



2010 REPORT  
AND ACCOUNTS



**LUSITANIA**

Grupo Montepio



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2010

LUSITANIA  
COMPANHIA DE SEGUROS, SA.

2010 REPORT  
AND ACCOUNTS



# MANAGEMENT REPORT



**LUSITANIA**

Grupo Montepio

## INTRODUCTION

On 6 June 2011 Lusitania will celebrate its 25th anniversary. The scope and scale achieved by the company in the National financial sector, and the Company's contribution towards renovating and stimulating the insurance business in Portugal, are just cause for all those connected to the company from its foundation and through its development as shareholders, directors and staff, to take pride in the accomplishment.

The first insurance company founded in 1947, Lusitania reintroduced competition into the sector after the insurance business was nationalized and together with banking, para-banking and insurance institutions contributed towards renewing the National financial system and boosting economic activity.

At a time marked by a prolonged economic and financial crisis, Lusitania in 2010 once again took an important step in preparing for its future by merging *Real Seguros* with the Company and taking over all the assets and liabilities of *Mutuamar*.

The results of these operations are expressed in the figures shown below in the report and reveal both the success of these operations and their impact on the consolidation and progress of Lusitania.

A word also on *LusitaniaMar*, the trade name that has added all Transport sector business with that originating in *Mutuamar* and that is now prepared to give its support to all economic activity related to maritime activities that is, fisheries, mercantile trade and recreational activities, port activities, transport and logistics.

As the company commemorates its 25th anniversary the Board of Directors would like to thank all those who have contributed to the company's foundation, consolidation and expansion in what has been a major project.

# I. LUSITANIA IN 2010

## A. RELEVANT FACTS

Facts that have been relevant to Company business throughout the year:

### 1 JANUARY

New cycle in life of Lusitania in merging with *Real Seguros* and *Mutuamar*

### FEBRUARY

Sponsored Fed Cup 2010

### MARCH

Support for *Salão MotorClássicos*

### MAY

Reinsurers' meeting

### 7 JUNE

Increase in capital with the incorporation of reserves

### 22 JUNE

Launch of *LusitaniaMar*

### JULY

Inauguration of new installations at *Porto Corvo Palace*

### NOVEMBER

Brokers' Forum

### DECEMBER

New institutional website

## B. PRINCIPAL BUSINESS INDICATORS

(thousands of euros)	2007	2008	2009	2009 <sup>1</sup>	2010
Gross premiums earned from Direct Insurance	154,897	137,218	130,241	130,241	232,373
Market share (Non-Life) <sup>2</sup>	3.6%	3.3%	3.3%	3.3%	5.8%
Premium variation rate <sup>3</sup>	5.1%	-11.4%	-5.1%	-5.1%	78.4%
Claims index	66.2%	62.4%	61.5%	61.5%	62.7%
Commissioning rate	14.1%	14.6%	13.1%	13.1%	13.2%
Expense ratio	30.7%	32.2%	32.6%	32.6%	33.7%
Combined ratio líquido	97.0%	94.6%	94.1%	94.1%	96.4%
Net Result	888	2,739	4,292	3,731	3,034
Investment	204,290	198,503	383,817	383,817	377,001
Nº of workers	353	360	673	673	645
Premiums per worker	439	381	341	341	360
Policies per worker	1,480	1,276	1,218	1,218	1,220
Profit on sales	1.6%	1.7%	3.3%	2.9%	1.3%
Capital and Reserves	30,303	25,403	82,413	78,348	76,963
Profits on Capital and Reserves	2.9%	9.4%	5.2%	4.8%	3.9%
Type of Cost per Policy	49.21	52.53	62.78	62.78	60.57
Personnel Costs per Policy	25.58	28.65	32.41	32.41	31.40
FSE per Policy	14.09	18.69	25.23	25.23	21.73
Solvency Margin Cover	1.3	1.1	1.6	n.d.	1.6

<sup>1</sup> Information on accounts re-expressed, arising from revaluation of goodwill after the acquisition of Real Seguros and Mutuamar

<sup>2</sup> For the purposes of market share, insurance business production represents a universe of 95.9%

<sup>3</sup> Consolidated growth, including the Real Seguros and Mutuamar portfolio in 2009, was 0.3%



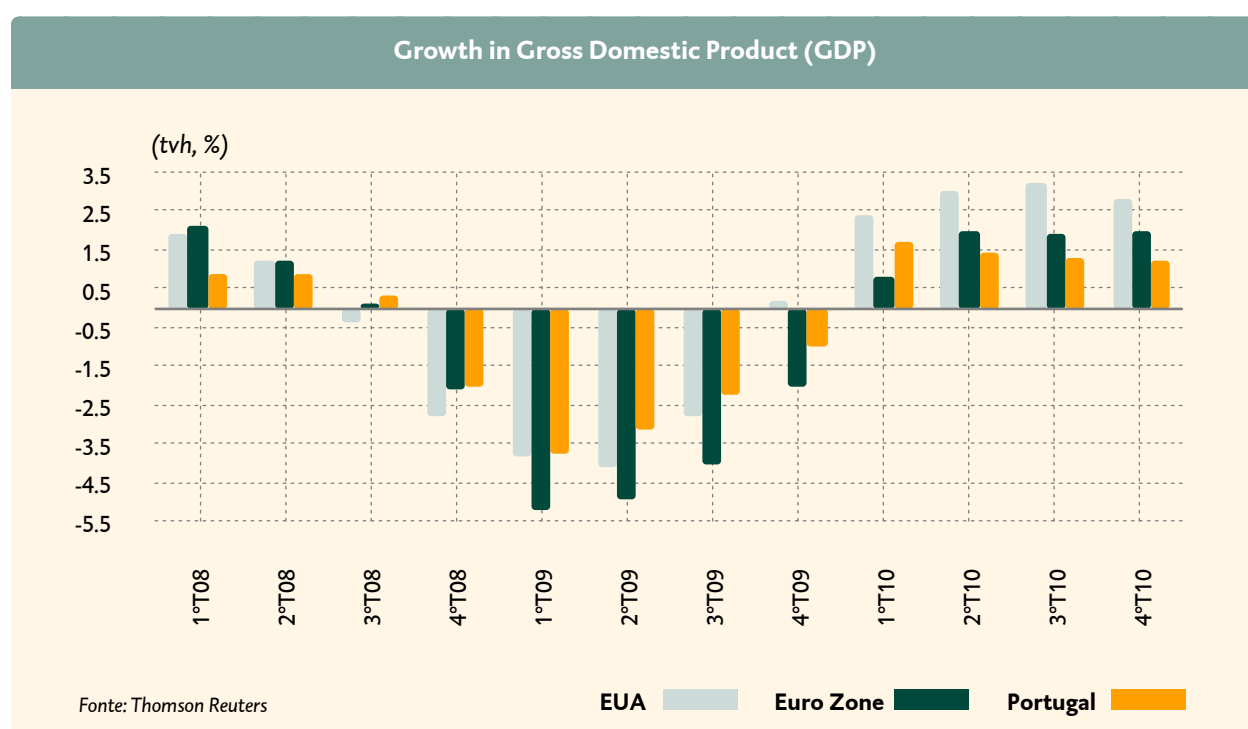
## II. MARKET DYNAMICS

### A. INTERNACIONAL ECONOMY

The global economic recovery begun in the second half of 2009 continued to affect the macro economic situation in 2010, in parallel with an upswing in international trade. Although economic growth in the first quarter of 2010 developed at different rates, even among the developed economies, global growth proved to be more robust than forecast. However, a further outbreak of turbulence on financial markets, the result of the sovereign debt crisis in several countries in the euro zone, introduced additional destabilizing factors in regard to world economic recovery. These contagious effects came through two channels: one, a deterioration in financial market conditions, affecting the conditions for funding the economy; and the other the fact that several governments when facing market pressures felt they had to change from an expansionist budgetary policy to one of consolidation, with effects on global demand.

Against this background, growth fell in most economies from the second half of the second quarter of 2010, the consequences of which on Gross Domestic Product (GDP) for the second quarter were not symmetrical, even in the developed economies. This was due to a difference in the basic effects and to the fact that the feedback effect between the real economy

and financial markets is faster in the USA. Furthermore, the sovereign debt crisis had an impact on the devaluation of the euro, particularly against the dollar, which in turn also had an effect on international trade, mitigating the adverse effects felt in the Euro Zone. Consequently, the euro Zone even enjoyed solid quarterly growth in the second quarter of 2010 (+ 1.0%), while growth in the USA was only 0.4% (+ 1.7% against 2009). Faced by signs of deceleration and the growing risks of the world's largest economy reentering recession, the scenario outlined half way through the third quarter of 2010, confirmed in November, was one of new measures for quantitative easing (QE II), adopted by the Federal Reserve (Fed), to give a further boost to the economy in an attempt to reduce the unemployment rate at a time when core inflation was (and remains) at an all-time low. This situation, or better, the expectancy of the Fed implementing it, was a determining factor in improving financial market conditions, which were once again put to the test, in November, when Ireland was bailed out by the EU and the IMF. All of this has led to the fourth quarter of 2010 showing an acceleration in economic growth in the euro Zone and in the USA.



## B. NATIONAL ECONOMY

In Portugal, after GDP shrank by 2.5% in 2009, its performance during the first half of 2010 was similar to that of the Euro Zone average and even rose 1.1% in the first quarter of 2010, the second largest quarterly growth of all Member States in the region. This was followed by a significantly lower rise of 0.2% in the second quarter of 2010, but which was an important marker for a second-half expected to be difficult, which was indeed the case. In the third quarter of 2010, the economy managed to expand 0.2%, despite being penalized by the inverse effect of the forecast consumption of durable goods observed in the second quarter of 2010 (reflecting the rise in VAT at the start of July), benefiting from the positive contribution from net exports, which managed to offset the negative performance of domestic demand. A quick estimate by the INE (National Statistics Institute) for the fourth quarter of 2010 suggests a fall of 0.3%.

The economy would indeed have benefited from a further effect of forecast acquisition of durable goods, bearing in mind the considerable increase in taxation in January 2011, among the austerity measures written into the State Budget for 2011, but which would not be sufficient to compensate for the negative contributions from net exports and from investment, particularly penalized by construction and, probably, from the change in stocks.

However, in 2010, annual average growth in the economy was 1.4% (even then, significantly lower than the drop in the previous year). The labour market situation continued to deteriorate throughout the year. According to the INE (National Statistics Institute), unemployment rose from 10.1% in the fourth quarter of 2009 to 11.1% in the fourth quarter of 2010, the highest ever since at least the first quarter of 1977 (according to seasonal adjustments made to data from the quarterly series of the Bank of Portugal). A weak labour market continues to be one of the principal constraints to the Portuguese economy, and this market is expected to deteriorate further in 2011, a year which is expected to be particularly difficult. In regard to prices, after inflation (measured by the IPC) stood at a negative -0.1% in December 2009, it began 2010 in positive figures and ended the year at 2.5% (+ 1.4% in annual average terms), but with core inflation at only 0.9%, suggesting, as in the Euro Zone, an absence of inflationary pressures they do not come essentially from commodity prices or fiscal changes.

## C. CAPITALS MARKET

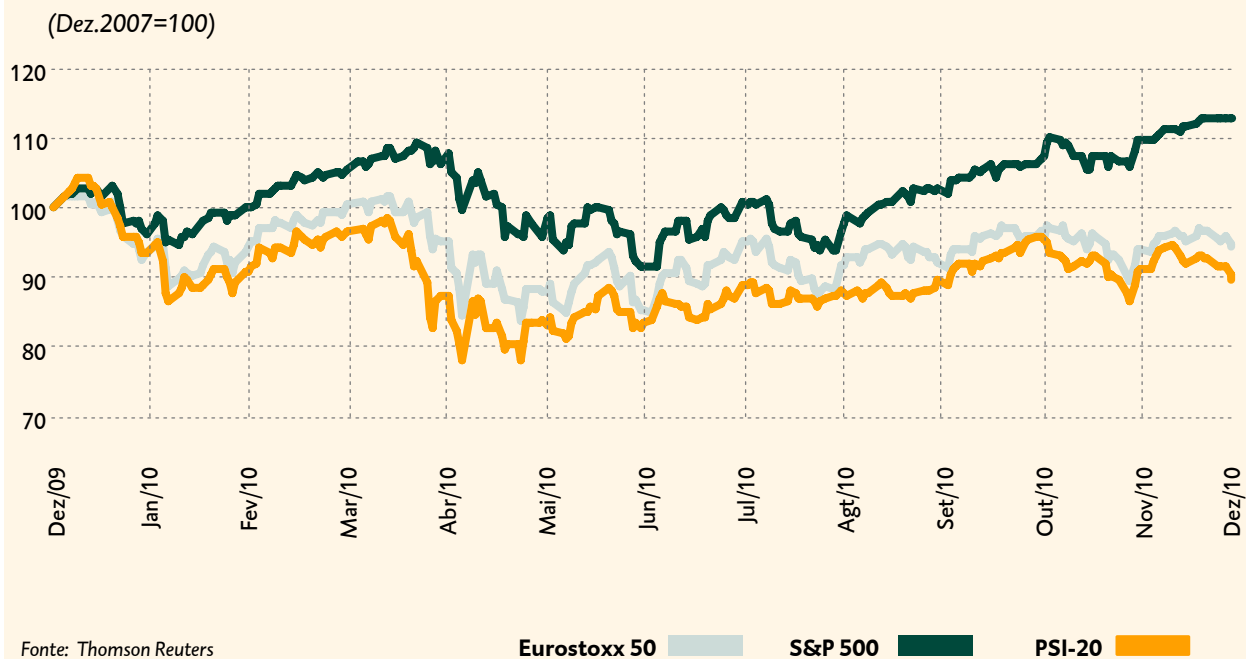
In 2010, there were essentially two driving forces behind financial market movements. On the one hand, prospects for the global economy varied throughout the period, and on the other the so-called sovereign debt crisis emerged, when the markets became aware, as did the financial rating agencies, of the state of public finances in the peripheral countries of the euro Zone. Faced by this, growing tension forced European leaders to intervene, at an initial stage, and commitments were made to take measures to “safeguard financial stability in the region”, while at a later stage, an agreement was reached to help Greece, together with the IMF, and, lastly, it was decided to create the European Financial Stability Fund (EFSF), to which was added the unheard of decision by the ECB to take over (on the secondary market) the public debt of the peripheral countries.

In a year marked by the outbreak of the sovereign debt crisis in Europe and by the difference between the recovery on the two sides of the Atlantic, sharers naturally accompanied this discrepancy, progressing throughout the whole year in the USA (+ 12.8% in the case of the S&P 500), but falling back in Europe (-5.8%, in the case of Eurostoxx 50), although it is worth noting that this is likely to be different in the case of Germany, with the DAX at 16.1% and, even in the United Kingdom (which is outside the euro), where the FTSE advanced 9.0%. Another factor that drove shares in the USA came from company results, which performed better than analytical forecasts.

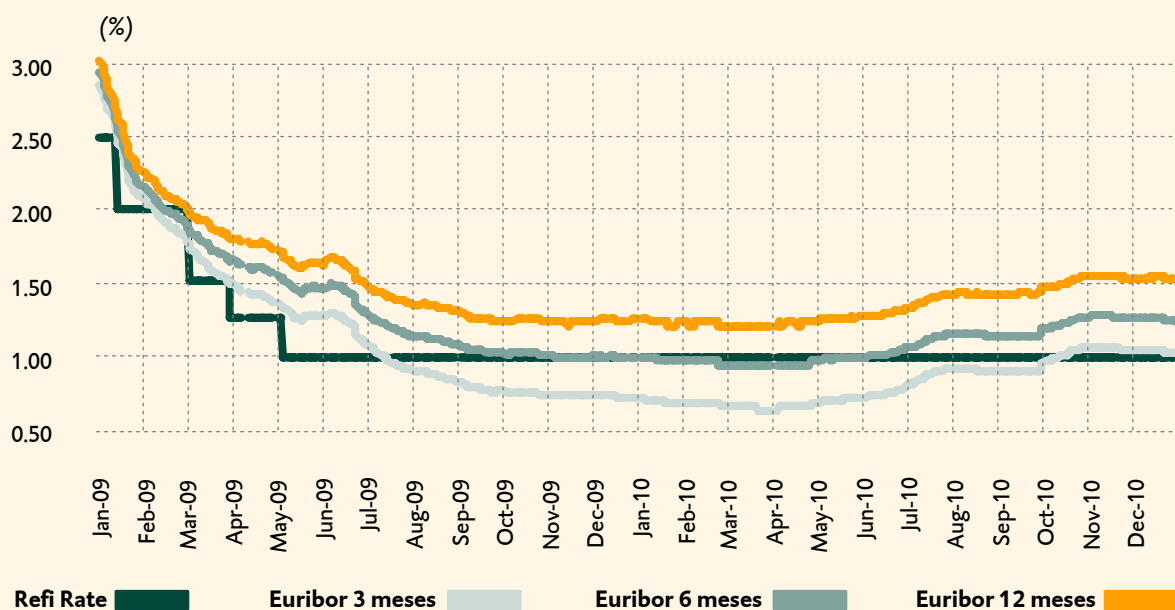
The Yields on Reference Public Debt fell throughout the year, benefiting from the sovereign debt crisis that led to demands for safe assets in Bunds and in Treasuries. These falls in Yields were relatively similar throughout the whole Yield Curve, being slightly higher in the USA, in the shorter term yields, also reflecting continued prospects regarding the monetary policy of that country where, despite a healthier American economy, slow progress on the labour market led the Fed to considering it in the QE II, having given no signs of wanting to turn back.

On the Interbanking Monetary Market (IMM), Li-bor rates remained almost unchanged (+5 b.p. at 3 months), while the Euribor rose 30 b.p., reflecting the rise in the German economy and inflation throughout the euro Zone drawing closer to the objective of the ECB. Furthermore, the increase in credit risk on the IMM, due to the sovereign debt crisis, also contributed to a rise in rates in the Euro Zone, with the OIS Spread rising 10 b.p. throughout the year.

## Principal Stock Market Indicators



## Euribor Interest Rates - Euro Zone



Fonte: Thomson Reuters

## CDS Itraxx Index - 5 Years



Fonte: Thomson Reuters

Itraxx 5 Anos

The Peripheral Public Debt was of course the hardest hit, with spreads against the Bund rising intensely. The scale of these increases is caused, at the same time, by investor fears, with the spread of Greece advancing from 712 b.p. to 951 b.p., although, very different to that of Ireland, which rose 464 b.p. to 610 b.p., while that of Portugal rose 296 b.p. to 364 b.p.

Private Debt was also affected by the debt crisis in the peripheral countries, despite a favourable performance in the second half of the year. Consequently, the Itraxx index (5 Years), the reference CDS index (Credit Default Swaps) for the Euro Zone in the Investment Grade category rose 31 b.p., closing the year at 105 b.p., pressurized mainly by the financial ??, the sub-index for which rose 94 b.p. to 163 b.p..

## Euro/Dollar Exchange Rates



Fonte: Thomson Reuters

On the Exchange Market, the euro devalued in 2010 against the three principal foreign currencies, hit, mainly, by anxiety over the survival of the Single Currency caused by the sovereign debt crisis. Even then, successive slides in the euro were shored up by the performances of the core countries in the region and, as already mentioned, by the more expansionist content of monetary policy in the euro Zone, with markets anticipating a monetary squeeze earlier in the Euro Zone, compared to the USA.

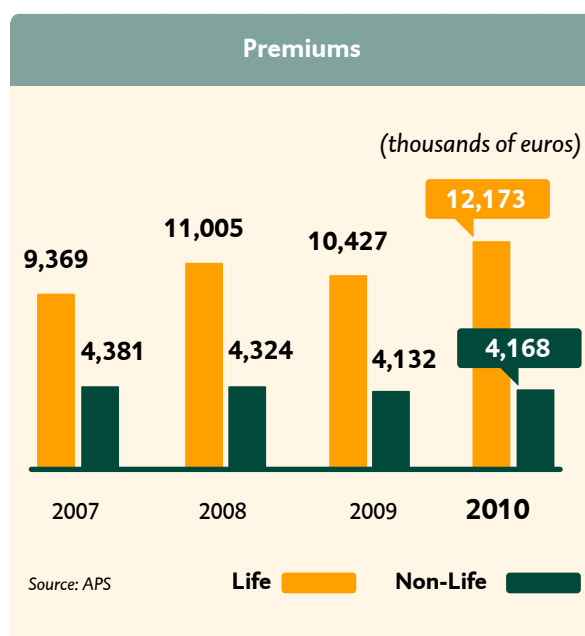
## D. THE NATIONAL INSURANCE MARKET

According to the *Instituto de Seguros de Portugal (ISP)*, the direct insurance production of insurance companies under its supervision, in 2010, had a premiums turnover of around 15.4 thousand million euros, up 13.7% against 2009. This rise is due mainly to the Life sector as the Non-Life sector rose only slightly, by 0.9%. The turnover in Non-Life premiums rose from 4.13 thousand million euros in 2009 to 4.17 thousand million at the close of 2010.

The Life sector rose from 10.43 thousand million euros in 2009 to 12.17 thousand million at the close of 2010 (estimate), an increase of around 17%. The data published by the *ISP* for the Non-Life sectors suggest a growth estimate of around 0.9%, the turnover in direct insurance premiums having increased from 4.13 thousand million euros to 4.17 thousand million euros (estimate).

The table below summarizes direct insurance premiums in Portugal, according to the major insurance sectors:

[See table on next page](#)



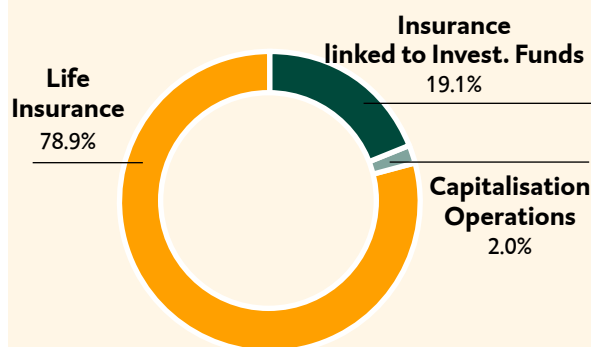
Taking into account the data of the *Associação Portuguesa de Seguradores* and the provisional data of the *ISP* for 2010, there is a 12.02% increase in direct insurance premiums in Portugal, with premiums increasing 14.50 thousand million, in 2009, to an estimated value of 16.34 thousand million in 2010.

Life & Non-Life Production (€M)	2008	2009	2010 [E]	Δ 09/08	Δ 10/09
<b>Total Life</b>	<b>11,005</b>	<b>10,427</b>	<b>12,173</b>	<b>-5.3%</b>	<b>16.7%</b>
Life Insurance	6,121	7,241	9,601	18.3%	56.9%
Insurance Linked to Investment Funds	3,994	3,161	2,331	-20.9%	-41.6%
Capitalisation Operations	890	25	241	-97.2%	-72.9%
<b>Total Non-Life</b>	<b>4,324</b>	<b>4,132</b>	<b>4,168</b>	<b>-4.4%</b>	<b>0.9%</b>
Accident & Health	1,396	1,353	1,357	-3.1%	0.3%
• Workman's Compensation	741	674	646	-9.0%	-4.2%
• Health	483	500	529	3.5%	5.9%
Fire & Other Damages	732	744	765	1.6%	2.9%
Motor	1,810	1,666	1,672	-8.0%	0.4%
Transport, General TPL & Other	383	368	375	-3.9%	1.8%
<b>TOTAL</b>	<b>15,329</b>	<b>14,559</b>	<b>16,342</b>	<b>-5.0%</b>	<b>12.2%</b>

Source: APS – Overview of the insurance market 09/10 and ISP Direct Insurance Premiums 2010 (Provisional)

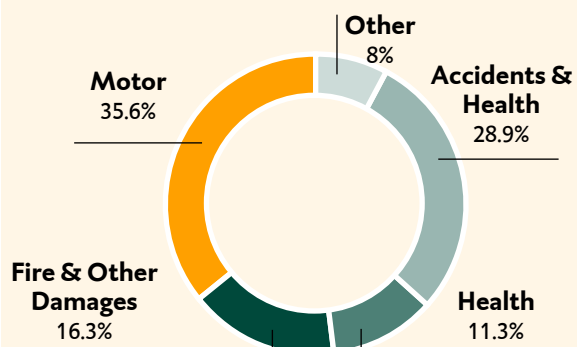
As a result of what is described above, the market portfolio is distributed as follows in 2010 (Life: 74.5% and Non-Life: 25.5%).

#### Composition of Life portfolio 2010



Source: APS – Overview of insurance market 09/10 and ISP Direct Insurance Premiums 2010 (Provisional)

#### Composition of Non-Life portfolio 2010



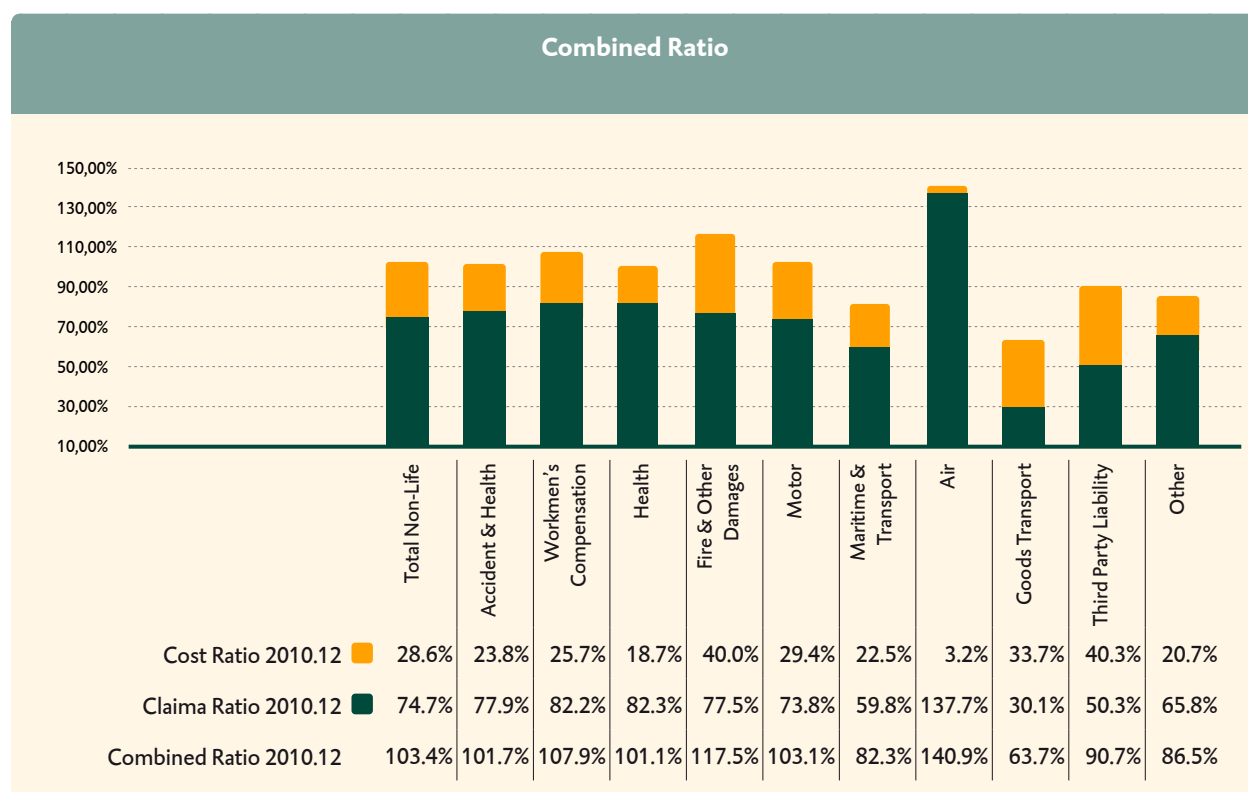
Source: APS – Overview of insurance market 09/10 and ISP Direct Insurance Premiums 2010 (Provisional)

According to provisional data from the *Associação Portuguesa de Seguradores (APS)* for 2010, for the Non-Life sector, the claims rate (ratio of claims costs and premiums sold, net of reinsurance) rose in 2010 to 74.7%, against 73.7% in 2009.

The Motor and Fire & Other Damages sectors contributed most to this increase in claims. Motor claims rose from 71.6% in 2009, to 73.8% in 2010. The claims rate for Fire & Other Damages rose from 63.0% in 2009, to 77.5% in 2010.

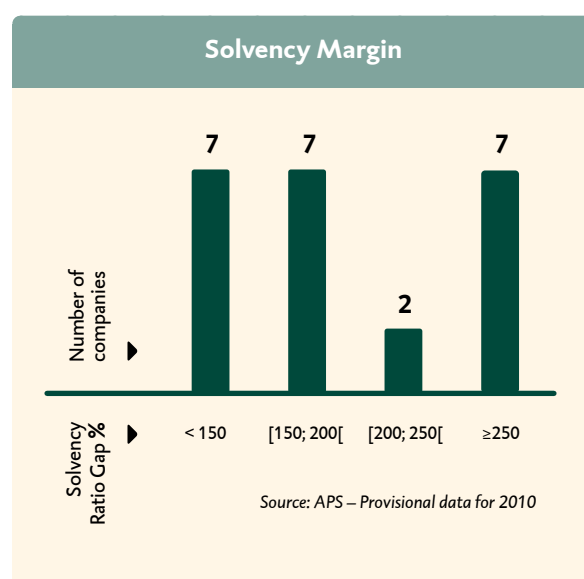
Workman's Compensation recorded a claims ratio of 82.2% compared to 82.1% in 2009. Third Party Liability had a ratio of 50.3% against 66.6% in 2009.

[See Graphic ▼](#)



The Non-Life sector, pressured by high average claims rates, maintained a modest profit level, overall below 79 million euros. Some of the larger sectors, such as Motor, Workmen's Compensation and Fire & Other Damages, declined in their underwriting result in 2010, contrary to the case with the Health sector.

For companies working exclusively in the Non-Life sectors, in 2010, the market solvency ratio stood at 249%, up against 2009, with a ratio of 233%, although there was some dispersion.



## III. BUSINESS FRAMEWORK

### A. LUSITANIA'S STRATEGY

#### 1. IMPLEMENTATION OF STRATEGIC PLAN

Over the three year period 2008-2010, Company management was in line with the objectives mapped out by the corporative strategy of the *Montepio* Group, and the aim of strengthening Lusitania's position on the insurance market was achieved with a share of close to 6% of that market. Other aims were to increase profits, maintain productivity levels and improve efficiency.

2010 was a major challenge for the company in view of the difficult economic situation and the considerable maturity and saturation of the insurance market. Lusitania, in 2010, completed the merger operation with *Real Seguros* and *Mutuamar* and managed a growth in premiums of 0.3%, the result of a commercial strategy focussed on attracting new customers and new segments. This commercial drive cancelled out completely the expected negative effect of a fall in production as a result of the merger.

#### 2. INNOVATION AND PROJECT MANAGEMENT

A new life cycle began for Lusitania in 2010. This was the first year in which both the business and staff of *Real* and *Mutuamar* were merged with the Company, an operation that required a considerable amount of organization to be able to pursue the guidelines defined and to provide continuity and coherence in the strategic plan under way.

The Company maintained a relevant level of investment, with a view to raising the quality of services provided to brokers and to customers, improving means of contact, such as increasing the number of functions available on the Brokers' Portal, extending and improving the supply of products and services, developing new B2C platforms, providing an integrated view of the customer with multi-channel access and the launch of Lusitania's new website.

