.679	2.925.128	2.871.086
Current income tax liabilities	34.014	41.363	38.534
Deferred income tax liabilities	518	46	77
Other liabilities	1.424.415	1.399.757	1.326.119
	<u>82.969.538</u>	<u>83.266.906</u>	<u>73.896.957</u>
<b>Total Liabilities</b>			
<b>Equity</b>			
Share capital	3.611.330	3.611.330	3.611.330
Treasury stock	(55.887)	(58.436)	(37.920)
Share premium	881.707	881.707	881.707
Preference shares	1.000.000	1.000.000	1.000.000
Fair value reserves	207.447	218.498	452.724
Reserves and retained earnings	(1.040.727)	(1.598.704)	(1.288.210)
Profit for the period attributable to Shareholders	14.709	563.287	191.296
	<u>4.618.579</u>	<u>4.617.682</u>	<u>4.810.927</u>
<b>Total Equity attributable to Shareholders of the Bank</b>			
Minority interests	296.657	281.573	224.241
	<u>4.915.236</u>	<u>4.899.255</u>	<u>5.035.168</u>
<b>Total Equity</b>			
	<u>87.884.774</u>	<u>88.166.161</u>	<u>78.932.125</u>

# Consolidated Statement of Income

## At 31 March, 2008 and 2007

	<u>31 March 2008</u>	<u>31 March 2007</u>
	(Thousands of Euros)	
Interest income	1.232.456	989.772
Interest expense	<u>(820.235)</u>	<u>(603.160)</u>
Net interest income	412.221	386.612
Dividends from equity instruments	1.686	2.288
Net fees and commission income	173.751	179.265
Net gains arising from trading and hedging activities	38.193	63.062
Net gains arising from available for sale financial assets	(153.051)	(1.634)
Other operating income	<u>25.274</u>	<u>27.376</u>
	498.074	656.969
Other net income from non banking activity	<u>4.108</u>	<u>4.519</u>
Total operating income	502.182	661.488
Staff costs	212.262	216.543
Other administrative costs	146.892	133.515
Depreciation	<u>26.359</u>	<u>26.589</u>
Operating costs	<u>385.513</u>	<u>376.647</u>
	116.669	284.841
Loans impairment	(69.756)	(45.316)
Other assets impairment	(11.666)	(4.403)
Other provisions	<u>8.771</u>	<u>(1.576)</u>
Operating profit	44.018	233.546
Share of profit of associates under the equity method	14.265	14.459
Gains from the sale of subsidiaries and other assets	<u>899</u>	<u>(1.219)</u>
Profit before income tax	<u>59.182</u>	<u>246.786</u>
Income tax		
Current	(29.534)	(35.778)
Deferred	1.753	(8.370)
Profit after income tax	<u>31.401</u>	<u>202.638</u>
Attributable to:		
Shareholders of the Bank	14.709	191.296
Minority interests	<u>16.692</u>	<u>11.342</u>
Profit for the period	<u>31.401</u>	<u>202.638</u>

# Consolidated Statement of Income (\*)

## At 31 March, 2008 and 2007 and Quarterly Evolution

(EUR Million, except percentages)	Quarterly					Year-to-date		
	Q1 07	Q2 07	Q3 07	Q4 07	Q1 08	Mar 08	Mar 07	Δ % 08 / 07
Net interest income	386.6	382.2	380.9	387.6	412.2	412.2	386.6	7%
Dividend Income	2.3	20.3	0.4	4.9	1.7	1.7	2.3	- 26%
Net Commission Income	179.3	203.8	185.4	199.3	173.8	173.8	179.3	- 3%
Other Net Operating Income	30.7	21.5	31.8	34.6	30.3	30.3	30.7	- 1%
Net Income from Trading Activity	61.4	62.7	44.8	27.2	38.1	38.1	61.4	- 38%
<b>Operating income</b>	<b>660.3</b>	<b>690.5</b>	<b>643.3</b>	<b>653.6</b>	<b>656.1</b>	<b>656.1</b>	<b>660.3</b>	<b>- 1%</b>
Staff Costs	216.5	218.9	231.7	217.2	230.3	230.3	216.5	6%
Administrative Costs	133.5	149.4	162.8	181.7	146.9	146.9	133.5	10%
Depreciation	26.6	26.4	27.1	34.8	26.4	26.4	26.6	- 1%
<b>Operating costs</b>	<b>376.6</b>	<b>394.7</b>	<b>421.6</b>	<b>433.8</b>	<b>403.5</b>	<b>403.5</b>	<b>376.6</b>	<b>7%</b>
<b>Operating Profit before provisions</b>	<b>283.6</b>	<b>295.8</b>	<b>221.7</b>	<b>219.8</b>	<b>252.5</b>	<b>252.5</b>	<b>283.6</b>	<b>- 11%</b>
Group Equity-accounted earnings	14.5	15.3	12.8	8.7	14.3	14.3	14.5	- 1%
Loan Impairment (net of recoveries)	45.3	52.4	75.8	86.7	69.8	69.8	45.3	54%
Other Provisions	6.0	13.0	12.2	2.8	2.9	2.9	6.0	- 52%
<b>Income before specific items</b>	<b>246.8</b>	<b>245.7</b>	<b>146.6</b>	<b>138.9</b>	<b>194.2</b>	<b>194.2</b>	<b>246.8</b>	<b>- 21%</b>
Specific items (*)		- 65.5	- 9.0	51.1	- 119.5	- 119.5		
<b>Income before taxes</b>	<b>246.8</b>	<b>180.2</b>	<b>137.5</b>	<b>190.0</b>	<b>74.7</b>	<b>74.7</b>	<b>246.8</b>	<b>- 70%</b>
Provisions for income taxes	44.1	48.4	26.9	16.3	43.3	43.3	44.1	- 2%
Minority interests	11.3	15.1	14.7	14.1	16.7	16.7	11.3	47%
<b>Net income</b>	<b>191.3</b>	<b>116.6</b>	<b>95.9</b>	<b>159.6</b>	<b>14.7</b>	<b>14.7</b>	<b>191.3</b>	<b>- 92%</b>