Apart from this, initiatives were promoted to improve business procedures, in order to correct the risks identified and to increase, automatically, the level of in-house control, benefiting productivity and reducing costs.

The projects developed under information technology were centred on perfecting operational systems, information systems and outputs, as well as improving infrastructure, particular attention being given to its modernization and efficiency.

### B. CORPORATE GOVERNANCE

#### 1. STRUCTURE OF GOVERNANCE

Lusitania's governance is based on the principle of sustainable creation of value. The company's prime objectives are to guarantee the confidence of its customers, provide support for its brokers, attend to its staff and all those working for the company and recognize the contribution of its shareholders.

The rules of good governance are based on good practice, clearly defined in the code of conduct, whose principles of correction, honesty, professionalism, transparency and co-operation are taken into consideration in all contractual relations. This code also lays down the principles for compliance and the way in which the company's global policies are applied.

Lusitania attaches prime importance to satisfying the customer and to maintaining high standards of quality in its services. In-house procedures and technologies support these objectives and make it possible to control implementation.



Corporate governance is composed as follows:

## Corporate governance

### GENERAL MEETING

CHAIRMAN	Dr. Vitor José Melícias Lopes
SECRETARY	Eng. José Joaquim Fragoso
SECRETARY	António Ferreira Carvalho

### BOARD OF DIRECTORS

CHAIRMAN	Dr. António Tomás Correia
MANAGING DIRECTOR	Dr. José António de Arez Romão
DIRECTOR	Dr. Jorge José da Conceição Silva
DIRECTOR	Dr. Virgílio Manuel Boavista Lima
DIRECTOR	Dr. José António Romão Eusébio

### BOARD OF AUDITORS

CHAIRMAN	Coronel Manuel da Costa Braz
VICE-CHAIRMAN	Dr. José Augusto Perestrello Alarcão Troni
MEMBER	Dr. Fernando Vassalo Namorado Rosa

### OFFICIAL REGISTERED AUDITOR

PRICEWATERHOUSECOOPERS	Represented by Dr. Carlos Manuel Sim Sim Maia and by Dr. Abdul Nasser Abdul Sattar
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### SALARIES COMMISSION

	Dr. Vitor José Melícias Lopes
	Dr. Eduardo José da Silva Farinha
	Dr. Norberto Pilar

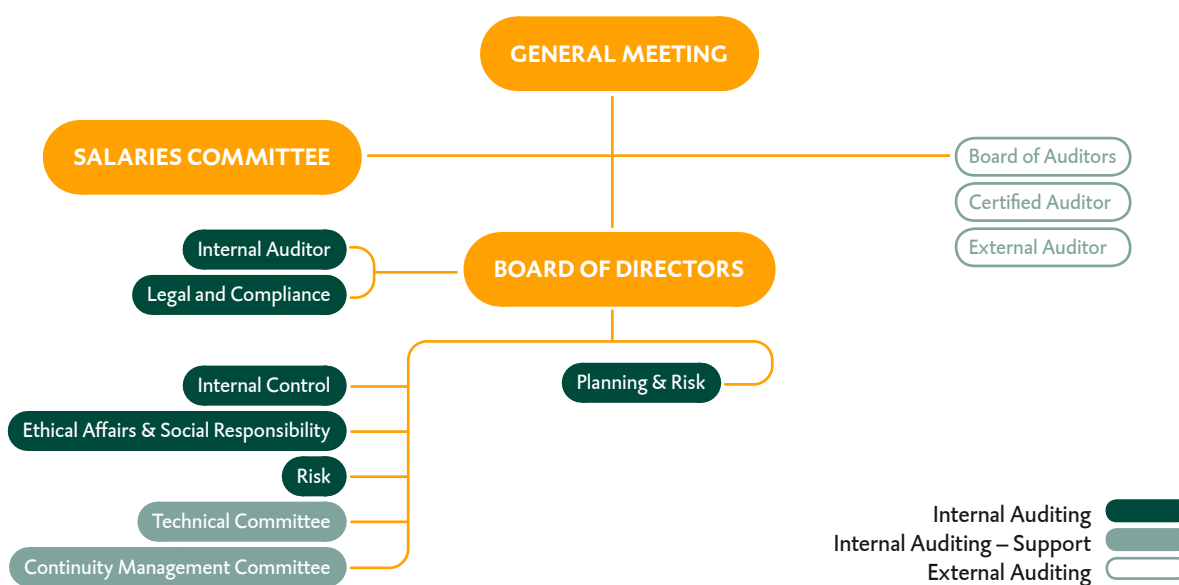
Business is conducted by the Board of Directors, which is responsible for implementing the company's strategy, supported on a hierarchical, flexible structure that is rooted in structures with specific and general skills and which at any given time can be adapted to objectives.

Lusitania's structure aims to respond to the needs of implementing the strategy and business plans backed by adequate in-house control, guaranteeing the principles of on-going improvement in managing risks and minimizing conflicts of interest. The model is one that is sustainable, based on a high degree of transparency and responsibility and on the efficient management of resources, built on correct standards of ethical behaviour so as to respond to the challenges of competitiveness

and transparency demanded by the market, by the supervisory bodies and by the culture of the corporate group to which the company belongs – *Montepio Geral*.



Because of their importance in conducting the company's business, the Management and Auditing bodies are shown below:



For a more detailed analysis of the characteristics of corporate governance, consult Annex 1.

## 2. CAPITAL STRUCTURE AND MAIN SHAREHOLDERS

As a result of the merger process, Lusitania's capital stood at 25,580,895 Euros (twenty five million five hundred and eighty thousand eight hundred and ninety five euros), distributed in 5,116,179 (five million one hundred and sixteen thousand one hundred and seventy nine shares), the majority held by the Montepio Group (95.2%).

On 31 May 2010, the General Meeting of Shareholders took a decision, later endorsed in the deed of 7 June 2010, to increase capital by incorporating reserves, bringing capital up to 26 million euros, distributed in 5.2 million shares.

Shareholder structure as at 31 December 2010

Institutions	N° shares	%	Value (€)
Montepio Geral Associação Mutualista	3,339,317	64.22%	16,696,585
Caixa Económica Montepio Geral	1,333,928	25.65%	6,669,640
Lusitania Vida Companhia de Seguros	280,778	5.37%	1,403,890
Remaining shareholders	245,977	4.76%	1,229,885
<b>TOTAL</b>	<b>5,200,000</b>	<b>100.00%</b>	<b>26,000,000</b>

## 3. RISK MANAGEMENT AND INTERNAL CONTROL

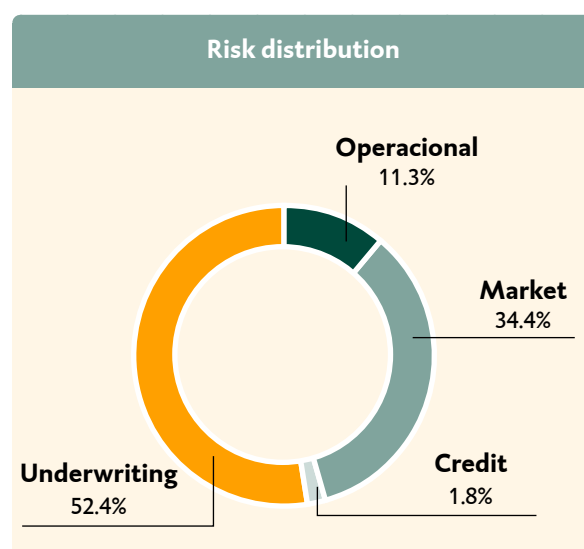
Risk management is a key factor in Lusitania's model of governance. Apart from safeguarding financial stability, it aims to pre-empt and contain business risks within adequate limits, create sustainable value for shareholders and protect the company's reputation.

To this end, integrated risk management plays an indispensable role in the culture and strategic guidance of the

Company. The risk profile is defined by the Board of Directors and is reflected in the business plan and integrated in operations management.

The integration of Real Seguros and Mutuamar meant that processes and procedures had to be standardized to be able to harmonize and monitor the Company's controls more efficiently. The Advisory Councils for Internal Control and Risk were maintained and include not only the members of the Board of Directors but also those responsible for the principal areas in the Company.

As the date on which the new solvency regime comes into force draws closer, starting on 1 January 2013, Lusitania has completed the partner selection process that will support it in implementing the measures required to comply with the new regulation. This is a challenge for the insurance market and will demand that companies manage capital more efficiently by defining policies to mitigate risk and adopt measures that will improve transparency and competitiveness.



In 2010, as in previous years, Lusitania took part in the evaluation study on the quantitative impact of the rules of the new solvency regime, the QIS5. Once again the importance was demonstrated, on capital consumption, of underwriting risks with 52.4% of the total, market risk with 34.4% and operational risks with 11.3% of total risk, which is relevant, bearing in mind that this last risk is not taking into consideration for the purposes of diversification.

#### 4. COMPLIANCE

The Company's processes and procedures comply with requirements demanded and with internal guidelines, and the risk management and internal control of the company are guaranteed.

In view of the profusion of regulations published, risk management and internal control are of increasing concern for the supervisory bodies and, of course, for those responsible for Lusitania. Within this context, the requirements of the most recent regulations published by the regulator have been integrated into the Company's system of governance.

The *Instituto de Seguros de Portugal* highlighted a series of matters that it believes require more supervision, such as the relationship between insurers and the market, consumer protection in dealing with the responsibility of some professional activities, more transparency in the governance of companies, particularly in disclosing information on the salaries policy of insurance companies and concern for the continued functioning of business.

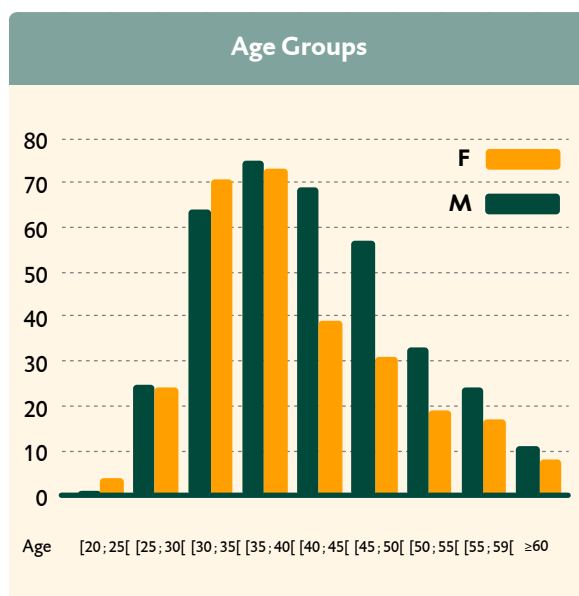
### C. HUMAN CAPITAL

Lusitania began 2010 with a new organization resulting from the merger with the ex-*Real* and ex-*Mutuamar*. With the organizational chart adopted in January, the aim was not only to give Lusitania an organization more suited to achieving objectives already defined, but also to integrate all the staff from these two companies.

The integrations were made without any changes to listed posts, similar to previous integrations made by Lusitania, done in agreement with the policy of the *Montepio* Group of which the company is part.

#### 1. PERMANENT STAFF

All staff members from both *Real* and *Mutuamar* were integrated in the Company, bringing staff numbers at the start of the year to 673, while the year closed with 645.



55.7 % of staff is male and 44.3% female.

Average seniority of Lusitania's staff rose to over 14 years as at 31 December, proof of the experience of our employees.

These indicators show the capacity available to drive quality of service and increase business turnover.

[See table ▼](#)

Indicators	2006	2007	2008	2009	2010
N° Employees	348	353	360	673	645
Premiums per Employee	423,420	438,802	381,161	344,441	360,267
Policies per Employee	1,432	1,480	1,276	1,149	1,220

## 2. TRAINING

Training being one of the prime objectives in managing the company's human resources, 1,034 participants attended 153 courses and training events, occupying a total of 7,783 hours.

Apart from training being given to company employees, 18 training events were held for the Company's brokers, involving 434 attendees and covering 5,475 hours, and 5 training events for new employees in the Contact Centre, where there were 85 participants, covering a total of 198 hours.

Training Indicators	2006	2007	2008	2009	2010
N° of Events or Courses	70	71	62	107	153
N° Participants	436	355	810	907	1034
N° Hours	6,580	6,840	8,337	7,610	7,783
Cost of Training	241,779	175,614	174,427	205,554	160,473
C. Training / C. Staff	1.79%	1.31%	1.33%	1.46%	0.66%

## 3. HEALTH AND SAFETY AT THE WORKPLACE

361 check-ups were done in 2010, under occupational health cover. Health and safety inspectors made visits to 35 outlets to assess working conditions.

## 4. PENSIONS FUND

In 2010 the Real pensions fund was integrated in Lusitania's pension fund, which amounted to 9,646,120 euros, and which continues to guarantee cover for liabilities.

## D. PARTNERSHIPS

### 1. BROKERS

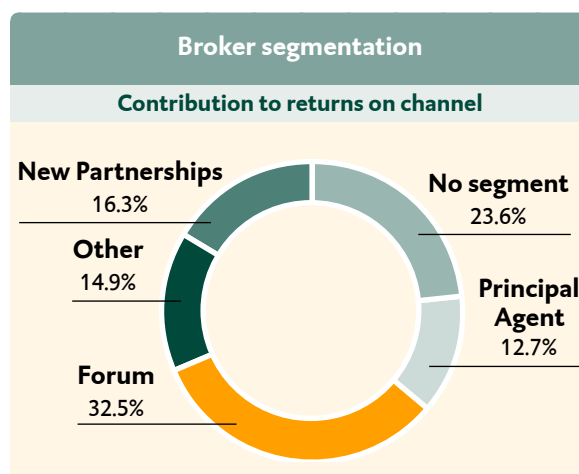
Adding further backing to the Brokerage channel, Lusitania reinforced the brokers portal with new functions, the priority always being the capacity to negotiate in real time, that is, at the moment when the broker is with the customer. Some of the functions were suggestions made by the brokers themselves, in a true sharing of experiences. Increasing the brokers' autonomy in this way also generates a better capacity to do business effectively, improving the quality of service provided.

To the same end, the Commercial Portal was created, the aim being to make it a working instrument on the internal commercial network. It has an image and layout similar to that of the Brokers Portal so that it is similar and easier to handle because from the business strategy point of view the two complement one another.

Apart from the news simulators for customers, accessed via the Internet, the functional design of which was completely changed and improved using better on-line navigation practices, the Company also improved the main internal simulators, both for the brokerage network and for the internal commercial network.

As a result of the merger and the appointment of new brokers, new supports were requested to change the image in the outlets of these brokers, and more than 130 agents have had an image update.

Changes and improvements were made to amounts paid to brokers, distinguishing those brokers working in close partnership with Lusitania and providing them with better conditions of autonomy, remuneration and commercial assistance.



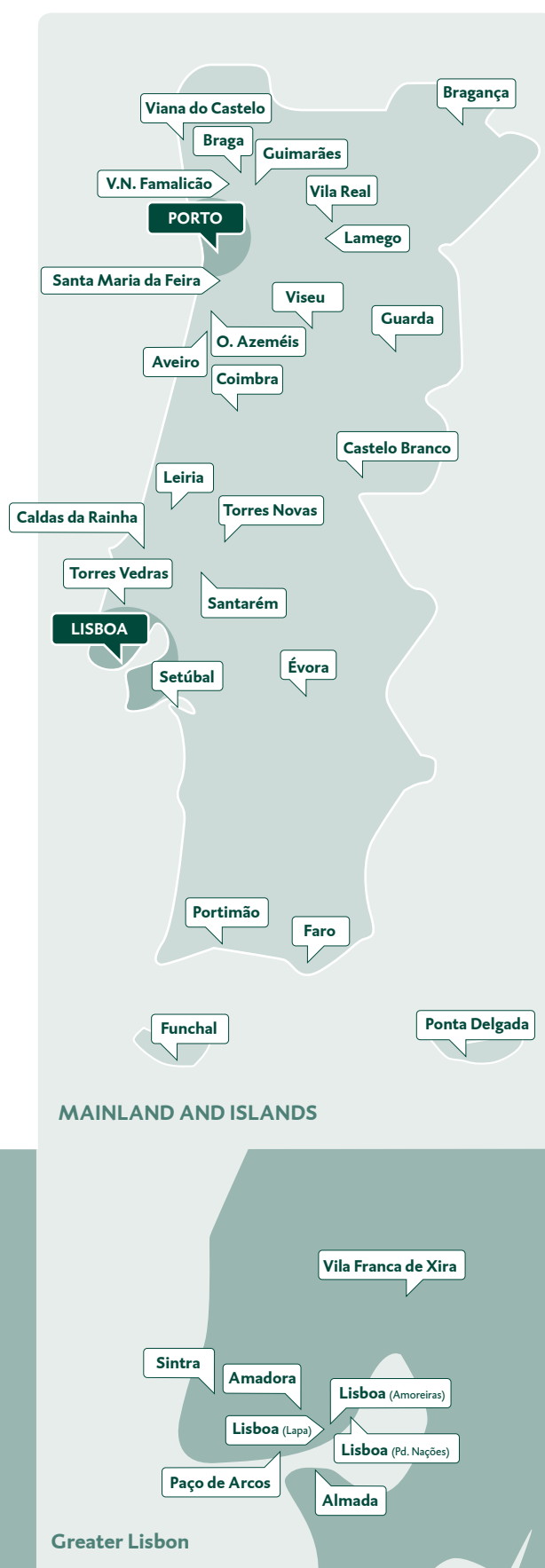
In return, the performance from this channel was highly positive, which reinforces the segmentation strategy and the priority that has been given in the relationship with brokers. Those who were invited to become part of the Brokers Forum and the Advisory Council had done some excellent work, evidence of which was shown in their cooperation, level of suggestions and by the growth in their portfolio turnover, which is already quite considerable.

Category	2009	2010	Variation
Associated brokers	637	581	-8.8%
Agents (individuals)	2,970	2,994	0.8%
Agents (companies)	790	849	7.5%
Brokers	92	93	1.1%
<b>TOTAL</b>	<b>4,489</b>	<b>4,517</b>	<b>0.6%</b>

A campaign was held for the small, non-segmented brokers. This initiative was well received and results were highly encouraging.

With the aim of improving team spirit and, at the same time, boosting outlets sales, the Company introduced the Lusitania Grand Prix. This is a sales promotion game, based on cars and racing, in line with the general theme for the year: achieving the pole position.

The excitement of the game attracted many participants and results were quickly encouraging. It was certainly the right choice of initiative and encouraged team spirit while providing an opportunity for brokers and Lusitania to get together.



In 2010, the distribution of the Companies outlets was redefined, taking advantage of the synergies of spaces released in the merger process while applying policies to contain costs. This led to releasing the premises in *Av. da Republica*, in Lisbon, which were still under contract at a high rent, and the services housed there are now available in *Lapa*, and the premises held in *Av. do Infante*, in Porto, where services have been transferred to *Rua Julio Dinis*.

## 2. BANKING-INSURANCE

The Banking-insurance channel in 2010 suffered a fall in returns, due mainly to portfolio losses of over 40%, associated with BPN outlets. For this reason the contribution to Company returns fell from 14% in 2009 to 13.2%.

Premiums rose by 10.6% in the Health sector, more than 200% in Transport, and Third Party Liability was up 5.8%, backed mainly by sales in the *Montepio* outlets that rose globally. Despite a small portfolio, *Caixa Galicia* had a significant rise in production. The channel continues to record a low claims rate due to a wide spread of risk.

Product supply was improved with the inclusion of “Baggage” cover for *Montepio* clients holding the Business Gold credit card, and a new insurance was launched, the “*Montepio Guaranteed Smile*”, to increase supply in the Health sector. The campaign “First annuity offer for Contents” for new policies was continued.

With a view to providing more information, as well as making Lusitania a more regular presence on the commercial scene, a Lusitania/*Montepio* newsletter is now produced. This comes in electronic form and provides *Montepio*’s position in terms of sales made at its outlets.

In order to implement the Social Responsibility policy of the *Montepio* Group as part of the third pillar of the economy, support was given to the managers’ network, encouraging IPSS monitoring, and continuing the global, integrated solution requested by *ENTRAJUDA*<sup>1</sup> in 2009.

<sup>1</sup> *ENTRAJUDA* is a private social solidarity institution that assists in the organization and management of other institutions with the aim of improving their performance and efficiency to the benefit of those in need.

## 3. ASSURFINANCE

As part of the campaigns held to appoint *assurfinance* promoters, 138 Brokers were appointed, of which 80 have already signed a contract. To back this movement, training events focusing on *Assurfinance* were provided for Lusitania’s commercial specialists in this field.

Together with *Montepio*, Lusitania increased Product Supply, particularly in the areas of Treasury Credit, Savings and Prestige Products (non-financial).

To facilitate communication with promoters and to boost the presence of this channel, the *Assurfinance* Bulletin was created, giving them information on their results, sharing relevant information and keeping them in closer contact with the two institutions.

## 4. RE-INSURERS

Internationally, there were some major disasters in 2010, the worst being the earthquake that reached 8.8 on the Richter scale causing destruction to the central area of Chile on 27 February.

Being a major seismic event in terms of personal and material damage, it was of special significance because of the unexpected repercussions it had on the reinsurance world, confirming the globalization that increasingly affects the insurance business.

Nationally, the insurance business also suffered in 2010 from a major disaster when Madeira was hit by a high intensity storm causing large-scale flooding and high material losses. This event brought negative results to reinsurance, falling once again under the heading of natural disasters.

The recent experience of natural disasters has kept the question of reinsurance to cover these events on the agenda in Portugal and throughout the world. However, the Disaster Fund is taking time to come up with a conclusion that will serve the insurance market and Portugal.

Reinsurance results on the Portuguese market in 2010 were poor, greatly influenced by the storm in Madeira.

Lusitania was in line with the market, although the claims rate, because of the Madeira disaster, is below its market share. Despite this, the reinsurance result was positive for reinsurers.

The negotiated plan, after incorporating portfolios acquired, responded positively, confirming its importance in protecting capital and maintaining its defense of Lusitania's liabilities.

Lusitania's panel of reinsurers is as shown below, and demonstrates their high-standing financial capacity, apart from their reputation.

**Table of Re-insurers and respective Rating**

RE-INSURER	RATING
Swiss Re (leader)	A+
Axis Re	A+
Hannover Ruck	AA-
Mapfre Re	AA
Mitsui Sumitomo	AA
MMA - Groupe Covea*	Api
Münchener Rück	AA-
Nacional Reaseguros	A+
Odyssey Re	A-
PartnerRe	AA-
R+V Versicherungs	A+
SCOR	A
Secura	A
Sirius	A-
Trans Re	A+

\* Mutual company not listed

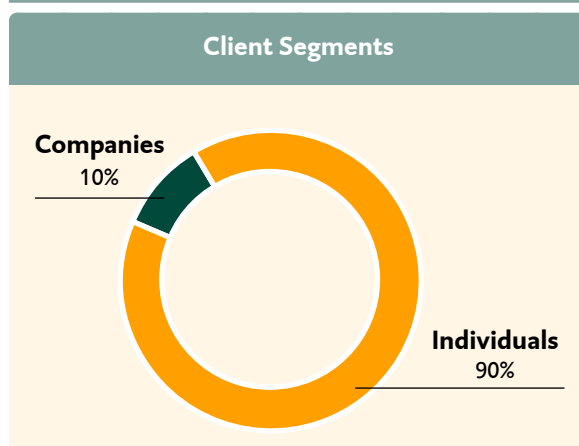
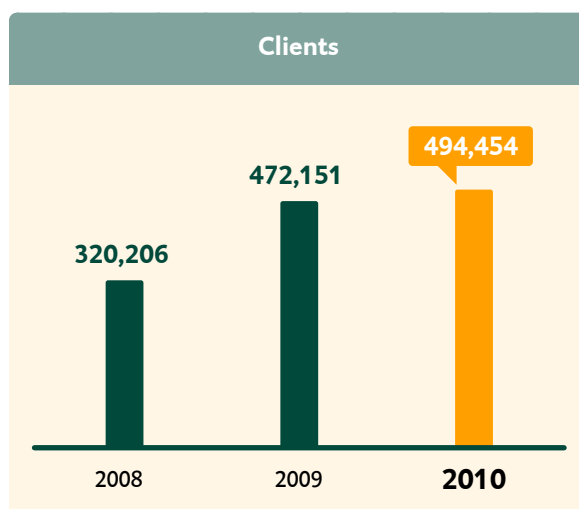
## E. CLIENTS

In terms of clients, the main infrastructure required to redefine the segmentation strategy based on consumer trends, and not only on segmentation based on social and demographic data, was created in 2010.

Equally of concern to management was to have the client concept carried throughout the whole organization, reinforcing a culture centred on the client and spreading the message that a policy or claims process has a face and a name: they are Clients!

In reorganizing the structure for information on clients and consequent segmentation, the first steps were taken towards designing an action strategy ever more geared to the client and based on a solid foundation.

Client numbers were up around 5% reaching almost half a million, the same distribution continuing between individuals and companies.





Acting according to defined strategy, Lusitania also managed to place itself in certain market niches. This was the case, starting from scratch, with *LusitaniaMar*, a Lusitania trade name geared to the Maritime hyper-cluster, offering distinctive prices and an appealing image, with the ambitious aim of assuming leadership in this market niche.

With a view to providing better services and responding to the strategy for closer contact with the client, and meeting client needs for information, the Company has produced an online page which gives individual clients specific access to a site where they can get information on their policies and claims. Apart from this, an information structure was created that gives an integrated, multi-channel view of the client.

In the first days after the new Lusitania site went online (13 to 31 December), in only 15 days there were more than 40,000 hits, with more than 230,000 pages visited.

In line with the Company's strategic guidelines, the Entrepreneur and Corporate segment was a priority.

An Entrepreneur Plan was launched for the niche market of Sole Traders, providing a newly designed plan better suited to needs. Using this opportunity, the Independent Worker insurance was also revised.

## F. INFORMATION SYSTEMS

Technology played an essential role in the merger with *Real Seguros* and with *Mutuamar*, particularly in the integration of information, alignment of which with the merger strategy was fundamental, responding timeously to the needs of all stakeholders.

Importantly, the governance model for Information Technology Management was adjusted, both internally and externally, to accommodate Lusitania's new reality.

The physical means for information systems control were reinforced by remodeling and installing best market practices in the two data-processing centres in the Company, Lisbon and Maia, and implementing redundancy in security structures.

The conditions were created for implementing an information security office that will produce ISO 27001 certification measures by the end of 2012. In this way, Lusitania aimed to increase the trust placed in the information held by the company by its clients and partners. In mid-2010, *N Seguros* adopted the

Lusitania solution for business management in order to make use of synergies of application, guaranteeing the support of the Lusitania team in the maintenance and development of new projects. To this end, workers were allocated to the Lusitania team, although still bound to *N Seguros*.

In 2010 the information management system model was redefined, and is now known as *BIL – Lusitania Business Intelligence* -, with a far larger amount of information, improving the response to requests from the more critical business sectors. Apart from a more appealing layout, information was made available covering sales, accounting, claims, reinsurance and marketing. The plan for 2011 is to include information on budget control and the Management System based on Objectives, as in the report to the ISP and the APS.

This application means that each business area can build up indicators according to its needs, avoiding overloading Information Technology resources with constant requests.

## G. COMMUNICATION

The improvement of client proximity has always been a concern of Lusitania. Throughout 2010, the Company invested heavily in communication and in access points by extending services available to the public.

Aware of the relevance and impact of distinctive, targeted communication, several measures have been adopted with a view to getting to know our clients better by segmenting and improving the quality of the database and by analyzing behavioural aspects.

The launch of the new site also helped encourage current and potential client relationships, based on an attractive image and positive communication, making what has been traditionally a very institutionalized approach into a more personal one.

Communication with the different partners and distribution channels was also a prime target, and to this end the new monthly newsletters both for *Montepio* and for the *Assurfinace Promoters* was produced. In both cases information sharing was promoted, to be done transparently, clearly and assertively, not overlooking an appealing image in a layout that is structured according to the importance of the information and the commercial strategy defined.

Assuming that the brokers are our main business partners, the Broker Portal has proved to be highly relevant as a communication vehicle with this channel.

In regard to the media, Lusitania's visibility has increased compared to 2009, helped by some high impact events such as the launch of the *Armindo Araujo* car and the *LusitaniaMar* trade name.

The positive impact of *LusitaniaMar* and identifying Lusitania in all aspects related to the maritime sector, have promoted the Company in the sector and throughout the specialized trade press, proof of which can be seen in the number of requests and applications received.

## H. SOCIAL RESPONSIBILITY

### 1. COMMUNITY SUPPORT

In helping to improve the community and society as a whole, Lusitania bases its activities on very high ethical values and social responsibility.

Consequently, and despite the current economic downturn, Lusitania continued to give its support to several organizations, adopting new initiatives associated with this sector, the most important of which are the following:

1. APCE 2010 "Excellence in Communication" Grand Premium – *Associação Portuguesa de Comunicação Empresarial*;
2. City of Lisbon Foundation;
3. The CERCICA, new phase in the therapy project using dogs to help the mentally handicapped children;
4. *Instituto da Imaculada Conceição* – support for the project to improve the quality of life of handicapped children;
5. *Fundação Evangelização e Culturas*;
6. *Acreditar* – Association of Parents and Friends of Children with Cancer;
7. Old Age Home in *Campolide*;
8. Assistance to *Aporvela*, a non-profit making, public utility association, through support for the Caravel "Vera Cruz".

9. Part of action taken by the *Montepio* Group, Lusitania supports *Frota Solidária*, in partnership with the *Associação Mutualista Montepio Geral*.

### 2. SPONSORSHIP OF THE ARTS

In 2010 the Company renewed its agreement with the Museum of the Presidency of the Republic and continued its status as official insurer to the Institute of Museums and Preservation.

As part of its business dealings involving *LusitaniaMar*, Lusitania attended the *Fórum Empresarial da Economia do Mar*.

### 3. OTHER SPONSORSHIP

In 2010 Lusitania also continued as the official sponsor to the Portuguese Confederation of Tennis. Besides this the Company gave its support again to budding young talent in athletics, sailing and motor sports.

The Company also participated in the centenary of the Portuguese Equestrian Society.

It was also the official sponsor of the European Championship for Beach Football, in which Portugal won the championship.

The relevance of the Motor sector in the Company's business justified its presence in the *Salão Motorclássico*, an exhibition of vintage cars.

## IV. ECONOMIC AND FINANCIAL ANALYSIS

Once the legal process for the acquisition of the shares of *Real Seguros* and the assets and liabilities of *Mutuamar – Mútua de Seguros dos Armadores da Pesca do Arrasto* was concluded on 31 December 2009, the 2010 financial year saw the business and employees of these former companies integrated in the new organisation and the resulting adaptation of Lusitania's management model, which gave rise to a new institutional framework.

Within a particularly difficult economic and financial framework, particularly after the merger process, Lusitania enjoyed a slight increase in turnover of 0.3%, rising from 231.759 thousand euros that includes *Real Seguros* and *Mutuamar*, to 232.372 thousand euros. The net result reflected the impact of the natural disasters that occurred during the year as well as trends on capitals markets, and rose to a little over 3 million euros, down -29.3% before re-expressing accounts.

### A. ANALYSIS OF BUSINESS PORTFOLIO

The insurance market continues to suffer tough price competition among insurers and this lowers the Company's working margin. This situation is exacerbated by the economic down-turn, which has brought high levels of unemployment and a slump in business in many productive units. Within this context, Lusitania's performance is described below.