(\*) In 2007, Q2 : General Tender Offer over BPI commissions (88.7 - 23.2);

Q3 : restructuring costs (12.3 - 3.3);

Q4 : General Tender Offer over BPI commissions (14.5 - 3.8), early retirements (109.5 - 29.0), EDP and Sabadell (290.2 - 17.6),

BPI and other impairment (94.0 - 14.3), asset revaluations (13.4 - 3.5) and contingencies (47.5 - 6.6).

In 2008, Q1 : BPI and other impairment (153.0 - 20.3) and reversal of the 2007 variable annual remuneration (18.0 - 4.8).

# Income Statement

## National and International Operations

### March 2008 and 2007

(EUR Thousands, except percentages)

	Group			Activ. in Portugal			Total			International Operations			Other Int. Oper					
										Millennium Bank (Greece)			Bank Millennium (Poland)					
	Mar 2008	Mar 2007	Δ %	Mar 2008	Mar 2007	Δ %	Mar 2008	Mar 2007	Δ %	Mar 2008	Mar 2007	Δ %	Mar 2008	Mar 2007	Δ %	Mar 2008	Mar 2007	Δ %
Interest income	1.232.456	989.772	24,5%	950.511	793.741	19,8%	281.945	196.031	43,8%	83.740	57.880	44,7%	147.257	89.246	65,0%	50.947	48.906	4,2%
Interest expense	820.235	603.160	36,0%	660.332	508.301	29,9%	159.903	94.859	68,6%	51.290	30.320	69,2%	84.886	46.137	84,0%	23.727	18.402	28,9%
<b>Net interest income</b>	<b>412.221</b>	<b>386.613</b>	<b>6,6%</b>	<b>290.179</b>	<b>285.440</b>	<b>1,7%</b>	<b>122.041</b>	<b>101.172</b>	<b>20,6%</b>	<b>32.451</b>	<b>27.560</b>	<b>17,7%</b>	<b>62.371</b>	<b>43.109</b>	<b>44,7%</b>	<b>27.220</b>	<b>30.503</b>	<b>-10,8%</b>
Dividend Income	1.686	2.288	-26,3%	661	2.288	-71,1%	1.025	0		0	0	-100,0%	0	0		1.025	0	
<b>Intermediation Margin</b>	<b>413.907</b>	<b>388.901</b>	<b>6,4%</b>	<b>290.841</b>	<b>287.728</b>	<b>1,1%</b>	<b>123.067</b>	<b>101.173</b>	<b>21,6%</b>	<b>32.451</b>	<b>27.560</b>	<b>17,7%</b>	<b>62.371</b>	<b>43.109</b>	<b>44,7%</b>	<b>28.245</b>	<b>30.503</b>	<b>-7,4%</b>
Net Commission Income	173.751	179.265	-3,1%	118.915	138.419	-14,1%	54.836	40.846	34,3%	7.622	4.353	75,1%	37.750	29.122	29,6%	9.465	7.371	28,4%
Other Net Operating Income	30.280	30.673	-1,3%	27.340	27.569	-0,8%	2.940	3.104	-5,3%	164	206	-20,0%	1.193	1.437	-17,0%	1.582	1.461	8,3%
<b>Basic Revenue</b>	<b>617.938</b>	<b>598.839</b>	<b>3,2%</b>	<b>437.095</b>	<b>453.717</b>	<b>-3,7%</b>	<b>180.843</b>	<b>145.122</b>	<b>24,6%</b>	<b>40.237</b>	<b>32.119</b>	<b>25,3%</b>	<b>101.314</b>	<b>73.668</b>	<b>37,5%</b>	<b>39.292</b>	<b>39.336</b>	<b>-0,1%</b>
Net Income from Trading Activity	38.116	61.429	-38,0%	10.184	37.967	-73,2%	27.932	23.462	19,1%	52	2.008	-97,4%	22.281	20.705	7,6%	5.599	748	
<b>Operating Income</b>	<b>656.054</b>	<b>660.268</b>	<b>-0,6%</b>	<b>447.279</b>	<b>491.684</b>	<b>-9,0%</b>	<b>208.774</b>	<b>168.584</b>	<b>23,8%</b>	<b>40.289</b>	<b>34.127</b>	<b>18,1%</b>	<b>123.594</b>	<b>94.373</b>	<b>31,0%</b>	<b>44.891</b>	<b>40.084</b>	<b>12,0%</b>