#### 1. POLICIES

At the close of the first post-merger year, Lusitania had a portfolio of 786,793 policies, including temporary contracts earned in the year, 13,352 more policies than in 2009, taking into account the integration of *Real Seguros* and *Mutuamar* turnover, in all an increase of 1.7%. There were 226,000 new contracts, up 13.9% against 2009. The Motor sector performed best with 68% of new policies, followed by Health with 14.7% and Multi-Risk with 11.6%.

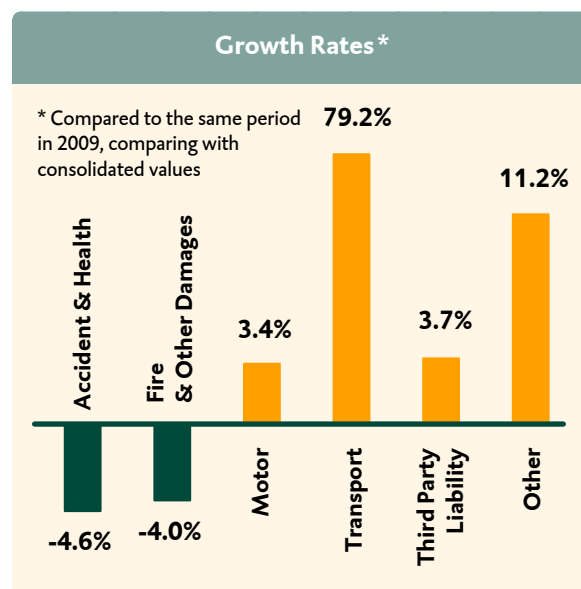
There was an increase in the number of policies cancelled, double the number cancelled in 2009, particularly in the Workmen's Compensation, Health and Indemnity sectors, although the trend was also observed somewhat differently in other sectors. The Motor sector suffered the highest number

with 60% rescissions, followed by Multi-risks with 19.1% and Workmen's Compensation with 10%.

#### 2. PREMIUMS

The reduction in average premium was scarcely significant at a -1.4%. The Motor and Workmen's Compensation sectors suffered most from this effect, caused by strong competition in the sector and heightened by the adverse economic situation.

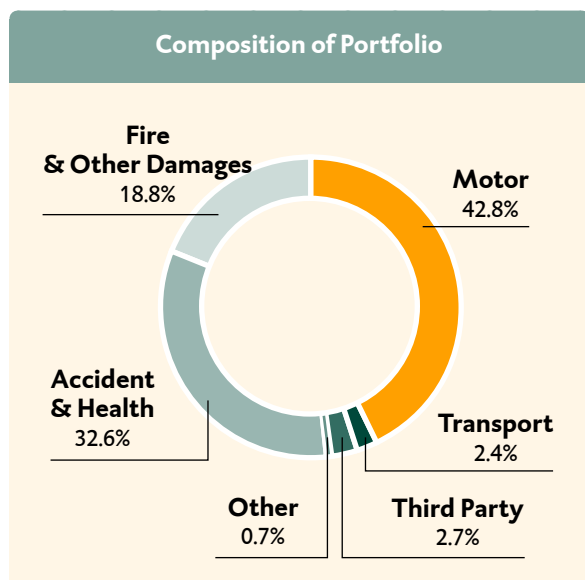
Apart from the effect of these turnovers, there was a slight increase in business turnover of 0.3%, compared to 2009, taking into account consolidated returns with *Real Seguros* and *Mutuamar*, so that the year closed with a direct insurance premiums turnover of 232.372 thousand euros, compared with 231.759 thousand euros in 2009.



Workmen's Compensation suffered a loss of -7.4% compared to 2009, Personal Accidents saw a drop in premiums of -9.6% and Multi-risks degreed -3.0%. To offset this, Health increased returns by 14.6% and Motor insurance enjoyed a rise of 3.4%. Thanks to a further boost from the new trade name LusitaniaMar, Transport rose 79% to 5.5 million euros, ranking Lusitania in third place in this segment.

### 3. PORTFOLIO COMPOSITION

As at 31 December 2010, the portfolio was distributed as shown below:



Compared to 2009, which includes *Real Seguros* and *Mutuamar*, the composition of the portfolio suffered changes due to a reduction in the share of some sectors. On the one hand, Accidents and Health and Fire and Other Damages lost sharers of respectively 1.6% and 0.8%; on the other hand, the Motor sector gained a share of 1.3%, Transport 1.0% and Third Party Liability rose 0.1%.

## B. CLAIMS MANAGEMENT

In 2010, the claims rate<sup>2</sup> suffered a slight increase compared to the rate for Lusitania in 2009, 62.7% against 61.5%. However, if we consider consolidated values, with *Real Seguros* and *Mutuamar*, the levels are substantially reduced with a fall of -6.5 p. p.

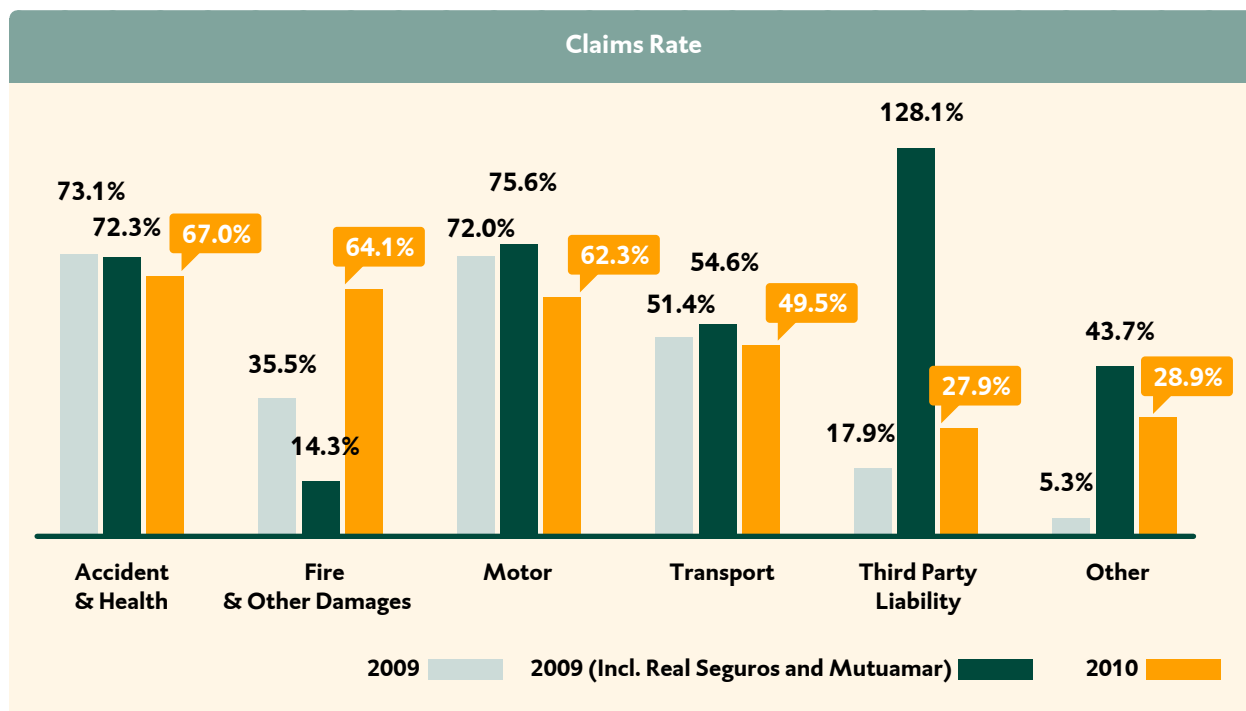
The reduction in claims in the Companies principal sectors contributed much towards this result. Workmen's Compensation fell 7.6 p p. and Motor insurance fell 13.6 03p, still comparing with consolidated values, with *Real Seguros* and *Mutuamar*. Similarly, Transport and Third Party Liability showed a similar trend, and dropping respectively from 54.6% and 128.1%, in 2009, 2 49.5% and 27.9% in 2010.

In Fire and Other Damages the rise in claims is explained basically by adverse weather conditions throughout the year, particularly by the storms that hit Madeira and the west of the country, causing damages of more than 8 million euros.

It is worth noting the large number of fraudulent cases detected, 10% out of all cases investigated.

[See Graphic](#) ▼

<sup>2</sup> Claims rate = Claims costs prior to allocation / Gross premiums earned



## C. REINSURANCE ANALYSIS

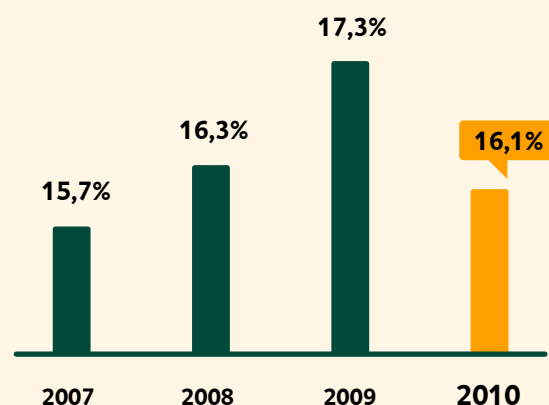
### 1. OUTWARD RE-INSURANCE

The ceding ratio fell 1.2 percentage points, compared to the Lusitania level, seen in isolation, and 2.24 p.p. when compared globally with the consolidated data of the two companies. This fall confirms that the portfolio plan is well adjusted, even in a period of process adjustment.

Commissions on outward re-insurance fell as a result of the structural change to the plan and the replacement of proportional contracts by non-proportional.

An analysis of the distribution of outward reinsurance premiums and their importance relative to direct insurance premiums shows clearly the relative importance of each type of reinsurance and its progress. Non-proportional cover has gained significance in the structure and assistance cover is relevant for its regular growth, the result of improving products supplied, and in percentage terms it is already equal to that of the non-proportional plan.

Changes in Outward Re-Insurance Ratio



in euros

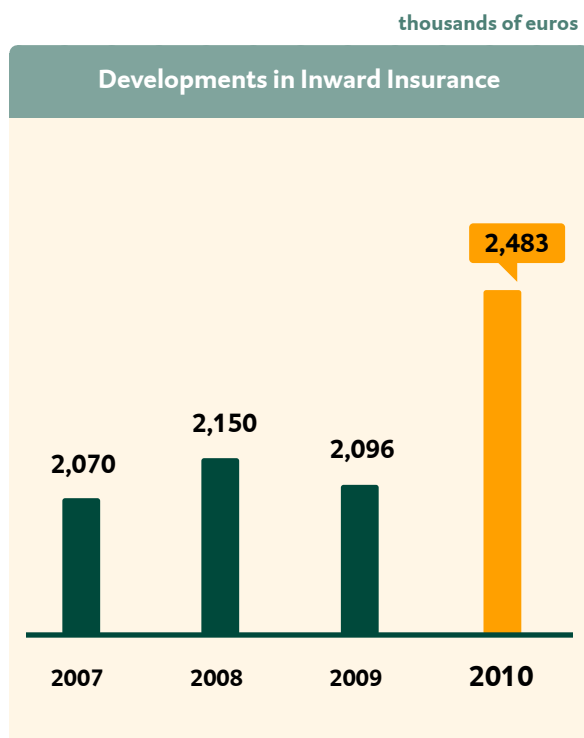
Outward Reinsurance	2009			2010		
	Premiums	%	Ceding	Premiums	%	Ceding
<b>Outward Reinsurance Premiums</b>	<b>22,487</b>	<b>100.0%</b>	<b>17.3%</b>	37,333	100.0%	16.1%
<b>Proportional Reinsurance</b>	19,002	84.5%	14.6%	30,803	82.5%	13.3%
• Treaties	13,686	60.9%	10.5%	21,188	56.8%	9.1%
• Assistance	2,788	12.4%	2.1%	6,093	16.3%	2.6%
• Optional	1,227	5.5%	0.9%	1,884	5.0%	0.8%
• Optional intern. business	1,301	5.8%	1.0%	1,639	4.4%	0.7%
<b>Non-proportional reinsurance</b>	3,485	15.5%	2.7%	6,530	17.5%	2.8%
• Per risk	1,308	5.8%	1.0%	2,832	7.6%	1.2%
• Protection retentions	2,177	9.7%	1.7%	3,698	9.9%	1.6%

## 2. INWARD RE-INSURANCE

Lusitania maintained its exclusive inward reinsurance policy of special holdings or holdings in companies of interest to the Montepio Group, and to this end it renewed its holdings in the CIAR Pool, in Cape Verde's Impar and in Mozambique, *Companhia de Seguros*.

This inward insurance apart from providing support to our partners has provided the Company with privileged information on other markets, an exchange of technical experiences and inward insurance results that have been balanced and stable over time.

Premiums from inward re-insurance rose by around 18.4%, and the global result was positive and high in percentage terms compared to previous years.



## D. ANÁLISE DOS CUSTOS

### 1. RUNNING COSTS

Running costs rose in 2010 to account for 13.2% of gross premiums earned, against 13.1% in 2009.

The slight rise in the commission rate showed the balance in remuneration between the Company's own portfolio and the portfolios acquired with the merger of *Real Seguros* and *Mutuamar*.

### 2. COSTS PER TYPE

Costs per type rose to account for 20.5% of gross direct insurance premiums earned in 2010, against 19.5% in 2009, or 20.9% taking into account the effect of the consolidation with *Real Seguros* and *Mutuamar*. This rise was due mainly to the decrease in returns in the year, although costs related to the merger process of *Real* and *Mutuamar* also contributed, if only partially, as these are not eligible for inclusion in the goodwill revision (see Chapter VI of this report and the notes to the Financial Statements).

From an examination of the main headings, we find that Personnel Costs fell by more than 1%. Outsourced Supplies and Services fell by more than 2 million euros, the equivalent of -10.7%, compared to the same period in 2009, despite the costs incurred with the merger. This performance reveals the effect of synergies resulting from the acquisition of *Real Seguros*. Taxation and Duties fell 13.5%. Depreciation and Amortization also suffered a fairly significant rise due to the amortization of portfolios acquired from *Real Seguros* and *Mutuamar*, amounting to more than 800,000 euros. On the other hand, Interest Payable rose by more than half a million euros, mainly the result of costs on a subordinated loan, responsible in itself for more than 350,000 euros. Commissions suffered a slight increase reflecting the performance of asset portfolios.

(euro)	2007	2008	2009	2009 *	2010
<b>Costs per Type</b>	<b>25,701,061</b>	<b>24,127,517</b>	<b>25,371,032</b>	<b>48,553,073</b>	<b>47,656,082</b>
Var.	14.7%	-6.1%	5.2%	91.4%	-1.8%
<b>Personnel Costs</b>	<b>13,360,831</b>	<b>13,158,615</b>	<b>14,178,814</b>	<b>25,068,159</b>	<b>24,706,494</b>
Var.	12.1%	-1.5%	7.8%	76.8%	-1.4%
<b>Supplies and Outsourced Services</b>	<b>7,358,569</b>	<b>8,583,131</b>	<b>8,598,505</b>	<b>19,152,171</b>	<b>17,094,834</b>
Var.	14.6%	16.6%	0.2%	122.7%	-10.7%
<b>Taxation and Duties</b>	<b>2,089,479</b>	<b>599,748</b>	<b>552,702</b>	<b>1,430,860</b>	<b>1,237,539</b>
Var.	8.7%	-71.3%	-7.8%	158.9%	-13.5%
<b>Depreciations and Amortizations for the Year</b>	<b>2,561,660</b>	<b>1,400,096</b>	<b>1,654,386</b>	<b>2,177,164</b>	<b>3,364,241</b>
Var.	37.0%	-45.3%	18.2%	31.6%	54.5%
<b>Interest Paid</b>	<b>118,326</b>	<b>183,080</b>	<b>153,173</b>	<b>155,049</b>	<b>665,756</b>
Var.	14.6%	54.7%	-16.3%	1.2%	329.4%
<b>Commissions</b>	<b>212,196</b>	<b>202,846</b>	<b>233,452</b>	<b>569,670</b>	<b>587,217</b>
Var.	14.4%	-4.4%	15.1%	144.0%	3.1%
<b>Direct Insurance Premiums</b>	<b>154,897,211</b>	<b>137,217,934</b>	<b>130,240,801</b>	<b>231,759,180</b>	<b>232,372,675</b>
Ratio	16.6%	17.6%	19.5%	20.9%	20.5%

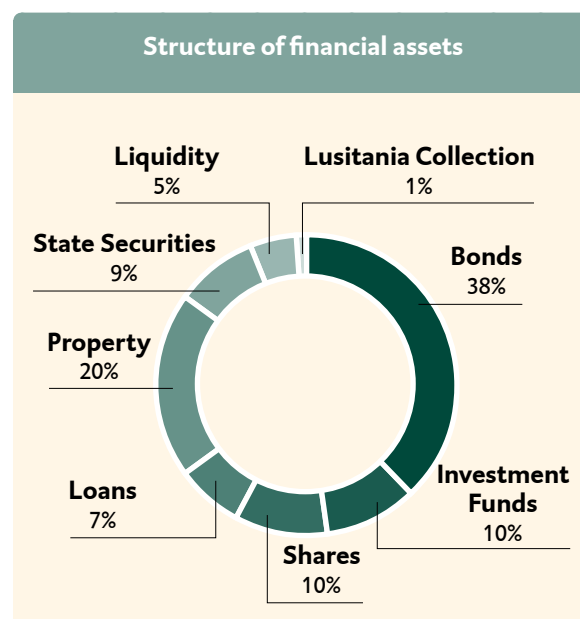
\* Values consolidated with Real Seguros and Mutuamar

## E. ASSET MANAGEMENT

As in previous years, the investment policy continued to be under-pinned by the criteria of caution and asset selection, appropriate for the insurance business, duly targeted by legislation in force and by the regulations of in-house investment policy.

This brought the Company's portfolio to over 377 million euros and is, essentially, made up of either fluctuating or fixed interest rate bonds and property. Risk assets account for only around 10.19% of total assets, while investment funds represent 9.70%.

There is also the relative importance of liquidity values, made up of call deposit balances and cash and term deposits that rose to 5.12% of the portfolio.



Investment net of disinvestment, at acquisition prices, was -5,876,803 euros. This disinvestment reflects the effort to integrate the assets and liabilities of *Real, Companhia de Seguros* and *Mutuamar* that took place in December 2009 and the effects of which were felt throughout 2010.

The table below shows net investment for the year according to heading and the respective variations.

Investimento Líquido	2008	2009	2010
<b>Liquidity</b>	-1,770,307.50	-115,610.10	1,810,449.88
<b>Term Deposits</b>	-4,031,500.00	-24,968,500.00	-10,371,015.00
<b>Bonds</b>	6,970,039.99	36,660,357.12	1,828,120.23
<b>Shares</b>	3,254,794.05	42,868,530.10	-1,381,281.08
<b>Investment Funds</b>	-49,148.47	-3,861,385.44	-5,348,034.50
<b>Property</b>	1,823,357.25	2,743,366.31	6,880,137.05
<b>Lusitania Collection</b>	21,863.82	67,593.70	40,220.69
<b>Loans</b>	-2,075,979.71	-3,282,499.32	664,599.52
<b>TOTAL</b>	<b>4,143,119.43</b>	<b>50,111,852.37</b>	<b>-5,876,803.21</b>



With regard to the portfolio at inventory prices, the difference in the total portfolio compared to 2009 was under 6.816 million euros due to contracting markets.

The portfolio structure in 2009 and 2010 is as shown in the table below.

The portfolio risk is located, essentially, in Portugal or in the European Union. However, in integrating the portfolios of the former *Real* and *Mutuamar*, consolidation spread to

other countries, among them the United States and "Others", including 5,640,370 euros for investment located in Bahrain and the remainder in other European countries, but the value of which does not exceed one million euros. Apart from these cases, there is no other significant change in the consolidation of investment in other European countries and throughout the world. With the exception of Mozambique, the company's entire portfolio is in euros.

Composition of Portfolio per Type of Asset	2009		2010		
	Value (in euro)	%	Value (in euro)	%	Var.
National Shares	29,588,419.52	7.71%	26,405,801.96	7.00%	-10.76%
Foreign Shares	11,552,873.49	3.01%	12,006,847.24	3.18%	3.93%
National Public Debt	11,428,946.31	2.98%	18,402,846.77	4.88%	61.02%
Foreign Public Debt	25,057,753.22	6.53%	15,063,138.35	4.00%	-39.89%
Other National Bonds	61,156,881.94	15.93%	78,500,313.85	20.82%	28.36%
Other Foreign Bonds	80,903,252.81	21.08%	66,062,102.89	17.52%	-18.34%
National Property Invest. Funds	13,885,594.24	3.62%	8,265,620.82	2.19%	-40.47%
Foreign Property Invest. Funds	6,543,761.21	1.70%	6,504,031.31	1.73%	-0.61%
National Finan. Invest. Funds	21,562,991.94	4.80%	21,791,244.68	5.78%	1.06%
Property	61,300,169.38	15.97%	73,759,990.16	19.56%	20.33%
Short & medium term Liquidity	31,970,751.78	8.33%	19,304,555.99	5.12%	-39.62%
Loans	24,713,035.52	6.44%	25,587,246.08	6.79%	3.54%
Other Assets	4,153,015.03	1.08%	5,346,921.72	1.42%	28.75%
<b>OVERALL VALUE OF PORTFOLIO</b>	<b>383,817,446.39</b>	<b>100.00%</b>	<b>377,000,661.82</b>	<b>100.00%</b>	<b>-1.78%</b>

Concentration of Portfolio per Country	2009		2010	
	Value (in euro)	%	Value (in euro)	%
Portugal	256,604,756.66	66.86%	277,275,300.78	73.55%
Spain	14,811,163.46	3.86%	20,293,625.95	5.38%
France	16,420,674.20	4.28%	11,429,150.34	3.03%
Germany	13,889,343.60	3.62%	14,851,903.86	3.94%
United States	6,472,613.58	1.69%	6,975,635.26	1.85%
The Netherlands	14,280,433.94	3.72%	3,107,265.93	0.82%
United Kingdom	18,547,838.19	4.83%	17,669,234.59	4.69%
Italy	10,082,870.73	2.63%	7,702,421.82	2.04%
Austria	2,415,110.43	0.63%	620,837.98	0.16%
Luxemburg	6,793,657.79	1.77%	2,058,360.09	0.55%
Other	23,498,983.81	6.12%	15,016,925.21	3.98%
<b>TOTAL</b>	<b>383,817,446.39</b>	<b>100.00%</b>	<b>377,000,661.82</b>	<b>100.00%</b>

The entire managed bond portfolio rose to more than 178 million euros, of which around 64.16% is in fixed rate securities. Around 33.79% of these assets are accounted for by fluctuating rate securities. The remaining categories account for around 2% of the bond portfolio.

The table below describes the bond portfolio in terms of type of interest rate on assets, in both 2010 and 2009.

Type of Interest rate on bond portfolio	2009		2010	
	Value (in euro)	%	Value (in euro)	%
Fixed	89,922,997.21	50.36%	114,220,023.12	64.16%
Fluctuating	88,329,822.47	49.47%	60,154,710.35	33.79%
Zero Coupon	189,515.04	0.11%	3,651,117.00	2.05%
Defaulted	104,499.56	0.06%	2,551.41	0.00%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

The quality of the securities in the bond portfolio is demonstrated by their rating, as shown in the table below.

Rating of bond portfolio	2009		2010	
	Value (in euro)	%	Value (in euro)	%
AAA	25,770,666.39	14.43%	13,331,294.97	7.49%
AA+	3,859,381.20	2.16%	2,688,424.09	1.51%
AA	6,636,101.47	3.72%	7,090,229.76	3.98%
AA-	5,826,140.64	3.26%	5,727,947.07	3.22%
A+	28,530,312.49	15.98%	9,582,492.80	5.38%
A	19,553,337.66	10.95%	12,127,235.63	6.81%
A-	15,339,972.24	8.59%	43,381,175.36	24.37%
BBB+	5,172,633.51	2.90%	5,407,207.75	3.04%
BBB	5,483,038.14	3.07%	5,491,807.29	3.08%
BBB-	1,797,175.10	1.01%	6,825,005.88	3.83%
BB+	-	-	-	-
BB	-	-	135,672.66	0.08%
BB-	-	-	1,400,644.40	0.79%
B+	-	-	-	-
B	1,069,715.60	0.60%	3,694,529.37	2.08%
B-	398,469.12	0.22%	-	-
CCC	-	-	297,403.96	0.17%
CC	-	-	-	-
C	219,825.00	0.12%	40,645.17	0.02%
D	-	-	-	-
Unknown	58,890,065.72	32.98%	60,806,685.74	34.16%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

The fall in the ratings of the Portfolio was due, this year, essentially, to the sovereign debt crisis, which led to the rating for Portugal and other member states of the European Union being revised and reduced by the rating agencies. However, and despite the situation, around 7.49% of the portfolio has an AAA rating and more than 52% of assets have an A- rating or higher, according to Standard & Poor's. Among the assets included under this heading with an unknown rating, around 47 million euros

refer to assets issued by the Montepio Geral Group and Barclays, which have a BBB+ and A- rating, respectively.

In terms of bond portfolio maturity, around 79.06% of the portfolio has a maturity date of up to or beyond 2012, against around 82.77% in 2009.

Maturity of Bond Portfolio	2009		2010	
	Value (in euro)	%	Value (in euro)	%
2010-2011	30,756,594.95	17.23%	37,271,035.79	20.94%
2012-2016	77,583,041.33	43.45%	72,800,898.40	40.89%
2017-2020	54,660,907.34	30.61%	53,635,601.80	30.13%
2021-2030	7,334,227.65	4.11%	5,833,703.38	3.28%
2031	8,212,063.01	4.60%	8,487,162.51	4.77%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

In terms of portfolio duration, around 62.68% of assets have duration of 3 years or more, and 44.49% have duration of over five years. In 2009, these ratios were around 61.2% and 39.3%, respectively.

Duration of Bond Portfolio	2009		2010	
	Value (in euro)	%	Value (in euro)	%
< 6 months	25,918,645.95	14.52%	31,536,502.80	17.71%
6 months a 1 year	4,837,949.00	2.71%	5,734,532.99	3.22%
1 year a 3 years	38,562,771.38	21.60%	29,167,524.81	16.38%
3 years a 5 years	39,020,269.95	21.85%	32,374,016.82	18.18%
5 years a 10 years	54,660,907.34	30.61%	64,894,958.57	36.45%
> 10 years	15,546,290.66	8.71%	14,320,865.89	8.04%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

## F. PERFORMANCE INDICATORS

As already mentioned, underwriting results reflect the consequences of the disasters that occurred in the year and the behaviour of financial markets that caused losses close to around 3 million euros.

In 2010, Lusitania had a result net of taxation of 3,034,497 euros, down -18.7% against 2009.

in euro

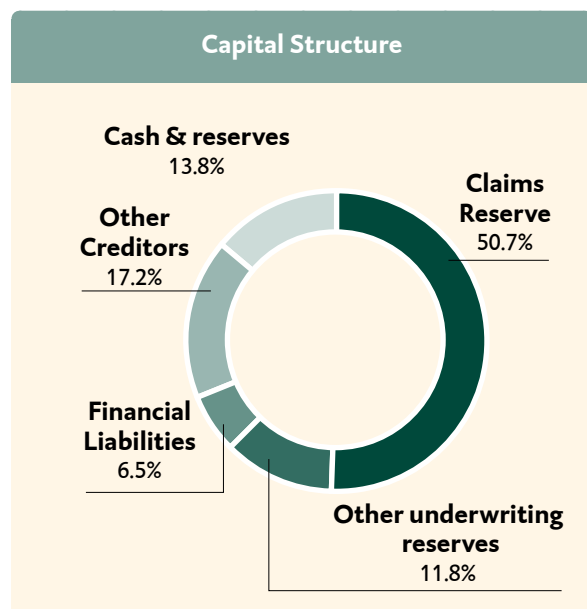
Results and Returns	2008	2009	2009 <sup>1</sup>	2010
<b>Underwriting Results</b>	<b>3,572,537</b>	<b>6,408,368</b>	<b>6,408,368</b>	<b>-108,490</b>
Var.	181.7%	79.4%	0.0%	-101.7%
<b>EBITDA</b>	<b>4,939,515</b>	<b>8,062,754</b>	<b>8,062,754</b>	<b>3,255,752</b>
Var.	29.0%	63.2%	0.0%	-59.6%
<b>EBITDA Margin</b>	<b>3.6%</b>	<b>6.1%</b>	<b>6.1%</b>	<b>1.4%</b>
Var. p.p.	1.1	2.5	0.0	-4.7
<b>Pre-Tax Results</b>	<b>3,690,300</b>	<b>7,832,341</b>	<b>7,271,377</b>	<b>4,488,295</b>
Var.	4.9%	112.2%	-7.2%	-38.3%
<b>Net Result</b>	<b>2,392,450</b>	<b>4,292,429</b>	<b>3,731,036</b>	<b>3,034,497</b>
Var.	-4.9%	79.4%	-13.1%	-18.7%
<b>Capital and reserves</b>	<b>25,402,746</b>	<b>82,412,610</b>	<b>78,348,418</b>	<b>76,962,720</b>
Var.	-16.2%	224.4%	-4.9%	-1.8%
<b>Returns on Sales</b>	<b>1.7%</b>	<b>3.3%</b>	<b>2.9%</b>	<b>1.3%</b>
Var. p.p.	0.1	1.6	-0.4	-1.6
<b>ROE</b>	<b>9.4%</b>	<b>5.2%</b>	<b>4.8%</b>	<b>3.9%</b>
Var.	6.5	-4.2	-0.4	-0.8

<sup>1</sup> Information on accounts re-expressed, the result of goodwill revaluation following the acquisition of *Real Seguros* and *Mutuamar*

## G. CAPITAL MANAGEMENT

### 1. CAPITAL STRUCTURE

Lusitania's capital structure is geared to management adapted to the Company's business as a trader in insurance. Financial assets serve primarily to cover liabilities assumed, which make up around two thirds of the balance sheet. Cash and reserves, together with the debenture loan taken out in 2009, are the principal sources used to fund the business and account for 17% of the total balance sheet.

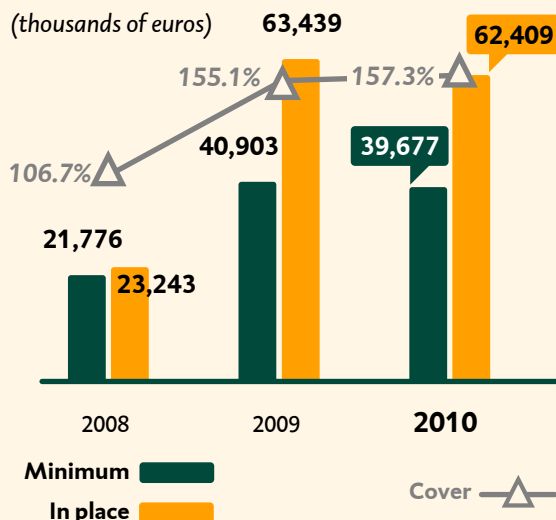


Cash and reserves suffered a negative change of -1.4 million euros, after re-expressing the accounts, against 2009, bringing the total to 77 million euros, as a result of adjustments in fair value of financial assets that fell from -1 million euros to -5.7 million euros. The net result also suffered a drop of -0.7 million euros.