Personnel Costs	230.262	216.543	6,3%	155.186	158.390	-2,0%	75.077	58.153	29,1%	14.726	12.967	13,6%	41.651	31.146	33,7%	18.700	14.039	33,2%
Administrative Costs	146.892	133.515	10,0%	92.476	88.734	4,2%	54.416	44.782	21,5%	11.528	10.935	5,4%	30.768	23.332	31,9%	12.120	10.515	15,3%
Depreciation	26.359	26.589	-0,9%	17.023	17.361	-1,9%	9.336	9.228	1,2%	2.244	1.829	22,6%	3.527	4.235	-16,7%	3.565	3.163	12,7%
Operating Expenses	403.513	376.647	7,1%	264.684	264.485	0,1%	138.829	112.162	23,8%	28.497	25.731	10,7%	75.946	58.714	29,3%	34.386	27.717	24,1%
<b>Operating Profit before provisions</b>	<b>252.541</b>	<b>283.621</b>	<b>-11,0%</b>	<b>182.595</b>	<b>227.199</b>	<b>-19,6%</b>	<b>69.946</b>	<b>56.421</b>	<b>24,0%</b>	<b>11.792</b>	<b>8.395</b>	<b>40,5%</b>	<b>47.648</b>	<b>35.659</b>	<b>33,6%</b>	<b>10.505</b>	<b>12.367</b>	<b>-15,1%</b>
Group Equity-accounted earnings	14.265	14.459	-1,3%	14.265	14.459	-1,3%	0	0		0	0		0	0		0	0	
Loan Impairment Provision (net of recoveries)	69.756	45.316	53,9%	58.987	36.878	59,9%	10.769	8.438	27,6%	5.588	1.913	192,1%	3.075	7.542	-59,2%	2.106	-1.017	
Other Provisions	2.894	5.978	-51,6%	2.457	4.856	-49,4%	437	1.121	-61,0%	105	83	25,9%	178	1.114	-84,1%	155	-76	
<b>Profit before specific items</b>	<b>194.156</b>	<b>246.786</b>	<b>-21,3%</b>	<b>135.417</b>	<b>199.923</b>	<b>-32,3%</b>	<b>58.739</b>	<b>46.862</b>	<b>25,3%</b>	<b>6.099</b>	<b>6.399</b>	<b>-4,7%</b>	<b>44.396</b>	<b>27.004</b>	<b>64,4%</b>	<b>8.244</b>	<b>13.459</b>	<b>-38,7%</b>
Specific items	-119.475	0		-119.475	0		0	0		0	0		0	0		0	0	
<b>Profit before taxes</b>	<b>74.681</b>	<b>246.786</b>	<b>-69,7%</b>	<b>15.942</b>	<b>199.923</b>	<b>-92,0%</b>	<b>58.739</b>	<b>46.862</b>	<b>25,3%</b>	<b>6.099</b>	<b>6.399</b>	<b>-4,7%</b>	<b>44.396</b>	<b>27.004</b>	<b>64,4%</b>	<b>8.244</b>	<b>13.459</b>	<b>-38,7%</b>
Income taxes	43.280	44.148	-2,0%	31.146	34.938	-10,9%	12.134	9.210	31,7%	1.855	1.823	1,7%	8.875	5.481	61,9%	1.404	1.905	-26,3%
Minority Interests	16.692	11.342	47,2%	3	7	-62,9%	16.689	11.335	47,2%	0	3	-87,1%	0	0		16.688	11.331	47,3%
<b>Net income</b>	<b>14.709</b>	<b>191.296</b>	<b>-92,3%</b>	<b>-15.207</b>	<b>164.978</b>	<b>-109,2%</b>	<b>29.916</b>	<b>26.317</b>	<b>13,7%</b>	<b>4.244</b>	<b>4.572</b>	<b>-7,2%</b>	<b>35.521</b>	<b>21.522</b>	<b>65,0%</b>	<b>-9.848</b>	<b>223</b>	

# Millennium

## bcp

Investor Relations Division:

Pedro Esperança Martins, *Head of Investor Relations*,

Francisco Pulido Valente

TI: +351 21 3211081

Email: [Investors@millenniumbcp.pt](mailto:Investors@millenniumbcp.pt)

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 3.611.329.567,00