### 2. SOLVENCY

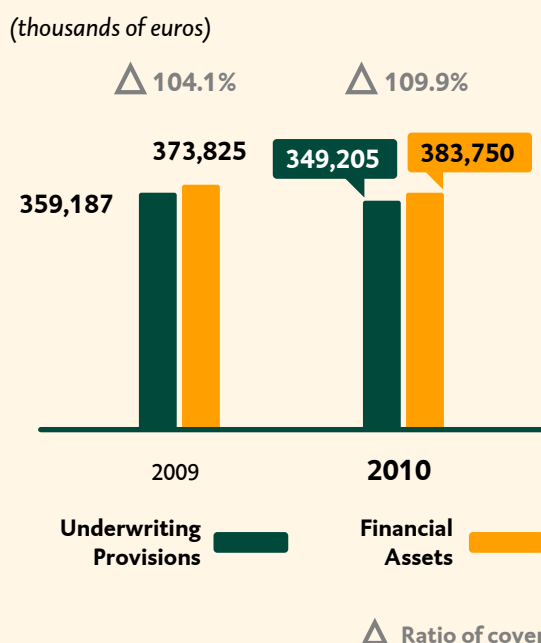
Lusitania's solvency margin, cultivated according to regulations in force, at 31 December 2010 stood at 40 million euros with an available capital of 62 million euros, the equivalent of 157.3% of the margin.

#### Solvency Margin



Underwriting provisions rose to a total of 350 million euros, -2.8% down against 2009; for the same period, representative assets rose 2.7% to total 384 million euros. This brought the level of cover for underwriting provisions from 104.1% to 109.9%.

#### Margin of Cover for Underwriting Provisions



## V. RELEVANT ITEMS

### A. GOODWILL REVALUATION

The process of consolidating the business of *Real Seguros* and *Mutuamar* and, in view of continued uncertainty regarding the value of assets and liabilities, the Company registered provisions for the sum of 4.085 thousand euros and 1000 thousand euros, respectively, to accommodate for potential adjustments to negative goodwill determined initially, during the following 12 month period, as laid down in IFRS 3 - consolidation of corporate business.

Once the period provided for had ended, the assets and liabilities of the two companies were revalued and adjustments made led to goodwill worth 14.7 million euros.

### B. TAX LOSSES

During the merger process with *Real Seguro*, Lusitania applied to the tax authorities for authorization to deduct from taxable profits the losses recorded in the accounts of the companies taken over, an application provided for in the terms of the Corporate Tax Code. The application for the right to carry losses over was deferred by applying a deductions plan that, from its very nature, makes its practical effects ineffective.

In view of the unfairness provoked by this response, after absorbing a company that was in major financial difficulty, Lusitania lodged an appeal against this decision with the Ministry of Finance and is awaiting a reply.

## VI. PROPOSED DISTRIBUTION OF PROFITS

The Management Report and accounts for 2010 have been submitted and discussed, ready for approval at the next General Meeting to be held on 25 March, it was decided to suggest to the General Meeting that the accounts be approved as well as the following distribution of results:

Euros	
LEGAL RESERVE	303,449.68
STATUTORY RESERVE	303,449.68
FREE RESERVE	1,387,597.44
DIVIDENDS	1,040,000.00
<b>TOTAL</b>	<b>3,034,496.80</b>

Once the distribution of profits has been approved at the General Meeting of shareholders, the Company's equity will stand at 75,922,719.52 euros.

## VII. PROSPECTS FOR 2011

### A. ECONOMIC ACTIVITY

In the most recent economic forecasts published in the winter issue of its Economic Bulletin, the Bank of Portugal (BdP) outlined a scenario that is not encouraging for the Portuguese economy. It is estimated that GDP will shrink (-1.3%) in

2011, and that growth will be limited (+0.6%) in 2012, in a period that will be affected by further adjustments to macro-economic imbalances that have accumulated over more than a decade.

See table ▼

Economic Forecasts for Portugal and for the Euro Zone

(unit: %)	2010				2011				2012			
	PORTUGAL		EURO ZONE		PORTUGAL		EURO ZONE		PORTUGAL		EURO ZONE	
	BdP	EFFECT.	CE	EFFECT.	BdP	EC	ECB	EC	BdP	CE	ECB	CE
<b>GDP</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>1.7</b>	<b>-1.3</b>	<b>-1.0</b>	<b>1.7</b>	<b>1.6*</b>	<b>0.6</b>	<b>0.8</b>	<b>1.8</b>	<b>1.8</b>
Private Consumption	1.8	-	1.6	0.7	-2.7	-2.8	1.0	0.9	-0.5	-0.7	1.3	1.4
Public Consumption	3.2	-	3.0	0.7	-4.6	-6.8	0.1	-0.1	-1.0	-1.3	0.2	0.2
Investment (FBCF)	-5.0	-	-4.1	-0.8	-6.8	-3.2	1.9	2.2	-0.4	-0.4	3.1	3.6
Exports	9.0	-	9.1	10.6	5.9	5.6	7.2	6.1	6.1	6.4	6.1	6.3
Imports	5.0	-	5.8	8.7	-1.9	-3.2	5.6	5.1	2.4	1.5	5.6	5.9
<b>Inflation</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.6</b>	<b>2.7</b>	<b>2.3</b>	<b>2.3</b>	<b>2.2*</b>	<b>1.4</b>	<b>1.3</b>	<b>1.7</b>	<b>1.7</b>
<b>Unemployment Rate</b>	<b>-</b>	<b>10.8</b>	<b>10.5</b>	<b>10.0</b>	<b>-</b>	<b>11.1</b>	<b>-</b>	<b>10.0</b>	<b>-</b>	<b>11.2</b>	<b>-</b>	<b>9.6</b>

Sources: Bank of Portugal (BdP), 11 January 2011. European Commission (EC), 29 November 2010; and European Central Bank (ECB), 2 March 2011.  
Notes: "Effect." Refers to effective figures already disclosed for 2010. EC figures with an asterisk refer to interim forecasts published on 1 March 2011.

According to the national monetary authority, this description of how the economy will evolve reflects, on the one hand, a reduction in domestic demand throughout the forecast period, which will be particularly intense in 2011, and, on the other, continued significant growth in exports, although at a lower

rate than that planned for 2010, accompanying developments in foreign trade flows.



## B. BACKGROUND TO INSURANCE MARKET

Indicators for the sector suggest that the factors of scale, consolidation of resources and degree of penetration of new technologies will be the factors determining improved competitiveness.

The scale and persistence of the economic and financial crisis both at home and abroad mark the start of a new economic and social order that may lead to querying whether the European social model should continue. It will be within this new scenario that insurance companies, inevitably, will be called upon to increase their role of protection in unemployment, health and old age. In Portugal, this trend has already emerged and will demand a considerable response capacity from the insurance sector, without jeopardizing that sector's economic and financial sustainability in the medium term.

The coming year will be yet another period in which the sector will face major challenges both from pressure on prices, due to the persistent crisis, and from the need to carefully manage its capital. Indeed, given the majority of the sector, new regulatory demands - Solvency II - and the constant pressure on prices and products due to strong competition, companies will be feel the need to achieve new levels of efficiency and quality to be able to continue to respond adequately to the demands for the protection and safety of their clients.

## C. STRATEGY FOR THE NEXT THREE YEARS

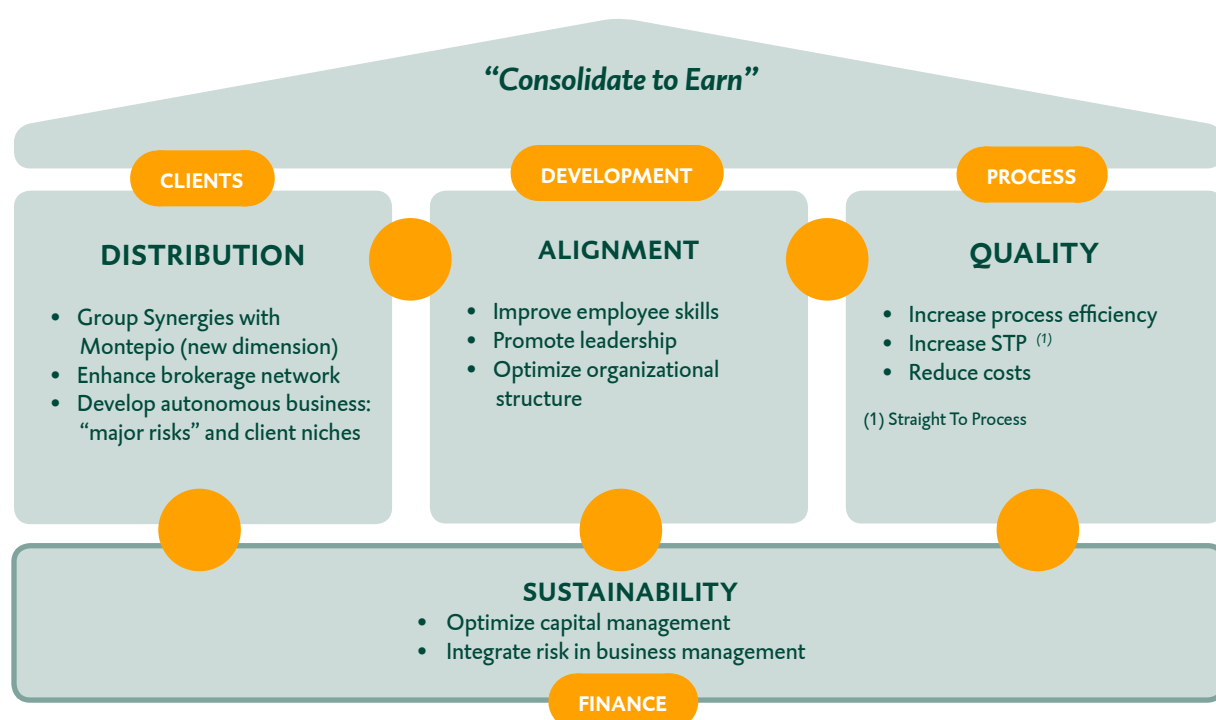
After acquiring and merging *Real - Companhia de Seguros*, at the end of 2009, Lusitania doubled its market scale, increased its capacity and prepared for the new challenges that the insurance sector will face.

The Company has as its main objectives: sustainable growth, increased profits and improved quality and efficiency. However, the challenges in coming years vary in type:

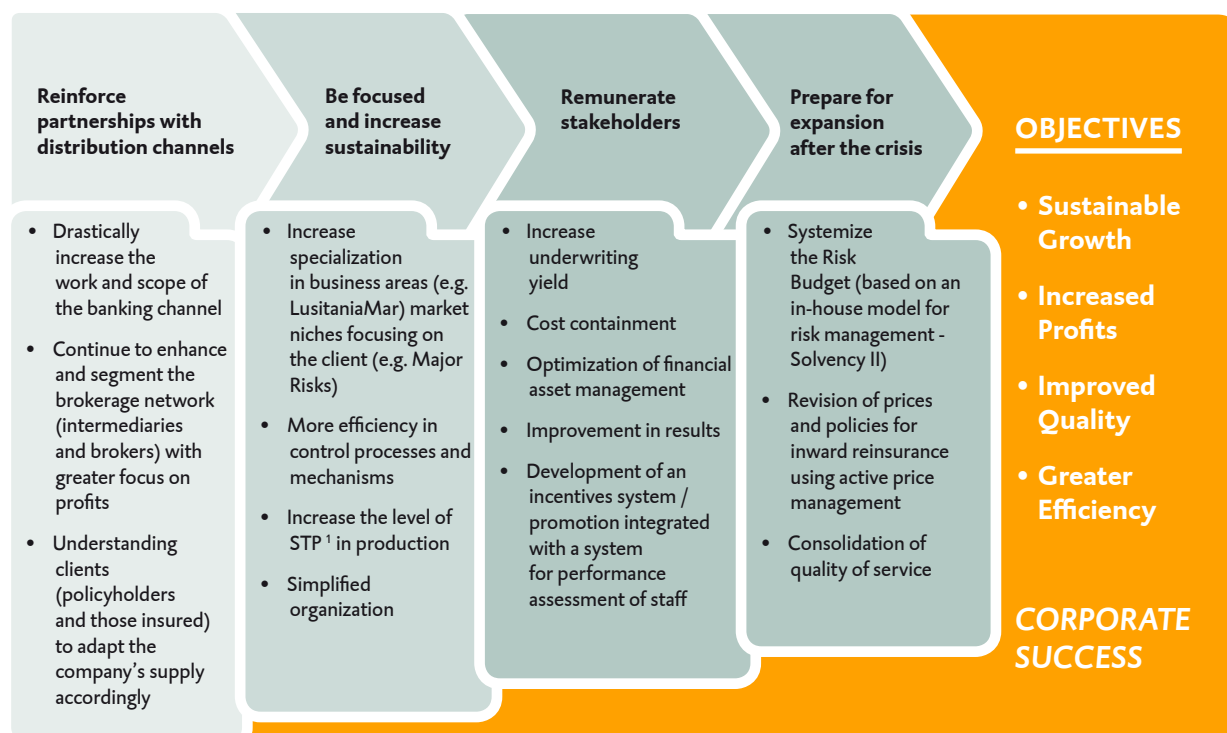
- Prospects that the economic and financial crisis will continue
- Prospects of the Non-Life insurance market in Portugal stagnating
- High level of consolidation in the Non-Life sectors that show prospects for growth (principally health)
- Insurance viewed as a commodity (massification)
- More restrictive regulations on risk management - Solvency II
- A shortage of capital and more demands made on salaries

To respond to these challenges Lusitania has defined strategic guidelines for the 2011-2013 period:

▼ See Graphic



The Company's Plan "Consolidate to Win 2011-2013" involves a series of integrated action plans with a view to building up approaches to development.



<sup>1</sup> Straight To Process

Implementation of the plan is geared to the strategic goals established for 2013:

Indicators for strategic objectives		Goals 2013
Premiums Earned (€M)	>	260.00
Market Share	>	6.2%
Pre-tax Profits [ROE]	≥	13.3%
Net Results (€M)	≥	12.00
Underwriting Profit (EBITDA/PBE)	≥	4.4%
Claims Rate (claims/PBE)	<	59.2%
Expense Ratio	≤	29.0%
Costs per type/PBE	<	15.9%
Premiums per worker (€M)	≥	400.00

## CLOSING REMARKS

Lastly, we would like to express our gratitude to the Portuguese Association of Insurers, the Broker Associations and the pertinent Unions, and extend a special word of thanks:

to the *Instituto de Seguros de Portugal*,  
to the Administration and staff of *Lusitania Vida*,  
to the Administration and staff of *N Seguros*,  
to the Supervisory Body and the Official Auditors,  
to our Brokers,  
to *José Mata, Lda*,  
to our Re-insurers and  
to our Policy Holders.

The Board of Directors would also like to thank our Shareholders and, in particular, *Montepio*, for their constant support.

*Lisbon, 25 February 2011*

### THE BOARD OF DIRECTORS

**António Tomás Correia**  
*Chairman*

**José António de Arez Romão**  
*Managing Director*

**Jorge José Conceição Silva**  
*Director*

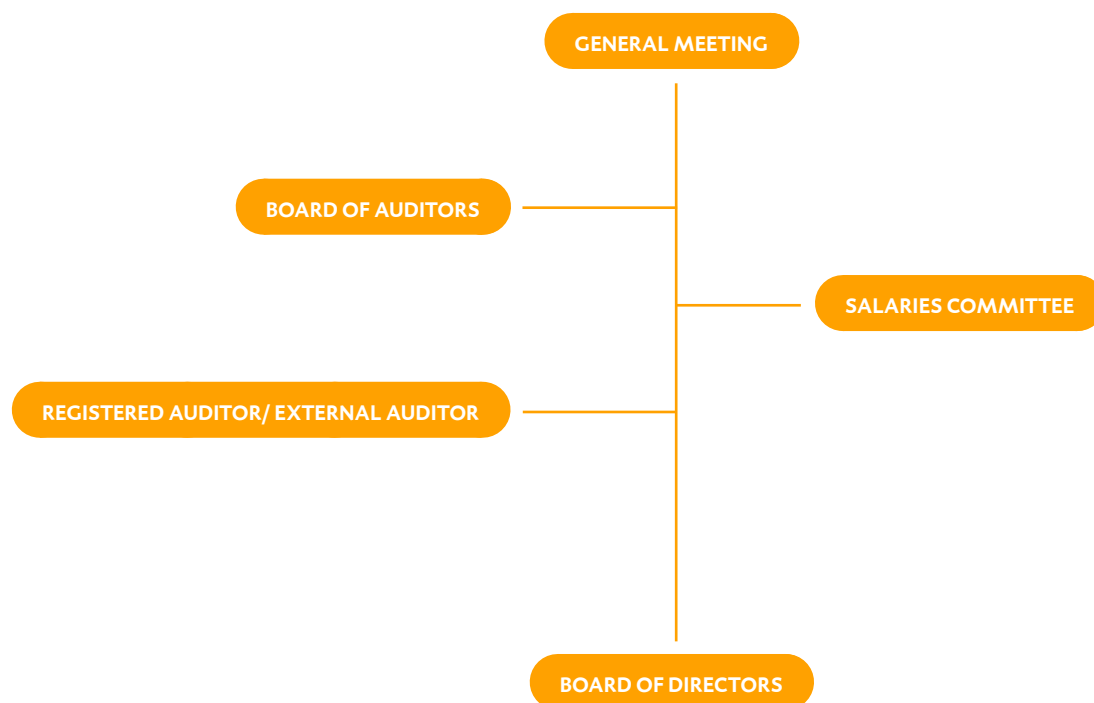
**Virgílio Manuel Boavista Lima**  
*Director*

**José António Romão Eusébio**  
*Director*

# Annex 1

## Report of Corporate Governance

### 1. STRUCTURE OF GOVERNANCE



Pursuant to the terms of the statutes corporate management is provided by a Board of Directors composed of three to seven members elected every four years, and who may stand for re-election.

Currently the Board of Directors elected for the four-year period 2008/2011 is composed of five directors, one of them the Chairman, another the Managing Director and three Directors.

The Board of Directors is responsible for managing the company's business and to this end it has wide-reaching powers. The work of administration is monitored by a Board of Auditors composed of three full-time members and a registered official auditor elected once every four years, and who may stand for re-election.

A committee composed of three members elected every four years by the shareholders determines the salaries paid to the members of the Board of Directors, and this committee may stand for re-election.

## 2. IDENTIFICATION AND COMPOSITION OF CORPORATE GOVERNANCE

### CHAIR OF THE GENERAL MEETING

CHAIRMAN	Vítor José Melícias Lopes
VICE-CHAIRMAN	José Joaquim Fragoso
SECRETARY	António Ferreira Carvalho

### BOARD OF DIRECTORS

CHAIRMAN	António Tomás Correia
MANAGING DIRECTOR	José António de Arez Romão
DIRECTOR	Jorge José da Conceição Silva
DIRECTOR	Virgílio Manuel Boavista Lima
DIRECTOR	José António Romão Eusébio

### BOARD OF AUDITORS

CHAIRMAN	Manuel da Costa Braz
MEMBER	José Augusto Perestrello Alarcão Troni
MEMBER	Fernando Vassalo Namorado Rosa

### REGISTERED STATUTORY AUDITORS

Pricewaterhouse Coopers e Associados, Sociedade de Revisores Oficiais de Contas, Lda. Represented by Carlos Manuel Sim Sim Maia/  
Abdul Nasser Abdul Sattar

### 3. PROFESSIONAL QUALIFICATION OF MEMBERS OF THE BOARD OF DIRECTORS AND PRACTICE IN RECENT YEARS

**ANTÓNIO TOMÁS CORREIA** *Chairman*

Professional qualification: Graduate in Law from the Classical University of Lisbon

Practice in recent years:

- Member of the Board of Directors of *Montepio Geral* (2004 to 30 April 2008);
- Chairman of the Board of Directors of *Montepio Geral* (from 1 May 2008);
- Within the *Montepio Group*, Chairman of *Lusitania Companhia de Seguros, S.A* and of *Lusitania Vida*, Director of *Futuro* and of *Leacock*.
- Director of *Finibanco Angola* and *Finibanco Portugal*

**JOSÉ ANTÓNIO DE AREZ ROMÃO** *Director*

Professional qualification: Graduate in Law from the Lisbon Faculty of Law in 1967

Practice in recent years:

- Managing Director of *LUSITANIA, Companhia de Seguros, SA*, since 6 June 1986 and Director of *LUSITANIA-VIDA, Companhia de Seguros, SA*, since 15 May 1987;
- Director of *SPA – Sociedade Portuguesa de Administrações*, representing *LUSITANIA, Companhia de Seguros, SA*;
- Chairman of the General Meeting of the *APS – Associação Portuguesa de Seguradores*.

**JORGE JOSÉ DA CONCEIÇÃO SILVA** *Director*

Professional qualification: Graduate in Economy from the *Instituto Superior de Economia*

Practice in recent years:

- Director of *LUSITANIA, Companhia de Seguros, SA*, since 2004;
- Chairman of the Board of Auditors of *Futuro, Sociedade Gestora de Fundo de Pensões, SA*, representing *LUSITANIA, Companhia de Seguros, SA*, from 1988 to 1993;
- Managing Director and later Chairman of the Board of Directors of the *Clínica de Santa Maria de Belém, SA*, from 1989 to 1993;
- Director of the company *AG2S - Assistência e Gestão Social da Saúde, SA*.

**VIRGÍLIO MANUEL BOAVISTA LIMA** *Director*

Professional qualification: Graduate in Company Organization and Management from the *Instituto Superior de Economia*, in 1985.

Practice in recent years:

- Director of *LUSITANIA, Companhia de Seguros, SA*, since 2008;
- Chairman of the Board of Directors of *N Seguros, SA*, since 2010;
- Director of *SILVIP, Sociedade Gestora Fundos e Investimentos Prediais, SA*;
- Member of the General Board of *Montepio Geral* and the *Montepio Geral Foundation*;
- Director of “*Société d’Investissement à Capitale Variable PVCi – Portugal Venture Capital Initiative*”;
- Director of *Caixa Económica de Cabo Verde*;
- Director of “*MG Fundos – Sociedade Gestora de Fundos*”;
- Director of “*MG Patrimónios - Sociedade Gestora de Patrimónios*”.

**JOSÉ ANTÓNIO ROMÃO EUSÉBIO** *Director*

Professional qualification: Graduate in Finance from the *Instituto Superior de Economia*, in 1973.

Practice in recent years:

- Director of *LUSITANIA, Companhia de Seguros, SA*, since 2009;
- Director of *N Seguros, Companhia de Seguros, SA*, since 2010;
- Director of *Império Bonança, Companhia de Seguros, SA*, between 2004 and 2005;
- Member of the Board of Directors of *Oniway*, between 2001 and 2003;
- Director of *Cimpor Cimentos de Portugal SA*, between 1987 and 1992.

#### 4. SALARIES POLICY

The Salaries Committee elected by the General Meeting determines the remuneration to be paid to members of Administration and Auditing.

Salaries paid to executive directors demand sound and cautious management and are determined depending on scale, performance and results achieved.

As laid down in Law n° 28/2009 of 19 June, the Salaries Committee submits annually for the approval of the General Meeting a statement containing the salaries policy for corporate governance.

The General Assembly approved salaries paid in 2010 at the meeting held on 30 March 2010, and the salaries paid to the Board of Directors were not revised during the financial year.

Non-executive directors of the Board of Directors received no remuneration. The executive directors have no functions in any other company in the Group and receive no remuneration from these companies. No relevant non-cash benefits that might be considered as salary are paid to the directors.

There is no recourse to outside consultants in dealing with remuneration.

The draft salaries policy for 2011 prepared as laid down in circular n° 6/2010 dated 1 April from the ISP, as submitted to the Meeting held on 25 March 2011, appears in the attachments to this report.

#### 5. PENSIONS REFORM

In the General Meeting held in 2006, the decision was taken that members of the Board of Directors holding a labour contract as Company Director prior to being elected to Director, would have the right to a retirement pension to complement the Social Security pension up to 80% of the last basic salary, as laid down in the terms of the same contract.

The retirement pension is funded by the Pensions Fund and is paid by the same.

#### 6. COMPOSITION OF SALARIES COMMITTEE

The Salaries Committee elected for the four-year period 2007/2010 is composed of:

*Chairman* VÍTOR JOSÉ MELÍCIAS LOPES

*Member* NORBERTO DA CUNHA JUNQUEIRO F. FÉLIX PILAR

*Member* EDUARDO JOSÉ DA SILVA FARINHA

#### 7. SALARIES RECEIVED BY MEMBERS OF THE BOARDS OF DIRECTORS AND AUDITORS (IN THE TERMS OF ART. 2° OF LAW N° 28/2009)

##### a. Collective

**Board of Directors** – 679,089.90 euro

**Board of Auditors** – 10,150.00 euro

##### b. Individual

##### Board of Directors

António Tomás Correia – 0 euros

José António de Arez Romão – 234,309.90 euros<sup>4</sup>

Jorge José da Conceição Silva – 208,530.00 euros

Virgílio Manuel Boavista Lima – 27,720.00 euros<sup>5</sup>

José António Romão Eusébio – 208,530.00 euros

##### Board of Auditors

Manuel da Costa Braz – 4,060.00 euros

José Augusto Perestrelo Alarcão Troni – 3,045.00 euros

Fernando Vassalo Namorado Rosa – 3,045.00 euros

#### 8. SALARY OF AUDITOR/REGISTERED STATUTORY AUDITOR

The amount invoiced by our external auditors Price-WaterhouseCoopers in 2010 amounted to 201,172 euros (that includes 34,579.85 euros for VAT) and covers work related to the External Audit and issuing the Legal Ratification of Accounts.

<sup>1</sup> Receives no other remuneration for positions filled in companies in the Group, namely as Director of Lusitania Vida, Moçambique Companhia de Seguros, SA ad Sociedade Portuguesa de Administrações.

<sup>2</sup> Sum added to the amount received from Caixa Económica Montepio Geral, where he is a member of staff, seconded to Lusitania, with executive functions. The overall sum received corresponds to the remuneration of member of the Board of Directors of Lusitania (208,530.00 euros)

9. **SHARES HELD BY MEMBERS OF THE BOARDS  
OF DIRECTORS AND AUDITORS IN THE CAPITAL  
OF LUSITANIA (ART. 447 OF COMMERCIAL  
COMPANY CODE)**

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<b>MEMBERS OF THE BOARD OF DIRECTORS</b>	<b>SHARES HELD ON 31/12/2010</b>	<b>SHARES HELD ON 31/12/2009</b>
José António de Azevedo Romão	6,600	6,494
Jorge José da Conceição Silva	6	6

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The increase in shares held by the Managing Director results from the increase in capital from the incorporation of free reserves.

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# Annex 2

## Founders and Boards of Directors of Lusitania

### SHAREHOLDERS

Montepio Geral – Associação Mutualista  
 Caixa Económica Montepio Geral  
 Alves Ribeiro, Lda.  
 Empresa de Tráfego e Estiva, S.A.R.L.  
 Comendador João Francisco Justino  
 VICAIMA – Indústria de Madeiras e Derivados, Lda.  
 COLEP – Companhia Portuguesa de Embalagens, Lda.  
 FNAC – Fábrica Nacional de Ar Condicionado, União de Cooperativas de Responsabilidade Limitada  
 Francisco António Fernandes, Limitada  
 Filmes Lusomundo, S.A.R.L.  
 Engº João Firmino de Almeida Henriques  
 Dr. Carlos Alberto Bento de Oliveira  
 Dr. José António de Arez Romão  
 Dr. José Manuel Serrano de Ramos e Costa  
 EMPOR – Empreendimentos Comerciais e Financeiros, S.A.R.L.  
 Coronel António Pais Andorinho Romão  
 HOPALIS – Hospital Particular de Lisboa, Limitada  
 Engº Vítor Manuel da Silva Ribeiro  
 Caixa de Previdência de Profissionais da Imprensa de Lisboa – Casa da Imprensa – Associação de Socorros Mútuos  
 Associação de Socorros Mútuos de Empregados no Comércio de Lisboa  
 Associação de Socorros Mútuos Rainha Dona Leonor  
 Liga das Associações de Socorro Mútuo do Porto  
 Associação de Socorros Mútuos José Maria Correia, Legado do Caixeiro Alentejano  
 Mutualidade Popular, Associação de Socorros Mútuos

### BOARDS OF DIRECTORS

#### CHAIRMEN

1986 / 1991	Vasco Ferreira César das Neves	(1929 – 2011)
1991 / 2004	António de Seixas da Costa Leal	(1921 – 2007)
2004 / 2005	António Tomás Correia	
2005 / 2008	José da Silva Lopes	
2008 to the present	António Tomás Correia	

## MANAGING DIRECTORS

1986 / 1987	José Manuel Serrano de Ramos e Costa	(1936 – 1987)
1986 to the present	José António de Azevedo Romão	

## DIRECTORS

1986 / 1998	António Luís Marques de Figueiredo	(1931 – 2010)
1995 / 2003	António Manuel Maldonado Gonelha	
1986 / 1995	Carlos Alberto Bento de Oliveira	
1994 / 1995	Fernando Ginja Mendes	(1928 – 2006)
1986 / 1990	João Francisco Justino	
2004 to the present	Jorge José da Conceição Silva	
2009 to the present	José António Romão Eusébio	
1993 / 1995	José Joaquim Cordeiro Tavares	
1995 / 1996	José Joaquim Fragoso	
1990 / 1993	José Manuel Ferreira Neto	
1996 / 2002	José de Matos Torres	(1934 – 2004)
1993 / 1994	Maria do Carmo Ortigão Costa Guedes da Silva	
1992 / 1993	Rui Vasco da Silveira Preto Correia	(1928 – 1995)
2008 até à data	Virgílio Manuel Boavista Lima	
1989 / 1991	Vítor José Melícias Lopes	
1986 / 1995	Vítor Manuel da Silva Ribeiro	

## STAFF HIRED IN THE COMPANY'S FIRST BUSINESS YEAR

José António Arez Romão	06-06-1986
José Manuel Ramos e Costa	06-06-1986
Jorge José Conceição Silva	18-06-1986
Aldina Antónia Costa Romaneiro	18-06-1986
Maria Teresa Chambel Matos Moradias	18-06-1986
Pedro Manuel Guerra Mascarenhas Valente	18-06-1986
Isabel Maria Queiroz Neves	23-06-1986
António Ferreira Carvalho	14-07-1986
Francisco José Marques Carvalho Guerra	01-08-1986
Maria Amélia Costa Jesus Rocha	01-08-1986
José Manuel Vieira Ramalho	01-08-1986
Manuel Almeida Correia	04-09-1986
João Manuel Santos Rosa	01-10-1986
José Nuno Firmo Botelho Andrade	01-10-1986
Luís Manuel Felício Gonçalves	01-10-1986
Carlos Manuel Dantas Araújo Marques	01-10-1986
Maria José Paulos Falcão	06-10-1986
Virgínia Maria Figueiredo Afonso Ribeiro	15-10-1986
Armando Teixeira de Sousa	01-01-1987
Dolores Conceição Cardoso Teixeira Sousa	01-01-1987
Dinis Pereira Bernardes	01-01-1987
Augusto Marques Magalhães	01-01-1987
José Pedro Gaiola Pedroso	08-01-1987
Álvaro Manuel Azambuja Pereira	09-01-1987
Armanda Maria Costa Gonçalves Conceição Silva	01-04-1987

2010

LUSITANIA  
COMPANHIA DE SEGUROS, SA.

2010 REPORT  
AND ACCOUNTS



# FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT

TABLES ATTACHED TO THE NOTES TO THE FINANCIAL STATEMENTS

LUSITANIA PROPERTY

INVENTORY OF THE LUSITANIA COLLECTION

RATIFICATIONS



## LUSITANIA

Grupo Montepio

# Financial Statements

31 December 2010

in euro

Assets	Gross Value	Impairment, depreciation/ amortization or adjustments	Net Value	Previous financial year re-expressed	2008
<b>Cash and its equivalents and demand deposits</b>	4,168,744.51	0.00	4,168,744.51	6,620,715.01	2,473,904.73
<b>Investments in affiliates, associates and joint undertakings</b>	15,247,577.91	0.00	15,247,577.91	15,659,177.89	2,697,577.91
<b>Financial assets available-for-sale</b>	6,693,786.14	0.00	6,693,786.14	7,991,596.54	6,294,142.39
<b>Financial assets classified in initial recognition at fair value through profit and loss</b>	15,060,130.22	0.00	15,060,130.22	15,560,387.71	0.00
<b>Hedging derivatives</b>	0.00	0.00	0.00	0.00	0.00
<b>Financial assets available-for-sale</b>	216,000,453.60	0.00	216,000,453.60	223,890,719.17	104,880,773.57
<b>Loans granted and accounts outstanding</b>	<b>40,951,909.37</b>	<b>0.00</b>	<b>40,951,909.37</b>	<b>50,860,172.11</b>	31,767,154.26
• Deposits with ceding companies	228,851.81	0.00	228,851.81	191,270.33	192,717.55
• Other deposits	15,135,811.48	0.00	15,135,811.48	25,482,924.47	26,580,328.18
• Loans granted	25,587,246.08	0.00	25,587,246.08	25,185,977.31	4,994,108.53
• Outstanding accounts	0.00	0.00	0.00	0.00	0.00
• Other	0.00	0.00	0.00	0.00	0.00
<b>Investments to be held until maturity</b>	0.00	0.00	0.00	0.00	0.00
<b>Land and buildings</b>	<b>73,670,748.79</b>	<b>2,344,428.72</b>	<b>71,326,320.07</b>	<b>59,724,005.43</b>	40,421,934.79
• Land and buildings for own use	48,152,569.93	2,344,428.72	45,808,141.21	39,610,343.03	36,366,735.93
• Land and buildings for income	25,518,178.86	0.00	25,518,178.86	20,113,662.40	4,055,198.86
<b>Other tangible assets</b>	23,308,850.06	15,421,125.86	7,887,724.20	12,874,895.34	7,756,137.42
<b>Inventories</b>	0.00	0.00	0.00	0.00	0.00
<b>Goodwill</b>	18,673,846.40	0.00	18,673,846.40	18,673,846.40	3,983,171.81
<b>Other intangible assets</b>	20,389,742.47	1,757,570.97	18,632,171.50	19,190,169.78	1,034,862.54
<b>Technical provisions for outward reinsurance</b>	<b>35,422,053.30</b>	<b>0.00</b>	<b>35,422,053.30</b>	<b>35,559,019.37</b>	17,920,515.29
• Provision for unearned premiums	6,532,089.30	0.00	6,532,089.30	7,585,296.59	4,300,019.05
• Mathematical provision for life sector	0.00	0.00	0.00	0.00	0.00

31 December 2010

in euro

Assets	Gross Value	Impairment, depreciation/ amortization/ or adjustments	Net Value	Previous financial year re-expressed	2008
• Claims provision	28,889,964.00	0.00	28,889,964.00	27,973,722.78	13,620,496.24
• Profit sharing provision	0.00	0.00	0.00	0.00	0.00
• Provision for rate commitments	0.00	0.00	0.00	0.00	0.00
• Provision for portfolio stabilisation	0.00	0.00	0.00	0.00	0.00
• Other technical provisions	0.00	0.00	0.00	0.00	0.00
<b>Assets on post-employment benefits and other long-term benefits</b>	<b>1,299,989.06</b>	<b>0.00</b>	<b>1,299,989.06</b>	<b>1,653,796.44</b>	<b>1,409,380.99</b>
<b>Other debtors from insurance operations and other operations</b>	<b>92,023,812.38</b>	<b>4,094,930.26</b>	<b>87,928,882.12</b>	<b>63,861,677.69</b>	<b>51,025,079.53</b>
• Outstanding accounts due on direct insurance operations	62,966,586.35	1,882,379.16	61,084,207.19	47,202,462.57	36,906,619.78
• Outstanding accounts due on reinsurance operations	6,474,259.58	0.00	6,474,259.58	3,018,761.23	2,744,582.59
• Outstanding accounts due on other operations	22,582,966.45	2,212,551.10	20,370,415.35	13,640,453.89	11,373,877.16
<b>Assets due from taxes and duties</b>	<b>15,804,113.43</b>	<b>0.00</b>	<b>15,804,113.43</b>	<b>16,061,973.16</b>	<b>5,860,285.59</b>
• Assets due from current taxes (and duties)	1,437,361.87	0.00	1,437,361.87	1,756,232.29	791,473.53
• Assets for deferred taxation	14,366,751.56	0.00	14,366,751.56	14,305,740.87	5,068,812.06
<b>Accruals and deferred gains</b>	<b>4,197,926.15</b>	<b>0.00</b>	<b>4,197,926.15</b>	<b>2,167,540.58</b>	<b>2,237,913.06</b>
<b>Other asset elements</b>	<b>5,667.12</b>	<b>0.00</b>	<b>5,667.12</b>	<b>149,788.43</b>	<b>0.00</b>
<b>Non-current assets available-for-sale and discontinued operating units</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL ASSETS</b>	<b>582,919,350.91</b>	<b>23,618,055.81</b>	<b>559,301,295.10</b>	<b>550,499,481.05</b>	<b>279,762,833.88</b>

31 December 2010

in euro

Liabilities and Share Capital	Value	Previous financial year re-expressed	2008
<b>LIABILITIES</b>			
<b>Technical provisions</b>	<b>349,204,659.95</b>	<b>359,186,880.52</b>	181,074,251.28
• Provision for unearned premiums	52,968,387.46	50,499,745.55	31,525,440.52
• Mathematical provision for the life sector	0.00	0.00	0.00
• <b>Claims provision</b>	<b>283,332,137.37</b>	<b>292,614,262.99</b>	143,530,722.56
• For life	0.00	0.00	0.00
• For workmen's compensation	129,225,371.97	135,792,991.95	66,238,481.85
• For other sectors	154,106,765.40	156,821,271.04	77,292,240.71
• Provision for profit sharing	0.00	0.00	0.00
• Provision for rate commitments	0.00	0.00	0.00
• Provision for portfolio stabilisation	0.00	0.00	0.00
• Provision for claims equalisation	4,384,690.66	3,940,309.84	3,232,493.43
• Provision for risks in progress	8,519,444.46	12,132,562.14	2,785,594.77
• Other technical provisions	0.00	0.00	0.00
<b>Financial liabilities for insurance contract deposits and insurance contracts and operations considered to be investment contracts for accounting purposes</b>	0.00	0.00	0.00
<b>Other financial liabilities</b>	<b>36,560,447.22</b>	<b>25,290,900.30</b>	6,010,263.76
• Hedging derivatives	0.00	0.00	0.00
• Subordinated liabilities	18,000,000.00	18,000,000.00	0.00
• Deposits received from reinsurers	7,112,447.22	5,790,900.30	6,010,263.76
• Other	11,448,000.00	1,500,000.00	0.00
<b>Liabilities for post-employment benefits and other long-term benefits</b>	0.00	0.00	129,732.00
<b>Other creditors in insurance and other operations</b>	<b>28,969,789.61</b>	<b>39,107,172.05</b>	30,625,443.65
• Outstanding accounts on direct insurance operations	11,712,948.00	14,321,205.66	13,687,609.65
• Outstanding accounts on reinsurance operations	8,381,464.87	8,973,147.85	7,913,991.52
• Outstanding accounts on other operations	8,875,376.74	15,812,818.54	9,023,842.48
<b>Liabilities due to taxation and duties</b>	<b>14,072,521.01</b>	<b>15,108,849.33</b>	10,038,203.17
• Liabilities for current taxation	12,150,416.91	13,034,461.96	7,970,664.62
• Liabilities for deferred taxation	1,922,104.10	2,074,387.37	2,067,538.55
<b>Accruals and deferred losses</b>	<b>47,530,905.77</b>	<b>26,533,085.59</b>	26,193,064.14



31 December 2010

in euro

Liabilities and Share Capital	Value	Previous financial year re-expressed	2008
<b>Other provisions</b>	6,000,252.02	6,924,175.09	289,129.44
<b>Other liability elements</b>	0.00	0.00	0.00
<b>Liabilities of a group for sell-off classified as held for sale</b>	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>482,338,575.58</b>	<b>472,151,062.88</b>	<b>254,360,087.44</b>
<b>SHARE CAPITAL</b>			
<b>Capital</b>	26,000,000.00	25,580,895.00	25,000,000.00
<b>(Own Shares)</b>	0.00	0.00	0.00
<b>Other capital instruments</b>	46,546,001.00	46,546,001.00	0.00
<b>Revaluation reserves</b>	<b>-5,485,595.52</b>	<b>-797,907.93</b>	<b>-10,615,829.77</b>
• For readjustments in fair value of financial assets	-5,658,244.55	-970,556.96	-10,788,478.80
• For revaluation of land and buildings for own use	0.00	0.00	0.00
• For revaluation of other tangible assets	172,649.03	172,649.03	0.00
• For revaluation of intangible assets	0.00	0.00	172,649.03
• For adjustments to the fair value of hedging instruments for cash flow hedging	0.00	0.00	0.00
• For adjustments in the fair value of hedging for net investments in foreign currency	0.00	0.00	0.00
• Exchange differences	0.00	0.00	0.00
<b>Reserve for deferred taxation</b>	1,531,141.69	240,413.75	2,315,966.24
<b>Other reserves</b>	5,336,675.55	3,047,550.63	3,594,416.38
<b>Retained earnings</b>	0.00	0.00	2,715,743.44
<b>Result for year</b>	<b>3,034,496.80</b>	<b>3,731,465.72</b>	<b>2,392,450.15</b>
<b>Total Share Capital</b>	<b>76,962,719.52</b>	<b>78,348,418.17</b>	<b>25,402,746.44</b>
<b>TOTAL LIABILITY AND SHARE CAPITAL</b>	<b>559,301,295.10</b>	<b>550,499,481.05</b>	<b>279,762,833.88</b>

31 December 2010

in euro

Profit and Loss Account	Life Technical	Non-Life Technical	Non Technical	Total	Previous financial year Re-expression
<b>Premiums earned net of reinsurance</b>	0.00	<b>194,210,925.91</b>		194,210,925.91	113,050,711.14
• Gross premiums earned	0.00	234,855,297.57		234,855,297.57	132,337,062.60
• Outward reinsurance premiums	0.00	37,332,894.13		37,332,894.13	22,487,257.91
• Provision for unearned premiums (variation)	0.00	2,258,270.24		2,258,270.24	-4,076,200.80
• Provision for unearned premiums, reinsurers part (variation)	0.00	-1,053,207.29		-1,053,207.29	-875,294.35
<b>Commission for insurance contracts and operations considered for accounting purposes to be investment contracts or contracts for the provision of services</b>	0.00	0.00		0.00	0.00
<b>Claims costs, net of reinsurance</b>	0.00	<b>143,968,166.28</b>		143,968,166.28	82,144,546.34
• Amounts paid	0.00	<b>159,445,302.42</b>		159,445,302.42	83,471,251.04
• Gross amount	0.00	173,033,456.95		173,033,456.95	88,464,529.43
• Reinsurers' part	0.00	13,588,154.53		13,588,154.53	4,993,278.39
• Claims provision (variation)	0.00	<b>-15,477,136.14</b>		-15,477,136.14	-1,326,704.70
• Gross amount	0.00	-14,544,282.55		-14,544,282.55	-1,248,379.56
• Reinsurers' part	0.00	932,853.59		932,853.59	78,325.14
<b>Other technical provisions, net of reinsurance (variation)</b>	0.00	-3,168,736.86		-3,168,736.86	-4,484,811.62
<b>Mathematical provision for the life sector, net of reinsurance (variation)</b>	0.00			0.00	0.00
• Gross amount	0.00			0.00	0.00
• Reinsurers' part	0.00			0.00	0.00
<b>Profit sharing, net of reinsurance</b>	0.00	0.00		0.00	0.00
• Net running costs and spending	0.00	<b>58,496,885.29</b>		58,496,885.29	32,591,453.78
• Acquisition costs	0.00	44,064,874.31		44,064,874.31	22,771,210.46
• Deferred acquisition costs (variation)	0.00	210,371.67		210,371.67	625,966.86
• Administrative costs	0.00	21,234,833.87		21,234,833.87	14,061,041.36
• Commissions and profit share in reinsurance results	0.00	7,013,194.56		7,013,194.56	4,866,764.90
<b>Income</b>	0.00	<b>6,717,062.98</b>	<b>912,457.57</b>	<b>7,629,520.55</b>	<b>5,388,189.77</b>
• From interest on financial assets not valued at fair value through profit and loss	0.00	4,467,232.29	0.00	4,467,232.29	3,480,739.23
• From interest on financial liabilities not valued at fair value through profit and loss	0.00	0.00	0.00	0.00	0.00
• Other	0.00	2,249,830.69	912,457.57	3,162,288.26	1,907,450.54
<b>Financial costs</b>	0.00	<b>1,473,708.63</b>	<b>84,261.92</b>	<b>1,557,970.55</b>	<b>561,659.39</b>
• On interest from financial assets not valued at fair value through profit and loss	0.00	0.00	0.00	0.00	0.00
• On interest from financial liabilities not valued at fair value through profit and loss	0.00	0.00	0.00	0.00	0.00
• Other	0.00	1,473,708.63	84,261.92	1,557,970.55	561,659.39
<b>Net gains on financial assets and liabilities not valued at fair value through profit and loss</b>	0.00	<b>1,821,137.17</b>	<b>0.00</b>	<b>1,821,137.17</b>	<b>2,400,385.44</b>
• On assets available-for-sale	0.00	1,821,137.17	0.00	1,821,137.17	2,400,385.44

31 December 2010

in euro

Profit and Loss Account	Life Technical	Non-Life Technical	Non Technical	Total	Previous financial year Re-expression
• On loans and accounts outstanding	0.00	0.00	0.00	0.00	0.00
• On investment to be held until maturity	0.00	0.00	0.00	0.00	0.00
• On financial liabilities valued as depreciation cost	0.00	0.00	0.00	0.00	0.00
• On other	0.00	0.00	0.00	0.00	0.00
<b>Net gains on financial assets and liabilities valued at fair value through profit and loss</b>	<b>0.00</b>	<b>-1,113,733.60</b>	<b>0.00</b>	<b>-1,113,733.60</b>	<b>775,782.28</b>
• On financial assets and liabilities held for trading	0.00	-254,784.19	0.00	-254,784.19	775,782.28
• On financial assets and liabilities classified in initial recognition at fair value through profit and loss	0.00	-858,949.41	0.00	-858,949.41	0.00
<b>Exchange differences</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net gains from the sale of financial assets that are not classified as non-current assets held for sale and discontinued operational units</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Losses on impairment (net of entitlement)</b>	<b>0.00</b>	<b>1,935,667.40</b>	<b>0.00</b>	<b>1,935,667.40</b>	<b>4,216,758.55</b>
• On assets available-for-sale	0.00	1,861,086.99	0.00	1,861,086.99	4,216,758.55
• On loans and outstanding accounts valued at depreciation cost	0.00	0.00	0.00	0.00	0.00
• On investments to be held until maturity	0.00	0.00	0.00	0.00	0.00
• On other	0.00	74,580.41	0.00	74,580.41	0.00
<b>Other income/technical losses, net of reinsurance</b>	<b>0.00</b>	<b>961,808.61</b>	<b>0.00</b>	<b>961,808.61</b>	<b>120,310.78</b>
<b>Other provisions (variation)</b>			<b>-4,442,428.50</b>	<b>-4,442,428.50</b>	<b>13,694.97</b>
<b>Other income/spending</b>			<b>-673,839.09</b>	<b>-673,839.09</b>	<b>-1,961,080.74</b>
<b>Negative goodwill recognised immediately in profit and loss</b>			<b>0.00</b>	<b>0.00</b>	<b>2,540,380.00</b>
<b>Profit and loss of associates and joint undertakings entered in accounts using the equity method</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit and loss on non-current assets (or groups for sell-off) classified as held for sale</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Result Before Tax</b>	<b>0.00</b>	<b>-108,489.67</b>	<b>4,596,785.06</b>	<b>4,488,295.39</b>	<b>7,271,377.26</b>
<b>Tax on income for the year – Current tax</b>	<b>0.00</b>	<b>-9,097.37</b>	<b>385,461.98</b>	<b>376,364.61</b>	<b>388,794.58</b>
<b>Tax on income for the year – Deferred tax</b>	<b>0.00</b>	<b>-26,043.40</b>	<b>1,103,477.38</b>	<b>1,077,433.98</b>	<b>3,151,116.96</b>
<b>NET PROFIT FOR FINANCIAL YEAR</b>				<b>3,034,496.80</b>	<b>3,731,465.72</b>

31 December 2010

in euro

STATEMENT OF VARIATION IN SHARE CAPITAL	CAPITAL	OTHER CAPITAL INVESTMENTS		REVALUATION RESERVES		Reserve for Deferred Taxation	OTHER RESERVES			Retained Results	Result of Financial Year	TOTAL
		Supplementary services	Adjustments in fair value of financial assets available-for-sale	Revaluation of other tangible assets	Revaluation of intangible assets		Legal Reserve	Statutory Reserve	Other Reserves			
Balance as at 31 December n-2 (opening balance)	25,000,000.00	0.00	-10,788,478.80	0.00	172,649.03	2,315,966.24	2,103,185.75	0.00	1,491,230.63	2,715,743.44	2,392,450.15	25,402,746.44
Error correction (IAS 8)												0.00
Changes to accounting policies (IFRS 1 and IAS 8)												0.00
Opening balance altered	25,000,000.00	0.00	-10,788,478.80	0.00	172,649.03	2,315,966.24	2,103,185.75	0.00	1,491,230.63	2,715,743.44	2,392,450.15	25,402,746.44
Increases/reductions in capital	580,895.00								-580,895.00			0.00
Trading in own shares												0.00
Net gains on adjustments in fair value of affiliates, associates and joint undertakings												0.00
Net gains on adjustments in fair value of financial assets available-for-sale			7,807,487.19									7,807,487.19
Net gains on adjustments to revaluation of lands and buildings for own use												0.00
Net gains on adjustments to revaluation of intangible assets												0.00
Net gains on adjustments to revaluation of other tangible assets												0.00
Net gains on adjustments to hedging in cash flow hedging												0.00
Net gains on adjustments to hedging instruments for net investments in foreign currency												0.00
Net gains from differences in exchange rate												0.00
Adjustments from recognitions of deferred taxation						-1,540,180.39						-1,540,180.39
Increases in reserves from distribution of profits							239,245.02	239,245.02	913,960.11		-1,392,450.15	0.00
Distribution of reserves												0.00
Distribution of profits/losses											-1,000,000.00	-1,000,000.00
Changes in accounting estimates												0.00

31 December 2010

in euro

STATEMENT OF VARIATION IN SHARE CAPITAL	CAPITAL	OTHER CAPITAL INVESTMENTS		REVALUATION RESERVES		Reserve for Deferred Taxation	OTHER RESERVES			Retained Results	Result of Financial Year	TOTAL
		Supple- mentary services	Adjustments in fair value of financial assets available-for- sale	Revalua- tion of other tangible assets	Revalua- tion of intangible assets		Legal Reserve	Statu- tory Reserve	Other Reserves			
Other profit/loss recognised directly in share capital		46,546,001.00	1,906,157.83			-505,131.82			-496,899.58			47,450,127.43
Transfers between share capital headings included in other lines				172,649.03	-172,649.03			251,669.81	-251,669.81			0.00
Total variations in share capital	580,895.00	46,546,001.00	9,713,645.02	172,649.03	-172,649.03	-2,045,312.21	239,245.02	490,914.83	-415,504.28	0.00	-2,392,450.15	52,717,434.23
Net result for year											4,292,429.43	4,292,429.43
Advance distribution of profits												0.00
Effects of re- expression			104,276.82			-30,240.28			-861,521.32	-2,715,743.44	-560,963.71	-4,064,191.93
Balance as at 31 December n-1 re-expression	25,580,895.00	46,546,001.00	-970,556.96	172,649.03	0.00	240,413.75	2,342,430.77	490,914.83	214,205.03	0.00	3,731,465.72	78,348,418.17
Balance as at 31 December n-1 re-expression (opening balance)	25,580,895.00	46,546,001.00	-970,556.96	172,649.03	0.00	240,413.75	2,342,430.77	490,914.83	214,205.03	0.00	3,731,465.72	78,348,418.17
Error correction (IAS 8)												0.00
Changes to accounting policies (IFRS 1 and IAS 8)												0.00
Opening balance altered	25,580,895.00	46,546,001.00	-970,556.96	172,649.03	0.00	240,413.75	2,342,430.77	490,914.83	214,205.03	0.00	3,731,465.72	78,348,418.17
Increases/ reductions in capital	419,105.00								-419,105.00			0.00
Trading in own shares												0.00
Net gains on adjustments in fair value of affiliates, associates and joint undertakings												0.00
Net gains on adjustments in fair value of financial assets available-for-sale			-4,687,687.59									-4,687,687.59
Net gains on adjustments to revaluation of lands and buildings for own use												0.00
Net gains on adjustments to revaluation of intangible assets												0.00
Net gains on adjustments to revaluation of other tangible assets												0.00

31 December 2010

in euro

STATEMENT OF VARIATION IN SHARE CAPITAL	CAPITAL	OTHER CAPITAL INVESTMENTS		REVALUATION RESERVES		Reserve for Deferred Taxation	OTHER RESERVES			Retained Results	Result of Financial Year	TOTAL
		Supplementary services	Adjustments in fair value of financial assets available-for-sale	Revaluation of other tangible assets	Revaluation of intangible assets		Legal Reserve	Statutory Reserve	Other Reserves			
Net gains on adjustments to hedging in cash flow hedging												0.00
Net gains on adjustments to hedging instruments for net investments in foreign currency												0.00
Net gains from differences in exchange rate												0.00
Adjustments from recognitions of deferred taxation						1,290,727.94						1,290,727.94
Increases in reserves from distribution of profits							429,242.94	429,242.94	2,410,707.75		-3,269,193.63	0.00
Distribution of reserves												0.00
Distribution of profits/losses											-1,023,235.80	-1,023,235.80
Changes in accounting estimates												0.00
Other profit/loss recognised directly in share capital												0.00
Transfers between share capital headings included in other lines									-560,963.71		560,963.71	0.00
Total variations in share capital	419,105.00	0.00	-4,687,687.59	0.00	0.00	1,290,727.94	429,242.94	429,242.94	1,430,639.04	0.00	-3,731,465.72	-4,420,195.45
Net result for year											3,034,496.80	3,034,496.80
Advance distribution of profits												0.00
BALANCE AS AT 31 DECEMBER n	26,000,000.00	46,546,001.00	-5,658,244.55	172,649.03	0.00	1,531,141.69	2,771,673.71	920,157.77	1,644,844.07	0.00	3,034,496.80	76,962,719.52

31 December 2010

in euro

Statement of Total Income	2010	2009 re-expressed
<b>Net profit for year</b>	3,034,496.80	3,731,465.72
<b>Revaluation reserve</b>		
• By adjustment to fair value of financial assets	-4,687,687.59	9,817,921.84
<b>Reserve for deferred taxation</b>		
• By adjustment to fair value of financial assets	1,290,727.94	-2,075,552.49
<b>Other gains / losses recognised directly in share capital</b>	0.00	-4,084,354.34
<b>Result not included in the profit and loss account</b>	-3,396,959.65	3,658,015.01
<b>TOTAL INCOME FOR FINANCIAL YEAR</b>	<b>-362,462.85</b>	<b>7,389,480.73</b>

# Notes to the Balance Sheet and Profit and Loss Statement

## 1. General information

Lusitania Companhia de Seguros, S.A., (hereafter referred to as Lusitania) was incorporated on 6 June 1986, as a Limited Company, and deals in the insurance and reinsurance business for all the Non-Life insurance sectors (with the exception of credit insurance), for which it has been duly authorised by the *Instituto de Seguros de Portugal (ISP)*.

In 2009, the Company acquired 85% of the shares of *Real Seguros, SA* (hereinafter referred to as *Real Seguros*) from the company *Lusa de Negócios* and the asset and liability portfolio of *Mutuamar – Mútua de Seguros dos Armadores da Pesca do Arrasto* (hereinafter referred to as *Mutuamar*). The first operation also included the acquisition of *N Seguros* (in which *Real Seguros* held a 100% share holding), an insurer using exclusively the direct channel, in the personal insurance segment, trading only in Non-Life insurance.

Authorisation was given by the Competition Authority on 15 October 2009 for the *Real Seguros* operation and on 2 November 2009 85% of its shares were acquired. Authorisation was given by the *Instituto de Seguros de Portugal (ISP)* on 23 December 2009 for the purchase of the assets and liabilities of *Mutuamar*. The merger of *Real Seguros* with Lusitania and the incorporation of the assets and liabilities of *Mutuamar* were completed on 31 December 2009.

Traditionally, even after merging *Real Seguros, SA* on 31 December 2009, the most important sectors in terms of premium turnover are the Accident & Health and Motor sectors, accounting respectively for 32.6% and 42.8% of premiums earned in 2010 (2009: 38.0% and 35.0%, respectively).

The Company has its head office in Lisbon, its main distribution channel being through its network of agents.

The notes to the financial statements included in these attachments follow the order established in the Accounts Plan for Insurance Companies. Any numbers not referred to in this report are not applicable because the respective values or situations to which they refer are irrelevant.

The financial statements submitted were approved by the Board of Directors on 24 March 2011.

## 2. Information according to segment

### 2.1. Indicate the types of product and service included in each business segment, referring to the composition of each geographic segment, whether principal or secondary

A business segment is a series of assets and operations that are subject to specific risks and gains different to other business segments.

A geographic segment is a group of assets and operations located in a specific economic environment, which are subject to risks and gains that are different from other segments operating in other economic environments.

The Company considers the insurance business segment to be its main segment. For this segment information will be recorded per sector, bearing in mind that the Company's most significant sectors are: motor, accident & health and fire & other damages.

There is only one geographic segment as all contracts are signed in Portugal.

### 2.2. Report per business segment and per geographic segment

In consulting the following tables laid out per segment it should be borne in mind that in comparing with 2009, the amounts relative to 2009 cover only Lusitania's business (and do not cover the respective amounts for *Real Seguros*).



## Main Segment — Business Segment

## Results per segment as at 31 December 2010

in euro

	Non-Life Sectors	Accident Health	Fire and other damages	Motor	Other
Gross premiums earned	234,855,297.57	75,786,293.72	46,245,350.17	97,923,927.33	14,899,726.35
Outward reinsurance premiums	37,332,894.13	3,470,836.17	20,505,960.82	8,327,138.92	5,028,958.22
Gross premiums acquired	232,597,027.33	76,901,936.25	46,455,514.08	93,676,733.79	15,562,843.21
Return on investments <sup>(1)</sup>	4,435,382.30	2,611,064.31	278,888.95	1,349,881.42	195,547.62
Gross claims costs	158,489,174.40	58,905,947.44	29,683,363.12	64,137,470.19	5,762,393.65
Gross running costs	65,510,079.85	25,556,214.14	11,433,685.50	21,833,909.14	6,686,271.07
Underwriting result	-108,489.67	-4,096,555.22	-3,851,217.27	7,797,135.02	42,147.80
Investment allocated to cover underwriting provisions <sup>(2)</sup>	365,120,353.22	144,701,363.98	44,939,108.46	153,340,969.49	22,138,911.28
Underwriting Provisions	359,428,547.22	141,619,646.46	44,406,962.62	151,525,184.48	21,876,753.66

## Results per segment as at 31 December 2009:

in euro

	Non-Life Sectors	Accident Health	Fire and other damages	Motor	Other
Gross premiums earned	132,337,062.60	48,822,969.32	33,139,679.94	44,423,753.45	5,950,659.89
Outward reinsurance premiums	22,487,257.91	5,224,658.52	12,203,701.99	3,077,324.02	1,981,573.38
Gross premiums acquired	136,413,263.40	49,385,134.89	34,292,584.48	46,870,132.73	5,865,411.30
Return on investments <sup>1</sup>	3,488,534.88	1,468,180.44	525,314.18	1,373,261.98	121,778.28
Gross claims costs	87,216,149.87	38,196,050.60	13,295,347.79	34,148,597.43	1,576,154.05
Gross running costs	37,458,218.68	10,316,257.69	10,914,805.82	13,598,198.91	2,628,956.26
Underwriting result	897,443.47	641,635.53	2,776,139.89	-3,313,371.80	793,039.85
Investment allocated to cover underwriting provisions <sup>2</sup>	395,678,813.62	156,759,017.74	46,738,524.96	166,054,945.32	26,126,325.60
Underwriting Provisions	369,104,343.10	150,663,230.03	42,732,396.36	151,821,773.30	23,886,943.41

## Secondary segment — geographic segment

As indicated in 2.1 above, there is only one geographic segment as all contracts are signed in Portugal.

<sup>1</sup> With the exception of the result of asset investments to cover the underwriting provisions of Workmen's Compensation, the result of investment was distributed based on the underwriting provisions for each sector.

<sup>2</sup> With the exception of Workmen's Compensation, investments to cover the underwriting provisions of sectors were distributed based on the underwriting provisions for each sector.

### 3. Basis for preparing the financial statements and accounting policies

#### 3.1. Describe measurements used in preparing the financial statements and accounting policies, applicable to the assets, liabilities and capital and reserve headings, relevant for an understanding of the financial statements

As stipulated in the Accounts Plan for Insurance Companies, approved by Enabling Regulation n.º 4/2007-R, of 27 April, with amendments introduced by Regulation n.º 20/2007-R of 31 December, the Company adopted the International Financial Reporting Standards (IFRS) in preparing these financial statements, in the terms of Article 3 of EC Regulation n.º 1606/2002, of the European Parliament and the Council, of 19 July, with the exception of IFRS 4 for which only the classification principles for the type of contract signed by insurance companies are adopted.

##### Measurement bases:

Financial Statements are expressed in Euros;

Financial Statements were prepared on a historical cost basis, with the exception of assets and liabilities recorded at fair value, namely financial assets at fair value through profit and loss and available-for-sale;

To prepare the financial statements the Company must take decisions, make estimates and use forecasts that affect the application of accounting policies and the amounts of gains, costs, assets and liabilities. Changes to such forecasts or differences in them compared to reality may have an impact on current estimates and decisions. Areas that involve more decisions or are more complex, or where significant forecasts or estimates are used in preparing consolidated financial statements, are analysed in Note 3.3.

##### Accounting policies used in preparing financial statements

The accounting policies used in preparing financial statements are as follows:

#### a) Accruals principle

Costs and gains are accounted for in the financial year to which they refer, regardless of the date on which they are paid or received.

Direct insurance premiums are recognised as gains on the date of the transaction, or policy renewal date, while claims are recorded when the claim is made. At the end of each financial year the Company accrues costs and gains as follows:

##### i) Provision for unearned premiums

Reflects that part of gross premiums earned and recorded prior to the end of the financial year, but for which the risk period extends beyond the year. The provision for unearned premiums was estimated for each contract using the “*pro rata temporis*” method, as laid down in Regulation n.º 19/94-R (bearing in mind the amendments introduced by ISP Regulation n.º 3/96-R).

##### ii) Provision for unexpired risks

This provision involved the sum required to meet probable indemnities and charges after year end and which exceed the value of unearned premiums and premiums demandable for contracts in force.

As stipulated by the ISP, the amount of the Provision for Unexpired Risks should be equal to the sum of gross earned premiums for which the risk period extends beyond the year (unearned premiums) and premiums demandable and not yet processed for contracts in force, multiplied by a ratio based on the sum of the claims ratios, costs and ceding, minus the investments ratio.

This provision at 31 December 2010 amounted to 8,519,444.46 EUR. In 2009, it was 12,126,820.40 EUR.

This provision was determined on 31 December 2009, taking into consideration the sum of claims ratios, costs and ceding, deduced by the investments ratio, for all business in the 2009 financial year conducted by Lusitania, by *Real Seguros* and by *Mutuamar*. In 2010, exceptionally, the Company did not take into consideration the impact, net of reinsurance, of extraordinary and atypical claims costs, caused by the storm that happens in February 2010, in Madeira, for the purpose of determining the provision for risks on-going, as authorized by the ISP in a letter dated 14 April 2010 sent to the *Associação Portuguesa de Seguradores* (APS).

## Madeira Disaster Claim

Pursuant to the letter sent by *Fernando Nogueira*, the distinguished Chairman of the Steering Council of the *Instituto de Seguros de Portugal*, addressed to *Pedro Seixas Vale*, the distinguished Chairman of the Steering Council of the APS, authorizing the deduction of the cost of a disaster that took place in February 2010 in Madeira, from the calculation of the provision for risks on-going, providing the rise in claims rate caused was extraordinary and atypical, the grounds required to justify the exclusion of these losses from the calculation of the same provision in Lusitania are now disclosed.

Hence, the cost of the event in question had an impact, net of reinsurance, of 3.2 pp on the claims rate for the financial year in the main sectors affected (multi-risks), hat is, an increase of 5.7%.

In addition, the extreme weather of last winter also caused an increase of 14 pp compared with the average claims rate for the year in which it occurred with the 5 previous years in the multi-risk, housing and trade sectors.

### Claims Rate in Financial Year – Multi-risks

2005	2006	2007	2008	2009	2010	2010 net disaster
36 %	71 %	34 %	48 %	40 %	59 %	56 %

**Disaster Effect p.p. 3.2%**

**Disaster effect % 5.7%**

**5 year average 46%**

**Variation for 2010 14%**

Source – Lusitania Database

## iii) Provision for Claims

This provision is determined:

By estimating liability for all claims awaiting settlement at year end, or claims settled but not paid off by year end, with the exception of worker's compensation, which was calculated as stipulated in ISP regulations, and prepared using actuarial methods;

By the mathematical provision for claims made up to 31 December 2010 covering pensions already approved by the Industrial Tribunal or with a pre-established conciliatory agreement. This provision also covers liabilities for pensions possible permanent disability.

The Company calculated this mathematical provision applying what is laid down in Regulation n° 15/2000-R, that is, for compulsory pension payments that are redeemable in the terms of article 74 of Decree-Law n° 143/99, date 30 April. It used the mortality table TD88/90, at the technical interest rate of 5.25%, without management costs, adjusting to the ruling in n° 2of the same Regulation. It opted to use mortality table TV 88-90 for male pensioners and mortality table TD 88-90 for females, complying again the same Regulation, applying a technical rate of 4.50% and management rate of 1%;

Liability for the annual increase in life pensions due to inflation lies with FAT - *Fundo de Acidentes de Trabalho* (Workmen's Compensation Fund), a fund managed by the ISP and which receives contributions both from insurance companies and from those covered by workers' compensation. The Company pays the full pension and is later reimbursed for that part paid by FAT;

The calculation of the provision for the costs of life assistance for claims victims with permanent disabilities already recognized by the Labour Tribunal, as well as similar liabilities not yet recognized as such - IBNER (Incurred But Not Enough Reserved) and similar liabilities arising from claims not filed with Lusitania on 31 December 2010 - IBNR (Incurred But Not Reported), were cultivated using actuarial methods and, when applicable, using technical bases similar to those applied in calculating the Mathematical provision.

In line with the 2009 financial year, the percentage applied was 4% of costs for the year for claims filed, so as to meet the liability of claims filed after year end, for all sectors, with the exception of the health and workmen's compensation sectors. The health sector includes a reserve, calculated by applying the actuarial estimation method to all claims incurred, in this way covering all claims, filed or not filed, that do not yet have sufficient reserve cover.

Workmen's compensation is calculated using the run-off method similar to what was explained above, the aim being to determine the number of claims to be made. Multiplying this figure by the average cost calculated for the year of the occurrence in question, the actuarial provision is obtained for non-declared claims.

#### iv) Equalisation provision

The equalisation provision is set up when the underwriting result of indemnity and atomic risk insurance is positive. It is calculated based on specific rates laid down by the ISP applied to the underwriting result.

This provision also covers seismic risks and in this case is calculated applying a risk factor, defined by the ISP for each seismic zone, to the Company's capital.

#### v) Underwriting provisions for outward reinsurance

Reserves for outward reinsurance are based on the same criteria described above, taking into account the clauses in reinsurance treaties in force.

#### vi) Brokerage remuneration

Brokerage remuneration is paid to a broker for selling insurance policies. Remuneration payable to brokers is recorded as cost on the date when the policy is issued or renewed.

### b) Adjustments for outstanding payments and bad debt

Adjustments for premiums outstanding aim to reduce the amount of premiums outstanding to their estimated net realisable value. Receipts issued and not paid on 31 December 2010 are entered under the heading "Debtors – in Direct Insurance Operations". These adjustments are calculated based on the value of premiums outstanding, using percentages established by the ISP.

The amount of adjustments for premiums outstanding at 31 December 2010 does not differ significantly from the risk involved for outstanding premium payments on that date.

The adjustment for bad debt is calculated based on the estimated value of this debt and included under the heading "Other debtors".

### c) Financial instruments

#### i) Classification

The Company classifies its financial assets at the time of acquisition, taking into consideration the intention underlying them, using the following criteria:

##### Tradable financial assets

Financial assets acquired principally to generate gains in the short term.

##### Financial assets designated at the time of acquisition at fair value through profit and loss.

This category includes financial assets with built-in derivatives, given their fair value at the time of recognition with the subsequent variations recognised in profit and loss.

##### Financial assets available-for-sale

Assets available-for-sale are non-derivative financial assets that (i) the Company intends to hold for an unspecified time, (ii) that are recognised as available for-sale at the time of their initial recognition or (iii) that do not belong in the previous categories.

##### Investments to be held until maturity

These are financial assets for which there is an intention and capacity to hold until maturity, with a fixed maturity and cash flows or that can be determined. Should their sale be brought forward, the category is considered toxic and all assets in the category have to be reclassified to the category available-for-sale.

#### ii) Recognition, initial measurement and de-recognition

The acquisition or sell-off of: (a) financial assets at fair value through profit and loss, and (b) financial assets available-for-sale, are recognised on the trade date, that is, on the date on which the Company undertakes to acquire or sell-off the assets. Financial assets are initially recognised at their fair value plus trading costs, except in the case of financial assets at fair value through profit and loss, should these trading costs be directly recognised in profit and loss.

These assets are derecognised when (a) the contractual rights to receive their cash flow expires for the Company, (b) the Company has transferred substantially all the risks and benefits associated with holding them or (c) although retaining part, but not substantially all the risks and benefits associated with holding them, the Company has transferred control of the assets.

### iii) Subsequent measurement

After initial recognition, the financial assets at fair value through profit and loss, are valued at fair value and any changes in fair value recorded on the profit and loss statement.

Investments held for sale are also recorded at fair value although the respective variations are recognised in reserves, until the investments are derecognised or a loss due to impairment is identified, at which time the accrued value of potential profit and loss recorded under reserves is transferred to profit and loss.

The fair value of listed financial assets is determined using the closing quotations published by Bloomberg or, in the absence of these, by the stock market where the assets are quoted. Should there be no quotation, the Company estimates the fair value using (i) valuation methods, such as the use of recent trading prices, that are similar and applied in market conditions and techniques of discounted cash flows to reflect the special features and circumstances of the instrument, and (ii) valuation projections based on market information.

Financial instruments for which the fair value cannot be measured reliably and unlisted shares are recorded at acquisition cost

### iv) Impairment

The Company regularly checks for objective evidence of financial assets, or groups of financial assets, showing signs of impairment. For financial assets that show signs of impairment, the respective recoverable value is determined, losses due to impairment being recorded accordingly in the profit and loss statement.

The Company considers that a financial asset, or group of financial assets, is an impaired asset whenever, after its initial recognition, there is objective evidence that:

#### (a) for listed fluctuating income securities:

there has been continued devaluation (at least 12 months) and a significant fall in listed price, or a significant devaluation in the listed price (more than 30% of the respective acquisition value); and the Company also does a casuistic analysis, security by security, so that, regardless of whether the two criteria referred to above are verified, impairment may be recognised.

Impairment must be recognised for all securities that have previously suffered impairment, whenever they fall below cost value, from the last date of impairment.

#### (b) for fixed income securities and for non-listed securities:

there is an event (or events) that has an effect on the estimated future cash flows of the financial asset, or group of financial assets, which may be estimated reasonably.

When there is evidence of impairment in financial assets available-for-sale, the potential accrued loss in reserves, less any loss in impairment in the asset previously recognised in profit and loss, is transferred to the profit and loss statement.

With regard to the fluctuating income securities, impairment will have to be reinforced, whenever the potential loss in reserves increases.

In the case of fixed income securities, if in a subsequent period the amount of the potential loss falls, the loss of impairment previously recognised reverts to the profit and loss of the financial year until the acquisition costs have been replaced, whenever the increase is, objectively, related to the event that occurred after recognition of the loss of impairment.

### d) Other financial instruments – built-in derivatives

Financial instruments with built-in derivatives are recognised initially at fair value. Subsequently, the fair value of derived financial instruments is revalued on a regular basis, the resulting profit or loss being recorded directly in profit and loss for the year.

Fair value is based on listed market prices, when available, and in the absence of a listed price (no assets market available) it is determined based on the use of the prices of recent trading that is similar and done in market conditions, or based on valuation methods made available by specialist agents, based on discounted future cash flow techniques taking market conditions into consideration, the time effect, the profits curve and volatility factors.

### e) Financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation to pay it off in cash or with another financial asset, regardless of its legal form.

### f) Tangible and intangible fixed assets

#### i) Tangible fixed assets

These assets are entered at historical cost. Depreciation is calculated using the straight-line method, at the following annual

rates, which reasonably reflect the estimated working life of the assets:

	Annual Rates	Estimated Working Life Span
<b>Installations</b>	10%	10 years
<b>Machinery and apparatus</b>	10 - 25%	4 a 10 years
<b>Date processing equipment</b>	25 - 33.33%	3 a 4 years
<b>Fixtures and furnishings</b>	10 - 33%	3 a 10 years
<b>Transport material</b>	25%	4 years

## ii) Land and buildings for the Company's own use

Land and buildings are depreciated according to their working life span.

	Annual Rates	Estimated Working Life Span
<b>Property</b>	1% - 4%	25 a 100 years

## iii) Intangible assets

Software and costs on rented buildings are recorded at historical cost of acquisition / investment and depreciated by applying the straight-line method, based on the following annual rates, which reasonably reflect the estimated life span of the assets:

	Annual Rates	Estimated Working Life Span
<b>Software</b>	33,33%	3 years
<b>Costs on rented buildings</b>	33,33%	3 years

As a result of the acquisition of *Real Seguros* (see note 1) and also as a result of applying IFRS 3, Business Combination (see note 33), the Company recognized the value of the portfolio acquired

from *Real Seguros*, in reference to the respective date Lusitania took over that company (2 November 2009). The value of the portfolio was determined by revising future cash flows associated with policies in force on the date of acquisition, including an adjustment that reflects the cost of capital invested in the business acquired. The value of the portfolio is subject to recoverability tests at the close of each report period to determine that the capitalization value does not exceed the present value of future profits. The Company amortized the value of the portfolio during the working life of contracts (policies) purchased, in proportion to forecast future profits.

As a result of the acquisition of *Real Seguros* in 2009, the Company recognized the goodwill, arising from the excess cost of acquisition over the fair value of net assets acquired, which was added to those carried over from the past (previous accounts plan), for the acquisition of the portfolios of Genesis and of Royal Sun Alliance. The Company tests the recoverability of the goodwill recognized annually, or more frequently, if events or circumstances indicate a loss in value of the new business acquired. See in addition notes 33, Business Combination.

## iv) Impairment of non-financial assets

When there is a sign that an asset may be impaired, in accordance with IAS 36, it is estimated at its recoverable value, a loss being recognised due to impairment whenever the net value of an asset exceeds its recoverable value. Losses due to impairment are recognised on the profit and loss statement for assets recorded at cost.

## g) Tax on income

Tax on profits includes current and deferred taxation. Tax on profits is recognised in profit and loss, except when related to items that are recognised directly under equity, in which case they are also recorded under equity. Deferred taxation recognised under equity arising from revaluation of investments available-for-sale is later recognised under profit and loss at the time when the profit and loss that gave rise to them are recognised.

Current taxation is that expected to be paid based on the taxable income calculated according to fiscal rules in force and using the approved tax rate.

Deferred taxation is calculated on time differences between the book values of assets and liabilities and their tax basis, using tax rates approved or substantially approved on the date of the balance sheet in each jurisdiction and that are expected to be applied when time differences revert.

Deferred taxation owed is recognised for all taxable time differences, with the exception of differences resulting from the initial recognition of assets and liabilities that affect neither book



profits nor taxation and differences related to investments in subsidiaries, to the extent it is likely they will not be returned in the future.

Deferred taxation receivable is recognised for all deductible time differences, only whereby taxable profits are expected for the future that are likely to absorb the aforementioned differences. See, on this point, the explanation in **note 24, Income Tax**.

## **h) Liabilities for holidays and holiday benefits**

This liability corresponds to around two months of remuneration and respective contributions, based on values for the financial year, and recognises legal liabilities to employees at the end of each period for services provided up to that date, to be paid later.

## **i) Employee benefits**

As established in the Collective Bargaining Agreement in force for the insurance sector, the Company undertakes to make cash payments to its employees to complement Social Security retirement pensions. To this end it set up a pensions fund to cover liabilities for retirement, invalidity and widows' pensions for its working and pre-retirement personnel, calculated based on forecast salaries, and it acquired temporary and/or life yields.

Contributions to the Fund are determined according to the respective actuarial and financial technical plan, which is revised annually, using actuarial technique, and adjusted based on pension review, changes in the group of participants and liabilities to be guaranteed, as well as in agreement with the policy pursued by the Company for total cover of liabilities actuarially determined.

Cover of liabilities for complementing the retirement pensions of working personnel is assured by the Lusitania Pensions Fund, managed by *Lusitania Vida* and by insurance policies contracted with *Alico* and *Victória*.

## **j) Non-technical provisions, contingency assets and liabilities**

Provisions are recognised only when the Company has a legal or implicit obligation resulting from a past event and it is likely that its payment will require the release of resources and the amount of the obligation may be estimated reasonably. The amount recognized from provisions is the present value of the best estimate on the date of the statement of resources required to pay off the obligation. This estimate is determined taking into account the risks and uncertainties associated with the

obligation. Provisions are revised on the date of the statement and are adjusted to reflect the best estimate to this date. Contingent liabilities are not recognized in the financial statements and are disclosed whenever there is the likelihood of resources being released including economic benefits. Contingent assets are not recognized in the financial statements, but are disclosed when it is likely that there will be a future economic inflow of resources.

## **l) Recognition of interest and dividends**

Results referring to interest on financial instruments classified as available-for-sale are recognised under the headings of interest and other similar gains using the effective rate method. Interest on financial assets at fair value through profit and loss are also included under the heading for interest and similar gains.

The effective interest rate is the rate that discounts future payments or receipts estimated during the expected life of the financial instrument or, when appropriate, a shorter period, for the net current value of the financial asset and liability balance.

Income from capital instruments (dividends) is recognised when it is received.

## **m) Report according to segment**

See note 2

## **n) Cash and cash equivalents**

For the purposes of cash flow statements, cash and its equivalents cover amounts recorded in the balance sheet with a maturity of less than three months counting from the date of the balance sheet, quickly converted into cash and with a reduced risk of the value changing, in which cash and liquid assets in lending banks are included.

## **o) Land and buildings**

See note 9

## **p) Trading in foreign currency**

The conversion of foreign currency trading to euros is done on the date on which trading occurs.

Assets expressed in the currency of countries that are not members of the European Economic Union were converted to euros

using the last reference exchange rate indicated by the Bank of Portugal.

Exchange differences between rates in force on the date of contracting and those in force on the date of the balance sheet are recorded on the profit and loss statement for the financial year.

### q) **Investments in Affiliated and Associated Companies**

Investments in Affiliates and Associates are recorded at acquisition cost, when they are not listed, and subjected to impairment tests.

At the time of submitting the consolidated financial statements, the Company fully consolidates its affiliate *N Seguros*, but does not fully consolidate, nor does it use the accruals method, for its holdings remaining affiliate and associate companies, depending on the amount of the respective values, which, if taken into consideration, would be unlikely to influence the economic decisions of those using the Company's consolidated financial statements. See in addition, note 7, Investments in Affiliates and Associates.

### r) **Loans granted**

Loans to brokers are made through mutual contracts and are covered by real guarantees.

Other types of loan are made with a mortgage guarantee.

### s) **Leasing**

The Company classifies leasing operations as financial or operational leasing, depending on their substance and not on their legal form, meeting the criteria defined in AIS 17 – Leasing.

Operations in which the risks and benefits inherent in owning an asset are transferred to the lessee are classified as financial leasing. All other leasing operations are classified as operational leasing.

#### Operational leasing

Payments made by the Company for operational leasing contracts are recorded under costs in the period to which they refer.

#### Financial leasing

Financial leasing contracts are recorded on the date on which they begin, under assets and liabilities, for the purchase price of the property leased, which is the equivalent of the current value

of leasing installments matured. Installments are composed of (i) the financial charge, which is debited under results and (ii) by the financial depreciation of the capital, which is deducted under liabilities. The financial charges are recognized as costs throughout the leasing period, in order to produce a constant regular interest rate on the remaining balance of the liability in each period.

### 3.2. **Describe the type, impact and justification for changes to accounting policies**

No changes to accounting policies and practices were detected that had any significant impact on the Company's accounts.

### 3.3. **Describe the principal accounting estimates and decisions used in preparing the financial statements, indicating the main forecasts for following financial years, and other principal sources of uncertainty in estimates made on the date of the balance sheet, that present a significant risk sufficient to cause a material adjustment to the amounts entered for assets and liabilities for coming financial years**

#### a) **Impairment of financial assets available-for-sale**

The Company determines that impairment exists in its assets available-for-sale when there is a continued or significant devaluation in their fair value. Determining a continued or significant devaluation requires judgement. In making this judgement the Company assesses, among other factors, the normal volatility of share prices. In addition, valuations are obtained through market prices or evaluation models that require the use of specific assumptions or judgement in preparing fair value estimates.

Assets available for sale and for which the Company recorded impairment are as follows (accrued impairment):

See table on pages 78 and 79 ▶

estimates may lead to a different amount for recognised impairment losses, with a subsequent impact on Company profits.



In addition see note 3.1 c) iv)

**b) Technical provisions and financial liabilities for insurance contracts**

See note 3.1 a) and b)

**c) Calculate the estimated working life of tangible fixed assets, including property, and other intangible assets**

The working life of fixed tangible and intangible assets is revised in each report period. Under these headings the Company monitors separately the working life of property for own use and the policies portfolio acquired from *Real Seguros*. Changes to the working life span of these assets are dealt with by advance assessment.

**d) Deferred asset taxation**

Use of tax losses from *Real Seguros*. See note 24 - Tax on income.

**e) Determination of liabilities for post-employment benefits – forecasts used**

See note 23 – Obligations for Employee Benefits

**f) Contingent Liabilities**

See notes 24, Income Tax, and 32, contingency liabilities

**g) Tax on profits**

Certain interpretations and estimates are required to calculate tax on profits. Other interpretations and estimates could lead to a different level of tax being calculated, recognized in the period, whether current or deferred. In compliance with tax legislation in force, it is possible that the Tax Authorities could revise the calculation of the taxable sum calculated by the Company during a period of four years.

This being the case, corrections may be made to taxable income, resulting mainly from the differences in the interpretation of tax legislation in force. However, the Company's Board of Directors is certain that there will be no significant corrections to tax on profits recorded in the financial statements.

**h) Goodwill arising from merging corporate business**

See note 33, Combination of corporate business

**i) Adjustments for bad debit credit (agents and co-insurance)**

The company monitors periodically the respective current account balances, adjusting the respective adjustments made if deemed necessary (in case of impairment).

in euro

Isin	Description	2009	Increase for year	Impairments released *	2010
NL0000303709	AEGON NV	32,836.48	512.25		33,348.73
GGY121000008	AEIF LP	159,850.91	0.00		159,850.91
NL0006033250	AHOLD NV	22,218.23	0.00		22,218.23
FR0000130007	ALCATEL		5,223.72		5,223.72
XS0190941202	ALLEGRO 30-ABR-10	367,671.17	0.00		367,671.17
XS0255673070	BANCA ITALEASE CAP TRUST-TV. PERP	174,198.11	0.00		174,198.11
ES0113211835	BANCO BILBAO VIZCAYA (BBVA)		59,860.22		59,860.22
PTBPI0AM0004	BANCO BPI SA		149,573.23		149,573.23
PTBCP0AM0007	BANCO COMERCIAL PORTUGUES SA		297,247.58		297,247.58
XS0187513642	BETA 1	1,079,952.03	0.00		1,079,952.03
XS0200584125	BETA 2	1,054,596.45	0.00		1,054,596.45
PTYPIWHM0014	BPI MONE		2.19		2.19
PTYBPJMN0002	BPN GESTÃO DE ACTIVOS VALORIZAÇÃO PATRIMONIAL	1,661,152.61	83,697.41		1,744,850.02
XS0178293519	CENTAURI 1	2,373,176.76	0.00		2,373,176.76
XS0224399872	CENTAURI 2	1,180,521.59	0.00		1,180,521.59
DE0005557508	DEUTSCHE TELEKOM AG	27,759.35	0.00		27,759.35
KYG2773C2068	DIVERSIFIELD GLOBAL SECS-PREF-PERP	82,985.74	0.00		82,985.74
BMG288471045	DURHAM OVERSEAS FUND SUB-CLASS I AUG SERIES 2007	2,383.71	0.00		2,383.71
PTEDP0AM0009	EDP	182,752.01	446,054.97	568,968.72	59,838.26
ES0127797019	EDP RENOVAVEIS	86,145.00	180,924.16		267,069.16
BE0003801181	FORTIS		9,984.54		9,984.54
PTYBPGIM0002	FUNDO BPN IMOGLOBAL	5,095,849.95	0.00		5,095,849.95
ES0116870314	GAS NATURAL SDG		84,185.48		84,185.48
KYG5569M2620	GERMAN REAL ESTATE FUND	238,780.38	18,523.95		257,304.33
XS0203295562	GLBIR 0 10/21/14	52,783.47	0.00		52,783.47
KYG399911232	GOTTEX ABI FUND LIMITED CLASS EUR	203,904.27	0.00		203,904.27
DE000HSH2H23	HSH NORDBANK AG - TV - (14,02,2017)	345,511.42	0.00		345,511.42
ES0144580Y14	IBERDROLA		1,222.80	1,222.80	0.00
XS0149850777	K2 CORP 01/15/11	1,043,267.73	0.00		1,043,267.73
XS0194805429	KAUP 0 06/30/14	237,190.94	0.00		237,190.94

in euro

Isin	Description	2009	Increase for year	Impairments released *	2010
PTMFR0AM0003	MARTIFER SGPS SA	34,172.10	13,542.00		47,714.10
XS0292499620	MOSCOW RIVER (LESSIRON)-12%-20,03,2011	104,276.82	0.00		104,276.82
PTMEN0AE0005	MOTA ENGIL		60,066.04	60,066.04	
PTYMGNLM0006	MULTI GEST MERC EMER	20,061.45	0.00		20,061.45
DE0008430026	MUNCHENER RUCKVERS.	16,896.97	4,301.37		21,198.34
CH0038863350	NESTLE	44,928.90	0.00	44,928.90	0.00
FI0009000681	NOKIA AB FINLAND	246,310.12	39,426.22	285,736.34	0.00
XS0181569111	PARKLAND SN 15-12-13	688,880.98	0.00		688,880.98
DE000PAH0038	PORSCHE	106,941.90	16,821.16	123,763.06	0.00
PTPTC0AM0009	PORTUGAL TELECOM		205,021.52		205,021.52
IE00B06YB805	PREFF	61,170.35	10,202.34		71,372.69
PTRELOAM0008	REN	22,107.59	16,716.00		38,823.59
GB0007547838	ROYAL BK SCOTLAND GR	3,147.06	0.00		3,147.06
DE0007037129	RWE	35,930.26	7,256.50		43,186.76
DE0007164600	SAP AG - PREF.	12,499.44	0.00	12,499.44	0.00
FR0000130809	SOCIÉTÉ GENERALE		47,789.51		47,789.51
PTSNP0AE0008	SONAE CAPITAL		4,149.25		4,149.25
IT0003497168	TELECOM ITALIA	61,088.87	7,596.47		68,685.34
SE0000108656	TELEFONAKTIEBOLAGET LM ERICSSON	15,094.91	0.00		15,094.91
GBR12100007	THE FINE ART FUND II, L.P.	113,401.55	0.00		113,401.55
GBR12100008	THE FINE ART FUND, L.P.	245,657.95	0.00		245,657.95
IT0000064854	UNICRÉDITO ITALIANO		38,406.14		38,406.14
US96428FAW86	WHITE PINE 12/31/13	615,324.51	0.00		615,324.51
XS0271816869	ZELA 1	560,689.46	0.00		560,689.46
PTZON0AM0006	ZON MULTIMÉDIA SGPS		52,780.08		52,780.08
<b>TOTAL</b>		<b>18,714,069.50</b>	<b>1,861,087.09</b>	<b>1,097,185.30</b>	<b>19,477,971.29</b>

\* Release of losses through impairment by selling off assets

### 3.4. Relevant changes in the previous financial year

(i) Re-determination of Goodwill arising from the acquisition of *Real Seguros* and the assets and liabilities portfolio of *Mutuamar* in 2009, in compliance with IFRS 3, Business combination, and drawing comparisons (2009) from Profit and Loss Account.

As a result of acquiring an 85% holding in *Real Seguros*, on 2 November 2009 and the subsequent merger, which took effect on 31 December 2009, the Company entered the assets and liabilities of *Real Seguros* on its balance sheet on 31 December 2009, as follows, after applying IFRS 3, Business combination:

See table ▼

in euro

Description	Net Assets 31-12-2009	Difference resulting from re-expression	Net Assets re-expressed 31-12-2009
Cash and equivalents and call deposits	1,600,116		1,600,116
Investments in affiliates, associates and joint undertakings	12,911,600		12,911,600
Financial assets classified in initial recognition at fair value through profit and loss	15,560,388		15,560,388
Assets available-for-sale	79,049,150	-256,106	78,793,044
Outstanding loans and accounts	48,340,122		48,340,122
Land and buildings	4,304,014		4,304,014
Other tangible assets	2,160,912		2,160,912
Assessment value of business/portfolio, net of taxation	33,880,669	-16,553,852	17,326,816
Underwriting provisions for outward insurance	17,934,570	122,158	18,056,728
Assets for post-employment benefits and other long term benefits	508,649		508,649
Other debtors in insurance and other operations	22,553,797	237,086	22,790,883
Assets from current and deferred taxation	17,169,308	-2,928,202	14,241,106
Accruals and deferrals	66,418	140,942	207,360
Other assets items	149,788		149,788
<b>TOTAL ASSETS</b>	<b>256,189,500</b>	<b>-19,237,974</b>	<b>236,951,526</b>
Underwriting provisions	-180,304,394	295,792	-180,008,602
Other creditors in insurance and other operations	-12,863,288		-12,863,288
Liabilities from taxation	-5,953,817	-425,725	-6,379,542
Accruals and deferrals	-3,455,650	-76,743	-3,532,393
Other provisions	-2,088,127	-4,403,781	-6,491,908
<b>TOTAL LIABILITIES</b>	<b>-204,665,276</b>	<b>-4,610,457</b>	<b>-209,275,733</b>
<b>TOTAL NET ASSETS</b>	<b>51,524,224</b>	<b>-23,848,430</b>	<b>27,675,794</b>

Note: The sum of net assets as at 31 December 2009 (€27,676 thousand), already includes assets, to the sum of €35 million, resulting from additional allowances made by Lusitania to *Real Seguros* at the close of 2009.

In addition, the re-expressed Balance Sheet and the Profit and Loss statement for 2009, under the heading Goodwill and other income/spending, records the goodwill from the acquisition and net profit determined by Real in November and December 2009 (post-acquisition). Consequently, the tables attached to the notes relative to the Profit and Loss Account should take into account that, for the purposes of comparison with 2009, the amounts indicated refer only to Lusitania's business (amounts relative to *Real Seguros* not being taken into consideration).

See note 33 – Business combination

Similarly, and as a result of acquiring the assets and liabilities of *Mutuamar*, on 31 December 2009, the respective assets and liabilities were also recorded on this date, as follows:

See table ▼

In addition, the negative goodwill arising from the acquisition was recorded in the re-expressed Profit and Loss statement, under the heading negative Goodwill recognised immediately in profit and loss — see Note 33 – Business combination.

in euro

Description	Net Assets 31-12-2009	Difference resulting from re-expression	Net Assets re-expressed 31-12-2009
Cash and equivalents and call deposits	2,662,304		2,662,304
Investments in affiliates, associates and joint undertakings	50,000		50,000
Assets available-for-sale	1,743,240		1,743,240
Outstanding loans and accounts	150,000		150,000
Land and buildings	14,210,707		14,210,707
Other tangible assets	29,582		29,582
Underwriting provisions for outward insurance	375,677		375,677
Other debtors in insurance and other operations	2,286,038	-180	2,285,858
Assets from current and deferred taxation	52,314		52,314
Accruals and deferrals	10,032		10,032
<b>TOTAL ASSETS</b>	<b>21,569,894</b>	<b>-180</b>	<b>21,569,713</b>
Underwriting provisions	-7,613,176	34,043	-7,579,133
Other financial liabilities	-1,549,880		-1,549,880
Liabilities on post-employment benefits & other long term benefits	-24,231		-24,231
Other creditors in insurance and other operations	-4,831,668		-4,831,668
Liabilities on current and deferred taxation	-86,730		-86,730
Accruals and deferrals	-99,136		-99,136
Other provisions	-50,000		-50,000
<b>TOTAL LIABILITIES</b>	<b>-14,254,821</b>	<b>34,043</b>	<b>-14,220,778</b>
<b>TOTAL NET ASSETS</b>	<b>7,315,073</b>	<b>33,863</b>	<b>7,348,935</b>

### (ii) Determination of provisions for unexpired risks

As referred to in note 3.1 a) ii), this provision was determined on 31 December 2009, taking into consideration the sum of claims ratios, costs and ceding, less the investments ratio, for all business done in the 2009 financial year by Lusitania, by *Real Seguros* and by *Mutuamar*. In 2010, exceptionally, the Company did not take into consideration the impact, net of reinsurance, of extraordinary and atypical claims costs, arising from the storm that struck Madeira in February 2010, for the purpose of determining the provision for unexpired risks, as authorized by the ISP in a letter dated 14 April 2010 sent to the *Associação Portuguesa de Seguradores* (APS). Had the respective impact been taken into consideration, the provision for the unexpired risks of 2010 would have risen by around 617 thousand euros (pre-tax effect).

### (iii) Accruals and deferred liabilities

This heading rose significantly compared to 2009, due to merging *Real Seguros*, whose net assets in 2009 do not reflect the amount referring to early returns processed, a situation that in Lusitania is recorded at the time when receipts are issued. The value of ex-*Real Seguros* integrated in these conditions in 2010 was 23,535 thousand euros. See note 37.1.

## 4. Type and extent of headings for risks resulting from insurance contracts and reinsurance assets

### 4.1. Provide information to help identify and explain figures indicated in financial statements resulting from insurance contracts, including:

- a) **Information on accounting policies adopted for insurance policies and for assets, liabilities, income and costs or related spending;**

See description in item 3.1

- b) **Process used to determine the assumptions that have most effect on measuring these quantities, including a summary of the main possibilities considered in calculating the mathematical provisions for life insurance and Workmen's Compensation (quantification of all assumptions when practical)**

See item 3.1 sub-paragraph a)

- e) **Reconciliation of changes in liabilities resulting from insurance contracts, in assets resulting from reinsurance contracts and in associated deferred acquisition costs, including:**

i.) In relation to claims provision: explain readjustments (corrections submitted that are assumed to be relevant (Annex 2) and breakdown of claims costs (Annex 3);

### 4.2. Provide information to help assess the nature and extent of specific insurance risks, namely:

- a) **Objectives, policies and processes for risk management resulting from insurance contracts and methods used to manage these risks, including a description of the process for accepting, evaluating, monitoring and controlling these risks;**

Insurance companies assume risks through insurance contracts, which we classify in the category of Specific Insurance Risks.

Specific insurance risks are the risks inherent in the sale of insurance contracts, associated with the design of products and the respective rates charged, with the underwriting process and provisioning for liabilities and claims and reinsurance management. They are applicable throughout all insurance sectors and may be sub-divided into different sub-risks:

- **Product Design Risk:** the risk the insurance company assumes in exposure to risks arising from the nature of its products not foreseen at the design stage and in defining the price of the contract.

- **Premiums Risk:** related to risks occurring in the future, in policies currently in force, and the premiums of which are already paid or are fixed. The risk is that premiums paid or already fixed may prove to be insufficient to cover all future obligations resulting from these contracts (under-pricing).
- **Underwriting risk:** risk of exposure to financial losses related to the selection and approval of risks to be insured.
- **Provisioning Risk:** is the risk that provisions for claims may prove insufficient to meet the cost of claims that have already occurred.
- **Claims Risk:** is the risk that more claims than expected occur, or that some claims may have costs far higher than expected, resulting in unexpected losses.
- **Retention Risk:** is the risk of more risk retention (less protection from reinsurance) generating losses due to disasters occurring or to a major claim event.
- **Disaster Risk:** is the result of extreme events that imply destruction of property, or the death/injury of persons, usually due to natural disasters (earthquakes, hurricanes, floods). It is the risk that one single event, or a series of high magnitude events, normally over a short period (up to 72 hours), may cause a significant rise in the number and cost of claims, compared to what was expected.

The Specific Insurance Risk may be mitigated by a reinsurance policy, through which part of the risks assumed by the Company is transferred to a re-insurer (or a group of re-insurers).

Underwriting is one of the most relevant risks. It represents several types of risk directly or indirectly associated with the technical bases for calculating premiums and provisions the effect of which, an increase in the frequency of claims or an excessive rise in management costs, may lead to an incapacity to guarantee obligations. These risks may appear as under-pricing, reflecting a shortfall in the premiums estimate, reinsurance, caused by acquiring cover that is too limited to meet liabilities assumed, or risks associated with major losses, such as the risk of disaster.

The risk of premiums, or under-pricing, is controlled using actuarial models that, on the one hand, calculate the value of premiums, in the terms of the acceptance policy, developing guidelines for underwriting new contracts and, on the other, monitor the standard for provisioning, mitigating the risk of provisions. Exposure to major risks is duly ensured by protecting the respective reinsurance treaties, the responsibility of a group of leading market re-insurers.

The concentration of risks may lead to considerable potential losses, which has led Lusitania in recent years to strive to diversify its business, not only in terms of clients but also products.

The increase in the Motor portfolio, which rose to 43% of the total in 2010, reflects the strategy of reducing concentration in a controlled way. The changes reflect the transfer of major risks, associated with large companies, to a risk mix portfolio, characterised essentially by individuals or small and medium companies, to reduce the impact of the respective volatility. To this end, new products have been created geared to these segments and tailored to the client profile outlined by the new strategy.

## b) On the specific risk of insurance (before and after reinsurance), include information on sensitivity analyses done, risk concentration and effective claims compared to previous estimates

With a view to verifying the adjustment of estimates for non-declared claims made in 2009 against actual values:

Illustrative tables with information on the specific risk of insurance (management information):

Table 1 – Number of real claims against estimated claims per sector

Summary of IBNR against estimates

[See table on next page](#) ▶

		2003	2004	2005	2006	2007	2008	2009	Total
<b>Workmen's Compensation</b>	Forecast for 2010	8	6	7	11	26	59	1,224	1,341
	Opened in 2010	0	0	1	3	14	29	1,068	1,115
	Difference	8	6	6	8	12	30	156	226
<b>Motor</b>	Forecast for 2010	1	2	4	8	60	121	3,157	3,353
	Opened in 2010	1	2	8	11	52	157	3,584	3,815
	Difference	0	0	-4	-3	8	-36	-427	-462
<b>Health cash flow planned and realised</b>	Forecast for 2010	0	0	1,000	1,000	29,382	54,838	1,677,626	1,763,847
	Opened in 2010	0	0	2,312	7,905	9,317	47,701	1,602,999	1,670,235
	Difference	0	0	-1,312	-6,905	20,065	7,137	74,627	93,612
<b>MR Home</b>	Forecast for 2010	0	3	3	3	8	27	1,008	1,052
	Opened in 2010	4	2	1	3	7	28	1,248	1,293
	Difference	-4	1	2	0	1	-1	-240	-241
<b>MR Commerce</b>	Forecast for 2010	0	2	5	25	6	15	281	334
	Opened in 2010	0	0	0	0	1	7	365	373
	Difference	0	2	5	25	5	8	-84	-39

Note: The number of health claims cannot be easily extrapolated so it was decided to compare cash flow of the provision for IBNR and IBNER, planned for 2009, compared with real cash flow.

The number of claims opened in the motor sector, in 2010, compared to previous years is strongly influenced by delays verified in ex-Real Seguros, as well as by the need to separate claims that ex-Real had with IDS Mixtos (two types of liability), in two Lusitania cases.

It was thought relevant to do sensitivity tests, as described below:

- The reduction in underwriting rate implicit in the calculation of mathematical provisions for pensions not redeemable on demand, as well as the provision for the future costs of life benefits for claimants permanently disabled, by 10 base points, causes a rise in the same of 985 thousand euros, the impact on results being 998 thousand euros.
- In the sensitivity analysis of Workmen's Compensation, the change in the claims rate for the year by half the standard deviation for the past five years, causes a change in the actual cost/gain of 26.3% of the result

compared to changes in claims made in the financial year for the same sector.

- In a similar analysis on the Motor sector a difference of 57.5% is observed in the result compared to changes to claims made in the financial year.



#### 4.3. Provide quantitative and qualitative information on market risk, credit risk, liquidity risk and operational risk. Qualitative information should include exposure to risk and origin of risks, objectives, risk management policies and procedures and methods used to measure risks, such as changes compared with the previous period

Lusitania is exposed to a range of risks through its financial assets, reinsurance assets and liabilities, and, in the widest sense, all the risks to which the Company is exposed are financial, so that they could cause economic losses and deterioration in solvency levels. In parallel to this is the fact that the financial risk to which the Company is exposed is that of the potential incapacity to meet its liabilities as a result of the income generated by assets that fail to cover the obligations it has for insurance contracts.

There are risks directly related to the financial management of the Company, covering the investment, funding and integrated management of financial assets and liabilities, and not directly related to the management of insurance contracts or claims, and they include, among other things, market, credit and liquidity risks.

The main financial risks to which the Company is exposed are:

- **Market Risk**

Market risk is caused by the level or volatility of the market price of financial instruments related to variations on the exchange market, share market, interest rates, property values and the level of concentration. Market risk also includes risks associated with the use of derived instruments and is closely related to the risk of mismatching between assets and liabilities. This is a risk that, prior to removing the effect of diversification, is around 36% of the Company's total risk (the figure calculated based on the QIS 5 exercise).

At Lusitania market risk management complies with rules for asset allocation according to category and type of issuer and adopts cautious levels of risk acceptance and a diversified portfolio, always with an eye on financial market changes.

[See table ▼](#)

in euro

Concentration of Portfolio per Issuing Country				
	2009		2010	
	Value	%	Value	%
Portugal	256,604,756.66	66.86%	277,275,300.78	73.55%
Spain	14,811,163.46	3.86%	20,293,625.95	5.38%
France	16,420,674.20	4.28%	11,429,150.34	3.03%
Germany	13,889,343.60	3.62%	14,851,903.86	3.94%
United States	6,472,613.58	1.69%	6,975,635.26	1.85%
The Netherlands	14,280,433.94	3.72%	3,107,265.93	0.82%
United Kingdom	18,547,838.19	4.83%	17,669,234.59	4.69%
Italy	10,082,870.73	2.63%	7,702,421.82	2.04%
Austria	2,415,110.43	0.63%	620,837.98	0.16%
Luxemburg	6,793,657.79	1.77%	2,058,360.09	0.55%
Other	23,498,983.81	6.12%	15,016,925.21	3.98%
<b>TOTAL</b>	<b>383,817,446.39</b>	<b>100.00%</b>	<b>377,000,661.82</b>	<b>100.00%</b>

in euro

Type of Bond Portfolio Rate				
	2009		2010	
	Value	%	Value	%
<b>Fixed</b>	89,922,997.21	50.36%	114,220,023.12	64.16%
<b>Fluctuating</b>	88,329,822.47	49.47%	60,154,710.35	33.79%
<b>Zero Coupon</b>	189,515.04	0.11%	3,651,117.00	2.05%
<b>Defaulted</b>	104,499.56	0.06%	2,551.41	0.00%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

Market risk lies mainly in Portugal and the European Union. However, now that the Company has taken on the portfolios of *Real Companhia de Seguros* and of *Mutuamar*, concentration in some of the countries, among them the United States and those under the heading “Other”, which includes Euro 5,640,370.00 referring to investments located in Bahrain and the other non-EU European countries, where the value per country does not exceed one million euros. Apart from these cases there is no significant change in the concentration of investments in other European countries or the world. Apart from a security in Mozambique, the Company’s entire portfolio is in euros.

#### • Credit Risk

Credit risk is the possible change in the credit worthiness of those issuing financial values, counterpart risks or any debtor to which the Company is exposed. Exposure to credit risks comes, therefore, from the Company’s financial transactions with agents issuing financial values, debtors, brokers, policy holders, co-insurers and re-insurers. This risk is around 1.9% of the Company’s total risk (the figure calculated based on the QIS 5 exercise and prior to eliminating the effect of diversification).

Credit risk is managed essentially through the investment management policy in force in the Company. On-going management and monitoring of securities portfolios is done together with the Finance Department and the *Montepio Group’s* Financial Asset Management Company.

This approach is complemented by introducing regular improvements to both the methods plan for

evaluation tools and risk control and to procedures and decision-making circuits.

See table on next page ►

in euro

Rating of the Bond Portfolio				
	2009		2010	
	Value	%	Value	%
AAA	25,770,666.39	14.43%	13,331,294.97	7.49%
AA+	3,859,381.20	2.16%	2,688,424.09	1.51%
AA	6,636,101.47	3.72%	7,090,229.76	3.98%
AA-	5,826,140.64	3.26%	5,727,947.07	3.22%
A+	28,530,312.49	15.98%	9,582,492.80	5.38%
A	19,553,337.66	10.95%	12,127,235.63	6.81%
A-	15,339,972.24	8.59%	43,381,175.36	24.37%
BBB+	5,172,633.51	2.90%	5,407,207.75	3.04%
BBB	5,483,038.14	3.07%	5,491,807.29	3.08%
BBB-	1,797,175.10	1.01%	6,825,005.88	3.83%
BB	-	-	135,672.66	0.08%
BB-	-	-	1,400,644.40	0.79%
B	1,069,715.60	0.60%	3,694,529.37	2.08%
B-	398,469.12	0.22%	-	-
CCC	-	-	297,403.96	0.17%
C	219,825.00	0.12%	40,645.17	0.02%
Unknown	58,890,065.72	32.98%	60,806,685.74	34.16%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

The decline in portfolio ratings this year was due, essentially, to the sovereign debt crisis, which led to the rating agencies revising and reducing Portugal's rating as well as that of other member states in the European Union. However, despite the situation, around 14% of the portfolio has an AAA rating and more than 59% has assets with an A- rating or higher, according to Standard & Poor's. Assets under the heading of no known rating, around 47 million euros, refer to assets issued by the *Montepio Geral Group* and by Barclays Bank, with a BBB+ and an A- rating, respectively.

Re-insurers are selected carefully depending not only on their capacity to provide technical support and to generate value for the Company, but also for their economic and financial soundness.

Brokers, in their turn, are selected in agreement with the principles defined in the value proposed for the brokerage network. Similarly, attributing selling

capacity depends on an assessment of the capacity, skill and reliability of the broker, who is regularly monitored and audited by the Internal Auditing Department.

#### • Liquidity Risk

The risk of the possibility of the Company not holding assets with sufficient liquidity to meet the requirements of cash flows to cover liabilities for policy holders, creditors and other counterpart agents, when these are due. This risk, calculated based on the QIS 5 exercise, is around 6.4% of Market Risk (prior to applying the diversification factor).

Lusitania has defined regular management procedures for liquidity needs that ensure planned obligations are met and that surpluses in bank accounts are placed in financial applications. These procedures have been particularly important in recent years, which have

been turbulent for financial markets with the crisis causing a reduction in market liquidity.

See table ▼

in euro

Portfolio Composition per Type of Asset					
	31-Dec-09		31-Dec-10		
	Value	%	Value	%	Var.%
National Shares	29,588,419.52	7.71%	26,405,801.96	7.00%	-10.76%
Foreign Shares	11,552,873.49	3.01%	12,006,847.24	3.18%	3.93%
National Public Debt	11,428,946.31	2.98%	18,402,846.77	4.88%	61.02%
Foreign Public Debt	25,057,753.22	6.53%	15,063,138.35	4.00%	-39.89%
Other National Bonds	61,156,881.94	15.93%	78,500,313.85	20.82%	28.36%
Other Foreign Bonds	80,903,252.81	21.08%	66,062,102.89	17.52%	-18.34%
National - fin. Invest. funds	13,885,594.24	3.62%	8,265,620.82	2.19%	-40.47%
Foreign - fin. Invest. funds	6,543,761.21	1.70%	6,504,031.31	1.73%	-0.61%
National - property invest. funds	21,562,991.94	4.80%	21,791,244.68	5.78%	1.06%
Immovables	61,300,169.38	15.97%	73,759,990.16	19.56%	20.33%
Liquidity	31,970,751.78	8.33%	19,304,555.99	5.12%	-39.62%
Loans	24,713,035.52	6.44%	25,587,246.08	6.79%	3.54%
Other Assets	4,153,015.03	1.08%	5,346,921.72	1.42%	28.75%
<b>OVERALL VALUE OF PORTFOLIO</b>	<b>383,817,446.39</b>	<b>100.00%</b>	<b>377,000,661.82</b>	<b>100.00%</b>	<b>-1.78%</b>

in euro

Maturity of Bond Portfolio				
	2009		2010	
	Value	%	Value	%
2010-2011	30,756,594.95	17.23%	37,271,035.79	20.94%
2012-2016	77,583,041.33	43.45%	72,800,898.40	40.89%
2017-2020	54,660,907.34	30.61%	53,635,601.80	30.13%
2021-2030	7,334,227.65	4.11%	5,833,703.38	3.28%
2031	8,212,063.01	4.60%	8,487,162.51	4.77%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

in euro

Duration of Bond Portfolio				
2009			2010	
	Value	%	Value	%
< 6 months	25,918,645.95	14.52%	31,536,502.80	17.71%
6 months to 1 year	4,837,949.00	2.71%	5,734,532.99	3.22%
1 to 3 years	38,562,771.38	21.60%	29,167,524.81	16.38%
3 to 5 years	39,020,269.95	21.85%	32,374,016.82	18.18%
5 to 10 years	54,660,907.34	30.61%	64,894,958.57	36.45%
> 10 years	15,546,290.66	8.71%	14,320,865.89	8.04%
<b>TOTAL</b>	<b>178,546,834.28</b>	<b>100.00%</b>	<b>178,028,401.88</b>	<b>100.00%</b>

As shown on the tables above, together with the table in Annex 1, the Company's portfolio is composed essentially of bonds (47%), both Public Debt and others, and by immovables (16%). The assets with more liquidity, shares, bonds and short and medium term liquidity, account for around 76% of assets in portfolio. Both the duration and the maturity of the bond portfolio can ensure and guarantee full coverage of the liquidity risk.

#### • Operational Risk

Risk of losses resulting from the inadequacy or failure of internal procedures, staff, systems or external events, account for around 11.9% of the Company's total risk (figure calculated based on the QIS 5 exercise). This is associated with events such as fraud, system failure and with non-compliance with established rules and standards. It also includes, for example, the risk resulting from failures in corporate governance, in systems, outsourced contracts for the provision of services and in the business continuity plan.

As a way of mitigating operational risk Lusitania, in partnership with external consultants, did a survey and mapping of all the Company's processes, identifying the risks associated with each process and assessing the frequency and impact of these risks.

The Board of Directors decides on the strategic management of assets in line with the corporate strategy approved and implemented by the Financial Department, bearing in mind that this must be done by adopting a cautious balance between security, profitability and liquidity.

#### 4.4. Quantity of losses due to impairment recognised and quantity of losses due to impairment returned during the period for reinsurance assets, and the reasons for this impairment

There were no losses due to impairment of reinsurance assets in the financial year ending at 31 December 2010.

#### 4.5. Qualitative information on the adequacy of premiums and the adequacy of provisions

Provisions for Claims evaluated by the actuary responsible, revealed a comfort margin suggesting sufficient provisions for estimated liabilities known or emerging in the 2010 financial year.

In terms of pricing sufficiency, due greatly to incorporating the portfolio of the *ex-Real Seguros*, premiums proved to be insufficient when compared to costs arising from workmen's compensation, motor and health insurance business. The multi-risk sectors behaved atypically in that they the frequency of claims was abnormal due to adverse weather and to the disaster in Madeira in February, so that although the premium rate is not insufficient despite claims costs being higher than premiums, only in 2010.

**4.6. Qualitative and quantitative information on claims ratios, cost ratios, combined claims and cost ratios and operating ratios (resulting from returns on investments allocated to the different segments), estimated without deducting outward reinsurance**

Claims Rates for Direct Insurance		
Sector	2010	2009
Accident and Health	67.1%	73.1%
Fire and Other Damages	64.1%	35.5%
Motor	63.3%	72.0%
Transport	49.5%	51.4%
Third Party Liability	27.9%	17.9%
Other	14.8%	5.3%
<b>TOTAL</b>	<b>62.7%</b>	<b>61.5%</b>

Outward Re-insurance Claims/ Direct Insurance Claims Ratio		
Sector	2010	2009
Accident and Health	1.0%	4.2%
Fire and Other Damages	36.9%	27.3%
Motor	4.0%	0.1%
Transport	24.9%	57.2%
Third Party Liability	14.9%	10.0%
Other	59.4%	83.2%
<b>TOTAL</b>	<b>10.0%</b>	<b>6.3%</b>

**Outward Re-insurance Claims Costs/  
Outward Re-insurance Premiums Ratio**

Sector	2010	2009
Accident and Health	14.4%	28.7%
Fire and Other Damages	50.5%	24.7%
Motor	29.5%	0.5%
Transport	22.2%	48.0%
Third Party Liability	29.1%	9.8%
Other	25.9%	11.5%
<b>TOTAL</b>	<b>38.9%</b>	<b>22.6%</b>

**4.7. Amounts recoverable, for amounts paid on claims, arising from the acquisition of the rights of the insured in relation to third parties:**

in euro

Direct Insurance Redemptions		
	2010	2009
Open for less than 1 year	3,318,764.04	2,351,330.49
Open for more than 1 year	2,998,331.74	1,801,856.12
<b>TOTALS</b>	<b>6,317,095.78</b>	<b>4,153,186.61</b>

Despite an increase in redemptions compared to 2009, the Company pursued its strict policy for redemption collection.

## 5. Liabilities on investment contracts

The Company had no liabilities on investment contracts.

## 6. Financial instruments (that are not investment contracts)

### Balance sheet headings

### 6.1. Inventory of holdings and financial instruments, according to the model shown in Annex I

See attachment 1

### 6.4. Provide information on reclassifications, including the impact and the reason for reclassification

In agreement with what is specified in the explanatory note on the accounting policies adopted by the Company, we did not reclassify financial instruments.

### 6.8. Provide information on compound financial instruments (bonds), with multiple derivatives built-in:

Financial instruments with built-in derivatives are shown on Table 1

The accounting procedure adopted was that of recognition at fair value through profit and loss.

### Fair value

### 6.11. Describe calculation of fair value, as follows:

#### a) Methods and, when an evaluation method is used, the forecasts applied in determining fair value for each category of financial asset and liability

#### Financial assets

Fair value is based on listed market prices, when available, and in the absence of a listed price (no asset market) it is determined based on recent trading prices, similar to and traded in market conditions or based on valuation methods provided by specialists in the field, based on future discounted cash flow techniques taking market conditions, time effect, the profits curve and volatility factors into account.

#### Financial liabilities

The Company has no financial liabilities valued at fair value.

### 6.16. Provide qualitative information to help assess the nature and extent of risks resulting from financial instruments:

#### a) Exposure to risk and the origin of risks and any changes referring to the period:

Financial risks are those arising from asset management due to volatility in prices and involve exposure to the worth of shares, bonds and other securities, interest rates and exchange rates.

**Interest rate risk:** is a risk that exists for all assets and liabilities where the value is sensitive to volatility in the interest rate. These are risks resulting from investments in bonds or the application of the interest rate in the best estimate of liabilities.

See note 4.3

**Spread risks:** are the risk component associated with financial instruments explained by the volatility of credit spreads on an interest rate without risk.

See note 4.3

**Exchange risks:** are those resulting from changes to exchange rates and arise when the assets portfolio and liabilities are not in the same currency or if contracts are set in a currency different to that used to calculate the premium.

**Share risk (equity):** these are the risks associated with a shares portfolio and are the result of volatility in prices on the shares market. Exposure to equity risk is reflected in all assets and liabilities whose value is sensitive to changes in share prices.

The Company's portfolio is made up essentially of bonds and property, accounting for respectively 47% and 16% of total financial assets. Risk investments account for only 11%, while investment funds account for 10%. The relative share of equity with more liquidity amounts to 8% of the portfolio.

See note 4.3

**b) Objectives, policies and procedures for risk management, methods used to manage these risks and any changes made in the period**

See note 4.3

**6.17. Provide quantitative information required to evaluate the nature and extent of risks resulting from financial instruments for each type of risk:**

**a) Exposure to risk and origin of risks and any changes during the period:**

Exposure to financial risks underlies the Company's investment policy, which is based on the criteria of caution in selecting assets appropriate for the insurance business, as explained in note 4.3

**e) Analysis of maturity of financial liabilities that indicates remaining contractual maturities and a description of the way in which the company manages the corresponding liquidity risk;**

As at 31 December 2009 the Company issued subordinated bonds worth 18,000,000 Euros, of unfixed maturity, which were fully underwritten by *Lusitania Vida, Companhia de Seguros, S.A.*. Interest is paid six-monthly at the applicable Euribor 6-month rate + 100 bp. See note 20, Funding Costs.

After the close of the 5th. year of the loan, and thereafter, on each date of interest payment, the issuer may reimburse the debenture loan in its totality, and at the same time, first giving notification of its intention, bring it forward by five years from the date of reimbursement.

Also at 31 December 2010, the Company held two guaranteed current accounts with *Montepio Geral* and *BPI*, with respectively 10 million euros and 1.5 million euros in each. Both were paid off in January and February 2011, respectively.

**f) A sensitivity analysis for each type of market risk to which the company is exposed on the date of the report showing how profit and loss, and equity, would have been affected by changes, reasonably possible on that date, in the variable in question, as well as the methods and forecasts used to prepare the sensitivity analysis and changes introduced in the methods and forecasts used compared to the previous period, as well as the reasons for these changes;**

In doing the QIS exercise, sensitivity tests were done on the financial asset portfolio, applying the interest rate curve designed in the study. Results obtained make it possible to measure the impact of the different types of market risk in the total. This revealed the interest rate risk to be 9.2% of the total, the shares risk, 5.4%, the property risk, 8.2%, exchange risk negligible, 0.1%, the spread risk, 5.9%, combination 4.1% and the illiquidity premium contributed with 1.5%.



## 7. Investments in affiliates and associates

- 7.1. Indicate, when applicable, that these are independent financial statements, identify parent company and parent company at the head of the Company and list investments in affiliates, entities jointly controlled and associates, including the name, country of incorporation and domicile, capital share and, if different, the voting right share held; also describe the method used to enter investments in accounts

These financial statements, to which these notes to the accounts are a part, are independent financial statements. The Company belongs to the *Montepio Geral Group*, and the respective consolidated financial statements are included in the financial statements of the *Caixa Económica Montepio Geral* – See note 25.2.

Lusitania's holdings of more than 20% in other companies:

See table ▼

thousands of euros

Company Address	Capital Share Held	Book Value	Parent Company	Parent Company Group Leader	Cash & Reserves	Year	Result
<b>Empresa Gestora de Imóveis da Rua do Prior</b> <i>Rua do Prior, 2 - Lisboa</i>	100.00%	1,851	Lusitania	Montepio	403	2009	4
<b>Soc. Portuguesa de Administrações, S.A.</b> <i>Av.Eng.Duarte Pacheco, T2 8º/Sala 5 -Lisboa</i>	80.63%	590	Lusitania	Montepio	1,376	2009	113
<b>Clínica Serv. Médicos Comp. Belém, S.A.</b> <i>R.Manuel Mª Viana -Lisboa</i>	24.50%	257	José Mello Saúde	José Mello Saúde	1,575	2010	29
<b>N-Seguros</b> <i>Zona Industrial da Maia 1 - Maia</i>	100.00%	12,500	Lusitania	Montepio	-4,216	2010	-2,453
<b>Mutuamar Formação</b> <i>Av. António Augusto Aguiar, 23 - R/C</i>	100.00%	50	Lusitania	Montepio	-85	2009	-44

Financial holdings are valued at acquisition cost, given that they are not listed.

As shown in the table above, the cash and reserves of *N Seguros* were in the red at 4.216 thousand euros, as at 31 December 2010. Based on the business plan prepared for that affiliate, the Company's Administration is convinced that the sums of 12,500,000 euros and 9,000,000 euros, respectively for the 100% financial holding in *N Seguros* and a subordinated loan granted, will be recoverable.

Although *N Seguros* has negative equity it does meet the minimum solvency requirements demanded by the *Instituto de Seguros de Portugal*.

At the time of submitting the consolidated financial statements, the Company fully consolidated its affiliate *N Seguros*, but did not proceed to fully consolidate or use the equity method for its holdings in other affiliates and associates, due to the respective values being insignificant, and therefore unlikely, if considered, to influence the economic decisions of those using the Company's consolidated financial statements.

## 8. Cash and equivalents, and demand deposits

### 8.1. Describe the components of cash and its equivalents and demand deposits, and the reconciliation of amounts included in the cash flow statement with equivalent items recorded in the balance sheet

	in euro	
	2010	2009
Cash	40,009.07	1,015,886.10
Immediately accessible bank deposits	4,128,735.44	5,604,828.91
<b>Cash and liquid assets on balance sheet</b>	<b>4,168,744.51</b>	<b>6,620,715.01</b>

## 9. Land and buildings

### 9.1. Identify valuing method used

The valuing method used for land and buildings for the Company's own use is the Cost Model. The Fair Value Method is used for income-earning land and buildings.

### 9.2. Describe criteria used to distinguish income-earning land and buildings from land and buildings for the Company's own use

In distinguishing between income-earning land and buildings and land and buildings for the Company's own use, the Company used the classification criteria found respectively in IAS 16 and 40. So to distinguish between own use and income-earning for the land and buildings category, the Company adopts the principle of asset recoverability. In this way, and for property in which recoverability will be by earning rental instead of continued use, the Company classifies it as income-earning property, using IAS 40 measurement criteria. For property destined mainly for continued use, the Company classifies it as property for the Company's own use, in this case applying the measurement criteria found in IAS 16.

#### Fair value model

### 9.3. Indicate to what extent the fair value of income-earning land and buildings is based on the valuation of an independent evaluator who has the recognised and relevant professional qualifications and who has recent experience in the location and category of the property to be valued

The value of income-earning land and buildings, duly valued according to the criterion used by the independent expert, in agreement with enabling regulation n° 16/99-R of the *Instituto de Seguros de Portugal*, is based on a visit to the site and the property market in the area. The method used is that, which in the opinion of the expert, is the best adapted to the specific case.

In the 2010 financial year, according to information provided by specialist assessors generally used by the Company, no significant swings in the market price of this type of asset are likely so that no evaluations were done on income-earning property, apart from some, with a positive impact of around 420 thousand euros (*see note 37.2 – Other income / underwriting costs, net of reinsurance*).

#### 9.5. Provide reconciliation between amounts recorded for land and buildings at the opening and close of the period in question, indicating:

- a) Additions, disclosing separately additions resulting from acquisitions and those resulting from subsequent expenditure recognised in the amount recorded for an asset

*See tables 2 and 3*

- b) Additions resulting from acquisitions through the business combinations;

*See tables 2 and 3*

*Cost model*

#### 9.6. Indicate measurement criteria used to determine the gross amount recorded, depreciation methods used and the working life or depreciation rates used

In the initial recognition of the value of land and buildings for the Company's own use, the Company used the original purchase cost, attributing 30% of the value to the respective land, as laid down in IAS 16. In subsequent measurement, the Company opted to establish a working life that would reflect the estimated time for obtaining economic benefits, depreciating the asset for this period. The working life of each asset is revised on each date of financial reporting.

With regard to the depreciation method, the Company used the straight-line method, because it reflects best the expected consumption pattern for the economic benefits of the asset. This method is applied consistently for all categories of assets.

In view of the fact that the Company already produced the financial report for the Group, as laid down in IFRS, it adopted the principle in paragraph 24 of IFRS 1.

The Company also tests regularly for impairment to check whether the book value of the asset exceeds its realizable net value. Should the difference between the recoverable value and the book value of the asset be negative, a loss of this amount due to impairment is recognised. In applying this procedure, the Company applies the methods in IAS 36 in association with IAS 16.

*Working life span or depreciation rates used are shown in note 3.1. e)*

#### 9.7. Indicate the gross amount recorded for accrued depreciation (added to losses due to accrued impairment) at the opening and close of the year

*See table 3*

#### 9.8. Table showing amounts registered between the opening and close of the financial year (including additions and decommissioning)

- a) Additions, disclosing separately additions resulting from acquisitions and those resulting from subsequent expenditure recognised in the registered amount of an asset

*See table 3*

- b) Additions resulting from acquisitions through business combinations

*See table 3*

- d) Depreciations

*See table 3*

### 9.9. Indicate the fair value of income-earning land and buildings, subject to the specific cases considered in note 9.19

See Note 9.5 a)

*Income-earning land and buildings*

### 9.17. Identify amounts recognised under profit and loss for:

#### a) Income from income-earning land and buildings:

In 2010 gains from income-earning buildings amounted to 328,554.66 euros (2009: 56,446.80 euros).

## 10. Other fixed tangible assets (other than land and buildings)

Provide information demanded in notes 9.20 to 9.23 and that associated with the corresponding valuation model used.

The information in Notes 9.20 to 9.23 is not applicable to the Company's tangible fixed assets.

The Company's tangible assets are valued at cost less the respective accrued depreciation and losses from impairment.

*Cost Model*

### 10.1. Indicate the measurement criteria used to determine the gross amount recorded, depreciation methods used and the working life or depreciation rates used

In the initial recognition of values of other tangible assets, the Company capitalises the acquisition value plus any costs required to run a given asset correctly, as laid down in the ruling in IAS 16. In subsequent measurement, the Company chooses to establish the working life best suited to reflecting the estimated time in which economic benefits can be obtained, depreciating the asset

over this period. The working life of each asset is revised on each date of financial reporting.

Whenever there is an objective sign that the recorded value of tangible assets exceeds their market value, a loss for the difference due to impairment is recognised, in agreement with the method proposed by IAS 36 in coordination with IAS 16.

For the depreciation method, the Company uses the straight-line method because it best reflects the consumption pattern expected from the economic benefits of the asset. This method is applied, regularly, on all categories of assets.

Working life spans or depreciation rates used are shown in note 3.1 e)

### 10.2. Indicate the gross amount recorded and accrued depreciation (added to accrued losses due to impairment) at the opening and close of the year

See table 4

### 10.3. Provide a reconciliation between quantities recorded for tangible assets at the opening and close of the period, showing:

#### a) Additions, disclosing separately additions resulting from acquisitions and those resulting from subsequent expenditure recognised in the quantity recorded for an asset;

See note 10.2

#### b) Additions resulting from acquisitions due to business combinations;

See note 10.2

#### d) Depreciations;

See note 10.2

- e) **The amount of losses due to impairment recognised and the amount of losses due to impairment returned during the year in agreement with IAS 36**
- 

*No losses and no losses due to impairment returned were registered.*

- g) **Transfers; and**
- 

See note 10.2

- h) **Other changes**
- 

Nothing to report.

## 11. Allocation of investments and other assets

As at 31 December 2010, headings for investments and other assets were composed as follows in agreement with the respective allocation:

in euro

2010			
	Allocation	Free	Total
Cash and equivalents	4,168,744.51	0.00	4,168,744.51
Land and buildings	70,020,526.07	1,305,794.00	71,326,320.07
Investments in affiliates, associates & joint undertakings	13,346,267.51	1,901,310.40	15,247,577.91
Tradable financial assets	6,693,786.14	0.00	6,693,786.14
Financial assets classified in initial recognition at fair value in profit and loss	15,060,130.22	0.00	15,060,130.22
Financial assets available-for-sale	215,632,007.97	368,445.63	216,000,453.60
Outstanding loans and accounts	15,636,270.24	25,315,639.13	40,951,909.37
Other assets	4,844,150.45	185,008,222.83	189,852,373.28
<b>TOTAL</b>	<b>345,401,883.11</b>	<b>213,899,411.99</b>	<b>559,301,295.10</b>

in euro

2009			
	Allocation	Free	Total
Cash and equivalents	6,550,555.01	70,160.00	6,620,715.01
Land and buildings	60,004,565.39	1,305,794.00	61,310,359.39
Investments in affiliates, associates & joint undertakings	13,757,867.49	1,901,310.40	15,659,177.89
Tradable financial assets	7,991,596.54	0.00	7,991,596.54
Financial assets classified in initial recognition at fair value in profit and loss	15,560,388.00	0.00	15,560,388.00
Financial assets available-for-sale	223,786,554.25	104,164.92	223,890,719.17
Outstanding loans and accounts	45,102,717.65	5,757,454.40	50,860,172.05
Other assets	16,518,654.38	152,087,698.62	168,606,353.00
<b>TOTAL</b>	<b>389,272,898.71</b>	<b>161,226,582.34</b>	<b>550,499,481.05</b>

## 12. Intangible assets

### 12.1. Identify the valuation model used

Software and spending on rented buildings are valued at cost less the respective accrued depreciation and impairment losses.

As a result of acquiring *Real Seguros* (see note 1) and of applying IFRS 3, business combinations (see note 33), the Company recognised the value of the portfolio acquired from *Real Seguros* by referring to the respective date on which it took control of the same company (2 November 2009). The value of the portfolio was determined by revising future cash flows associated with policies in force on the date of acquisition, including an adjustment for the cost of capital invested in the business acquired. The value of the portfolio is subject to recoverability tests at the end of each reporting period in order to check that the amount capitalised does not exceed the current value of planned profits. The Company depreciates the value of the portfolio during the working life of contracts (policies) earned, in proportion to planned future profits.

### 12.3. Provide the following information, for each category of intangible asset, distinguishing between the intangible assets generated internally and other intangible assets:

#### a) If working life is not defined or is finite and, if being finite, the working life or depreciation rates used:

See table ▼

#### b) Depreciation methods used for intangible assets with finite working life spans;

Depreciation is calculated based on the straight-line method, in agreement with estimated working life span.

#### c) The gross amount recorded and any accrued depreciation (added to accrued impairment losses) at the opening and close of the year;

See table 5

#### d) The items on each line of the profit and loss statement in which any depreciation of intangible assets is included;

Annual depreciation of intangible assets amounted to 1,162,392.32 euros and was recorded under claims costs (€437,000), acquisition costs (€567,000) and administrative costs (€159,000).

#### e) The amount recorded and the depreciation period remaining for any individual material intangible asset;

Current value of Real's portfolio as at 31 December 2010:

Estimated portfolio value: 17,326,816.26 euros (2009: €17,327,000; see note 33, Business Combinations);

Depreciation 2010: 866,000 euros (2009: 144,000 euros – 2 months, post-acquisition of Real Seguros).

See note 12.1 and table 5

	Intangible Assets Generated Internally	Other Intangible Assets	Finite Working Life?	Depreciation Rate
Spending on software		X	S	33.33%
Business portfolio of Real		X	S	See note 12.1
Other		X	S	33.33%

**f) Information demanded in notes 9.7, 9.8 (but not sub-para. g), 9.11, 9.13, 9.14 and 9.15**

*See information demanded in notes 9.7 and 9.8 (but not sub-para. g)) in table to note 12.3 c)*

Notes 9.11, 9.13, 9.14 and 9.15 are not applicable.

## 13. Other provisions and adjustments to asset statements

### 13.1. Breakdown of statements on adjustments and other provisions into the respective sub-statements, as shown on the following table:

See table ▼

### 13.2. Describe the nature of the bond and the expected time that any outflows may occur of economic benefits resulting from adjustments and provisions and an indication on the uncertainty regarding the quantity and/or the time at which these outflows may occur, as well as the quantity of any redemption expected with reference to any asset that has been recognised in association with this redemption

Adjustments for receipts outstanding aim to meet losses resulting from these assets not being paid.

Adjustments for bad debt are made depending on the stipulations of tax law, and its aim is to provide a backing should these assets not be paid.

Under 'Other Provisions', the balance of €6,000,000 as at 31 December 2010 breaks down as shown below:

See table ▼

in euro

Closing Balance	
Estimate for adjustment for losses due to impairment – agents and co-insurance	1,178,377.84
Estimate for adjustment for losses due to impairment – property	1,153,815.68
Estimate for adjustment for losses due to impairment – securities	1,119,000.00
Tax contingency provision	913,734.97
Estimate for adjustment for losses due to impairment – loans	750,000.00
Estimate for adjustment for losses due to impairment – claims redemptions & other third party accounts	747,995.20
Other provisions	137,328.33
<b>492 – Other provisions</b>	<b>6,000,252.02</b>

in euro

	Opening Balance	Increase	Reduction	Closing Balance
490 - Adjustments for receivables	6,801,840.59		4,919,461.43	1,882,379.16
491 - Adjustments for bad debt	1,921,759.60	477,032.93	186,241.47	2,212,551.10
<b>TOTAL</b>	<b>8,723,600.19</b>	<b>477,032.93</b>	<b>5,105,702.90</b>	<b>4,094,930.26</b>
492 - Other provisions	6,924,175.09		923,023.07	6,000,252.02

See note 13.2



**13.3. For insurance contracts with guarantees suspended due to lack of payment of premiums, indicate the following:**

- a) **The value of premiums suspended as at 31 December 2010 amounts to 4,797,922.10 euros (2009: 2,642,740.01 euros)**
- b) **Claims redemptions from policy holders totalled 1,617,658.45 euros (2009: 179,724.75 euros)**

**14. Insurance contract premiums**

**14.1. Indicate premiums recognised resulting from insurance contracts**

As at 31 December 2010 the Company recognised, under Profit and Loss, premiums from insurance contracts amounting to 234,855,297.57 euros (2009: 132,337,062.60 euros).

**14.3. Breakdown of some values relative to non-life insurance between direct insurance and inward reinsurance and, within direct insurance, between the different sectors/groups of sectors, in accordance with Annex 4**

See table ▼

in euro

Sectors / Groups of Sectors	Gross Premiums Earned	
	2010	2009
<b>DIRECT INSURANCE</b>		
• Accident & Health	75,786,293.72	48,822,969.32
• Fire & other Damages	43,762,727.96	31,043,418.00
• Motor		
• Third Party Liability	62,713,684.57	30,391,002.08
• Other Coverage	35,210,242.76	14,032,751.37
• Sea, Air and Transport	5,528,758.38	1,448,909.37
• General Third Party Liability	6,244,116.53	3,155,912.86
• Credit and Guarantees	184,015.45	124,680.48
• Legal Protection	1,551,025.31	580,217.03
• Assistance	367,082.54	371,372.69
• Other	1,024,728.14	269,567.46
<b>TOTAL</b>	<b>232,372,675.36</b>	<b>130,240,800.66</b>
<b>INWARD REINSURANCE</b>	<b>2,482,622.21</b>	<b>2,096,261.94</b>
<b>OVERALL TOTAL</b>	<b>234,855,297.57</b>	<b>132,337,062.60</b>

## 16. Income/ gains from investments

### 16.1. Describe accounting policies adopted for the recognition of gains

See note 3.1 a)

### 16.2. Indicate, per investment category, the quantity of each significant category of recognised gain during the year including that from interest, royalties and dividends

in euro

Income		
	2010	2009
<b>Financial Assets held for trading and classified under initial recognition at fair value through profit and loss</b>		
• Interest	642,971.47	298,276.95
<b>Financial assets available for sale</b>		
• Dividends	1,072,247.05	1,152,348.33
• Interest	4,467,232.30	3,182,462.28
<b>Call and term deposits</b>	262,533.82	417,476.12
<b>Other</b>	1,184,535.92	337,626.09
<b>TOTAL</b>	<b>7,629,520.55</b>	<b>5,388,189.77</b>

## 17. Gains and losses from investments

Indicate, per category of investment, the quantity of gains and losses made through the respective sell-out.

in euro

Added value		
	2010	2009
<b>Financial assets held for trading</b>		
• Bonds	34,330.60	0.00
<b>Financial assets available for sale</b>		
• Shares	1,153,620.94	2,949,476.88
• Bonds	-75,320.94	-604,033.07
<b>TOTAL</b>	<b>1,112,630.60</b>	<b>2,345,443.81</b>

## 18. Profit and loss from adjustment of the fair value in investments

Indicate, per category of investment, the quantity of profit and loss from adjustments to fair value.

in euro

	2010	2009
<b>Financial assets held for trading</b>		
• Losses	162,270.26	503.29
• Gains	64,216.20	763,105.23
<b>Financial assets classified under initial recognition at fair value through gains and losses</b>		
• Losses	858,949.49	0.00
• Gains	0.00	0.00

## 19. Profit and loss from exchange differences

Indicate quantity of exchange differences recognised in results apart from those resulting from financial instruments valued by fair value through profit and loss.

### Positive Exchange Differences

18,881.24 EUROS

These differences are the result of converting assets and liabilities to Euros from foreign currency, except for technical provisions and investments. They are recorded under statements for other non-technical profit and loss.

## 20. Funding Costs

As at December 2010 the Company recorded financial costs amounting to 367,586.50 Euros for subordinated bonds with no fixed term, from individual underwriting, for the sum of 18,000,000.00 euros, issued on 31 December 2009. These bonds were fully underwritten by *Lusitania Vida, Companhia de Seguros, S.A.*. Interest is paid six-monthly at the 6 month Euribor rate + 100 b.p.

## 21. Costs according to function and nature

### 21.1. Analyse costs using a classification based on their function, namely to earn insurance contracts and investment (acquisition and administration), claims costs and investment costs

See table ▼

in euro

	2010			2009
	Underwriting Statement	Non-underwriting Statement	Total	Total
Claims costs	12,001,575.93		12,001,575.93	5,838,270.41
Acquisition costs	15,269,882.74		15,269,882.74	6,082,188.70
Administrative costs	18,826,652.63		18,826,652.63	12,888,913.06
Investment management costs	1,473,708.63	84,261.92	1,557,970.55	561,659.39
<b>TOTAL</b>	<b>47,571,819.93</b>	<b>84,261.92</b>	<b>47,656,081.85</b>	<b>25,371,031.56</b>

Nota: Figures from Cost Distribution Table

## 21.2. Analyse costs using a classification based on their nature (e.g. depreciation, impairment, employee benefits)

Included under Specialist Work is spending on Expert Assessment Management (1,352,330.24 euros), Information Technology (1,220,910.08 euros), call centre and temporary work (1,216,629.90 euros) and other miscellaneous items.

In 2010 the Company incurred confidential spending related to the business for the sum of euros 193,244.00 euros (2009: 200,332.65 euros)

in euro

	2010	2009
<b>Personnel costs (see note 22)</b>	<b>24,706,494.47</b>	<b>14,178,813.94</b>
<b>Supplies and outsourced services:</b>	<b>17,094,834.22</b>	<b>8,598,505.02</b>
• Specialist works	5,184,991.44	2,235,680.29
• Rentals & hire	3,549,062.24	1,697,792.82
• Communications	2,955,247.38	1,630,245.89
• Maintenance and Repair	902,835.54	332,452.16
• Advertising and Publicity	780,986.60	438,130.82
• Travel, accommodation and representation costs	443,658.32	215,474.66
• Printed matter	306,580.60	145,257.85
• Office material	210,394.31	54,221.91
• Subscriptions	177,691.20	116,159.88
• Premium payment costs	271,352.27	84,617.69
• Insurance	149,159.83	93,133.64
• Disputes and Notary	65,054.48	51,921.95
• Electricity	383,760.97	216,439.51
• House-keeping, hygiene and comfort	446,085.34	306,172.44
• Vigilance and security	191,275.39	202,613.64
• Other	1,076,698.31	778,189.87
<b>Taxation and duties</b>	<b>1,237,538.72</b>	<b>552,702.18</b>
<b>Depreciation for the year:</b>	<b>3,364,241.46</b>	<b>1,798,776.27</b>
• Intangible Assets	1,162,392.32	466,059.60
• Real's business portfolio	866,340.63	144,390.14
• Other intangible assets	296,051.69	321,669.46
• Tangible Assets:	2,201,849.14	1,332,716.67
• Land and Buildings for own use	754,725.26	514,665.24
• Other tangible assets	1,447,123.88	818,051.43
<b>Interest paid</b>	<b>665,755.96</b>	<b>153,172.72</b>
<b>Commissions</b>	<b>587,217.02</b>	<b>233,451.57</b>
<b>TOTAL</b>	<b>47,656,081.85</b>	<b>25,515,421.70</b>

## 22. Personnel Costs

### 22.1. Indicate average number of workers serving during the year, broken down according to professional category

As at 31 December 2010 the Company had 656 employees, the average number of staff working for Lusitania in 2010 being 656 in the following professional categories:

	CCT Level	2010	2009 *
Category		Total	Total
Dirigentes		3	2
Coordinating Managers		9	11
Service Managers	XV	31	31
Service Heads		66	62
Technical Staff	XIII e XII	33	35
Section Supervisors and similar	XII	81	78
Deputy Section Supervisors and similar	XI	108	105
Clerks and similar	X e IX	286	297
General Services and Telephonists	VIII, V, II e I	12	11
Trainee Clerks and similar	IV	23	37
Appendices to the C.C.T..	X, VI e IV	4	3
<b>TOTAL</b>		<b>656</b>	<b>672</b>

\* Includes *Real Seguros* and *Mutuamar*

## 22.2. Indicate the amount of personnel costs for the year, broken down as follows:

in euro

	2010	2009
<b>Remuneration</b>		
• for corporate governance	667,875.63	452,618.00
• for personnel	18,848,105.57	10,403,045.89
<b>Charges on remuneration</b>	4,014,462.27	2,268,644.95
<b>Post-employment benefits</b>		
• Defined contribution plans		
• Defined benefit plans	289,626.17	118,674.33
<b>Other long term employee benefits</b>		
• Employment severance benefits	13,224.39	2,383.78
<b>Obligatory insurance</b>	215,209.82	103,340.22
<b>Personnel costs</b>	366,002.69	255,599.27
<b>Other personnel costs</b>	291,987.93	574,507.50
<b>TOTAL</b>	<b>24,706,494.47</b>	<b>14,178,813.94</b>

The heading 'other spending on personnel' has a significant increment from 2009 to 2010 due essentially to taking on the new staff from *Real Seguros* and *Mutuamar*.

## 23. Employee benefit obligations

### 23.1. For each contribution plan defined, provide any relevant information to help understand the plan and changes to the amounts recorded in accounts compared with previous financial years, such as:

The Company has no defined contribution Plans for employee benefits.

### 23.2. For each defined benefit plan, provide relevant information to help understand the plan and changes to the amounts recorded in accounts compared with previous financial years, such as:

#### a) The Company's accounting policy to recognise actuarial profit and loss, as well as the cost corrected for past services;

For the purpose of applying IAS 19 – Benefits to employees, the cost associated with benefits to employees should be recognised when the respective benefit is obtained, that is, while the employee is working, so that the difference between the amount for liabilities assumed and the assets acquired to cover this liability should be recorded in the Company's balance sheet.

The cost, for the purpose of IAS 19, does not necessarily correspond to the amount that the Company delivers annually to the fund; it is rather the sum of the cost of current services and the cost of interest and the expected return on assets.

To recognise actuarial profit/loss the Company opted for the 'corridor' method, in which accrued actuarial profit and loss deferred in the opening balance sheet for the year, which exceed 10% of the higher figure between (i) total liabilities and (ii) the value of the fund, also reported at the start of the year, are entered under profit and loss during a period that may not exceed the length of remaining services for the workers covered by the plan. Accrued actuarial profit and loss within the 10% limit referred to are not recognised in profit and loss ("corridor": deferred on balance sheet).

**b) Give a general description of the plan, indicating benefits assured, expected deadline for settling commitments assumed and the group of individuals covered;**

**General description of plan and persons covered:**

I. The "Lusitania" Pensions Fund supports two distinct Defined Benefit Plans:

**1. A Plan covered by the Collective Bargaining Agreement for the Insurance Business in force, the benefits of which are summarised below:**

See table ▼

<b>Participants</b>	All employees on the permanent staff of Lusitania hired prior to 31/10/2009, as well as all pre-retired employees who are receiving a pre-retirement pension. All employees integrated to the permanent staff of Lusitania after 21/12/2009, with labour contracts in force in the insurance business as at 22/06/1995 are also participants in the Fund.
<b>Normal Retirement Age (NRA)</b>	That provided by Social Security.
<b>Pensionable salary (R)</b>	The last effective monthly salary on the date of retirement.
<b>Old-age pension (P)</b>	The old-age pension is independent and complements Social Security, and is calculated as follows: $P = (0.8 \times 14/12 \times R) - (0.022 \times N \times S/60)$ in which: N= n° of years of contribution to Social Security; S= sum of the best 5 years out of the past 10 years of annual salaries prior to retirement; The factor $0.022 \times N$ is limited to a maximum of 80% and a minimum of 30%.
<b>Invalidity pension (P)</b>	The invalidity pension is independent and complements Social Security, and is calculated as follows: $P = (0.022 \times T \times 14/12 \times R) - (0.022 \times N \times S/60)$ in which: N= n° of years of contribution to Social Security; T= n° of years service in the insurance business (any fraction of a year counts as a complete year); S= sum of the best 5 years out of the past 10 years of annual salaries prior to retirement; The factor $0.022 \times N$ is limited to a maximum of 80% and a minimum of 30%.
<b>Pre-retirement pension (P)</b>	The pre-retirement pension is temporary (up to the age of 65), and is calculated as follows: $P = (0.8 \times R \times 14)$ in which: R= Monthly pensionable salary one month prior to pre-retirement;
<b>Number of monthly payments</b>	14

**2. A Plan 2 for Directors whose benefits are as follows:**

<b>Participants</b>	A Plan covering all members of the Board of Directors who, having worked in the insurance business, have the right to their complementary retirement pensions, approved in a General Meeting.
<b>Normal Retirement Age (NRA)</b>	That provided by Social Security
<b>Pensionable Salary (R)</b>	The last effective monthly salary on the date of retirement
<b>Complementary Old-age or Invalidity Pension (P)</b>	The old-age pension complements the Social Security old-age and invalidity pension for 80% of pensionable salary: $P = (0.8 \times R) - \text{Social Security Pension}$
<b>Pre-retirement Pension (P)</b>	The pre-retirement pension is temporary (up to the age of 65), and is calculated as follows: $P = (0.8 \times R)$ in which: R= Monthly salary of month prior to pre-retirement;
<b>Number of monthly payments</b>	14

**Planned deadline for settling commitments assumed:**

The Company expects to settle commitments assumed when employees reach normal retirement age, that is the age of 65. Considering the average age of the participants in the Fund is 44 years, liabilities in question will be settled, on average, within 21 years.

**c) The vehicle used for funding;**

The Company's liabilities are funded by a Pensions Fund managed by *Lusitania Vida, Companhia de Seguros, SA*.

**d) The value and effective rate of return on the plan's assets;**
[See table ▶](#)

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
<b>Current value of asset Fund</b>	9,646,121	7,097,792	2,148,927	567,993
<b>Effective rate of return on Fund assets</b>	2.69%	11.81%		



- e) **The liability settled with post-employment benefits, separately between the current value of liability for past services and the current value of benefits already being paid;**

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
Current value of liabilities for past services	6,336,813	4,692,951	1,280,855	134,876
Current value of pensions being paid	3,368,921	2,194,224	608,986	459,356
Liability for post-employment benefits	9,705,734	9,371,248		

- f) **Reconciliation of opening and closing balances for the current value of the obligation for defined benefits, showing separately, if applicable, the effects during the year that can be attributed to the following items:**

(i) Cost of current services

See table ►

in euro

<b>Liabilities as at 1 January 2009 – Lusitania</b>	<b>6,543,775.00</b>
Running costs – Lusitania	118,807.25
Interest costs – Lusitania	347,776.90
Actuarial (gains) and losses – Lusitania	220,190.85
Benefits paid by Company – Lusitania	- 343,375.00
<b>Liabilities as at 31 December 2009 – Ex-Real</b>	<b>1,889,841.46</b>
<b>Liabilities as at 31 December 2009 – Ex-Mutuamar</b>	<b>594,231.54</b>
<b>Liabilities as at 31 December 2009</b>	<b>9,371,248.00</b>
Running costs	178,748.53
Interest costs	492,226.37
Actuarial (gains) and losses	-4,370.88
Benefits paid by Company	-331,757.92
<b>Liabilities as at 31 December 2010</b>	<b>9,705,734.10</b>

(ii) Interest cost;

See table above.

(iii) Contributions made by participants in the plan

Not applicable;

(iv) Actuarial profit and loss

See table above;

(v) Exchange differences on plans measured in a currency different to that used by the Company.

Not applicable.

(vi) Benefits paid;

No benefits are being paid.

(vii) Cost corrected for past services;

Not applicable.

(viii) Business combinations;

See above.

(ix) Cuts and settlements.

Not applicable.

**g) Analyse the obligation for benefits defined in amounts resulting from plans that have no funding and in amounts resulting from plans that are fully or partially funded**

The obligation for defined benefits, which at 31 December 2010 rose to 9,705,734 Euro, is financed by a Pensions Fund worth 9,646,121 Euro, which is a funding level of 99%.

**h) Reconciliation of opening and closing of the fair value of assets in the plan as well as in the opening and closing balances of any right to redemption recognised as an asset, showing separately, if applicable, the effects during the period that can be attributed to each one of the following items:**

(i) Expected return from assets in plan:

See table ▼

(ii) Actuarial profit and loss;

See table above;

(iii) Employer's contribution;

See table above;

(iv) Contributions made by participants in plan;

Not applicable.

(v) Items v., vi., viii. and ix. of sub-para. f).

Not applicable.

**i) Provide reconciliation of present value of obligation for defined benefits in sub-para. f) and the fair value of the assets of the plan in sub-para. h) with assets and liabilities recognised in the balance sheet, showing at least:**

(i) Net actuarial profit and loss not recognised on balance sheet;

(ii) Corrected cost of service provided not recognised on the balance sheet;

(iii) Any amount not recognised as an asset, for the purpose of the limit established in IAS 19;

(iv) Other amounts recognised on the balance sheet.

See table on next page ►

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
<b>Value of Fund at Start of Year</b>	<b>7,097,791.94</b>	<b>6,414,043.00</b>	<b>2,130,011.00</b>	<b>619,812.00</b>
• Expected return on assets	390,378.56	352,772.37	66,818.00	15,413.00
• Contributions/Transfers to Fund	2,654,532.79	35,000.00	0.00	0.00
• Actuarial gains (losses)	-164,824.57	639,351.57	45,101.00	11,276.00
• Pensions being paid	-331,757.92	-343,375.00	-93,003.00	-78,508.00
<b>Value of Fund at Year End</b>	<b>9,646,120.80</b>	<b>7,097,791.94</b>	<b>2,148,927.00</b>	<b>567,993.00</b>

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
• Value of liabilities as at 31 December	9,705,734.10	6,887,175.00	1,889,841.00	594,232.00
• Value of Fund as at 31 December	9,646,120.80	7,097,791.94	2,148,927.00	567,993.00
<b>Excess (Short-fall) of Fund</b>	<b>-59,613.30</b>	<b>210,616.97</b>	<b>259,086.00</b>	<b>-26,239.00</b>

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
• Value of liabilities as at 31 December	9,705,734	6,887,175	1,889,841	594,232
• Value of Fund as at 31 December	9,646,121	7,097,792	2,148,927	567,993
<b>Excess (Short-fall) of Fund</b>	<b>-59,613</b>	<b>210,617</b>	<b>259,086</b>	<b>-26,239</b>
• Actuarial losses deferred in balance sheet (corridor method)	1,359,601	958,762	249,563	2,008
<b>Value recognized on Balance Sheet</b>	<b>1,299,989</b>	<b>1,169,379</b>	<b>508,649</b>	<b>-24,231</b>

**j) Indication of total loss recognised in Profit and Loss Statement for this financial year relative to:**

- (i) Cost of current services;
- (ii) Corrected cost of past services;
- (iii) Cost of interest;

(iv) Expected return on assets in plan and possible rights to redemption;

(v) Actuarial profit and loss;

(vi) Profit or loss arising from cuts and settlements to plan;

(vii) Effect of the limit established in IAS 19.

See table ▼

in euro

	2010	2009		
		Lusitania	Ex-Real	Ex-Mutuamar
<b>Running costs of services</b>	178,748.53	118,807.25	71,175.00	8,718.00
<b>Cost of interest</b>	492,226.37	347,776.90	83,088.00	35,752.00
<b>Expected return on assets in plan and eventual rights of redemption</b>	-390,378.56	-352,722.37	68,785.00	-8,214.00
<b>Total impact of Profit and Loss*</b>	10,825.33	31,458.48	45,101.00	4,793.00
<b>TOTAL DE IMPACTOS NO GANHOS E PERDAS</b>	<b>291,421.67</b>	<b>145,320.26</b>	<b>268,149.00</b>	<b>41,049.00</b>

\* Part referring to corridor excess, recognised in 2010 and 2009.

- k) Amounts recognised in the current financial year, in the Profit and Loss Statement or under a specific heading for capital and reserves, for actuarial profit and loss and for the limit established in IAS 19;**

Under actuarial profit and loss, in 2010 a cost of 10,825 Euro (7,686 Euro net of deferred tax) (2009: 31,458 Euro, 23,122 Euro net of deferred tax), resulting from amortization of the 'corridor' excess.

- l) The accrued sum of actuarial profit and loss recognised under the specific heading of cash and reserves in the case adopted in this option;**

The Company does not use this option provided in IAS 19 in processing actuarial profit and loss.

- m) The percentage and amount of each main category of investment for the plan and other assets, which make up the fair value of total assets for the plan;**

The asset portfolio of the *Lusitania Vida* Pension Fund breaks down into the following categories of asset):

See table ▼

- n) The amounts included in the fair value of the plan's assets relative to financial instruments and any land and buildings occupied, or other assets used, by insurance companies;**

The Company does not use the assets of the Pensions Plan.

- o) Description of the basis used to determine the expected rate of return on assets, including the effect of the principal categories of assets for the plan;**

Using the investment policy applied to the Lusitania Pensions Fund as a basis, the global expected rate of return on assets was determined based on likely developments on financial markets.

- p) Indication of real return on assets of plan, as well as the real return on any right to return recognised as an asset;**

The real return on assets for the plan was a positive 225,554 Euro (2009: 992,124 Euro).

in euro

	2010		2009 *	
	Value	%	Value	%
Fluctuating income securities	425,950	4.4%	275,726	3.9%
Fixed income securities	8,476,011	87.9%	6,136,210	86.4%
Land and buildings	32,600	0.3%	677,278	9.5%
Other	710,069	7.4%	13,833	0.2%
<b>Total Fund applications</b>	<b>9,644,630</b>	<b>100.0%</b>	<b>7,103,047</b>	<b>100.0%</b>
General Debtors and Creditors	1,491		-5,256	
<b>Total assets in Fund</b>	<b>9,646,121</b>		<b>7,097,791</b>	

\* Values relating to 2009 include only the assets of the Lusitania Pensions Fund

**q) Describe the principal actuarial assumptions (in absolute terms) used, including, when applicable:**

Demographic Assumptions	2010	2009
Mortality table	TV 88/90	TV 73/77
Invalidity table	Suisse Re 2001	Suisse Re 2001
Forecast pre-retirement percentage	2.00%	2.00%
Normal Retirement Age	65 anos	65 anos

Financial Assumptions	2010	2009
Technical Rate of Discount (working period)	5.50%	5.50%
Technical Rate of Discount (retirement period)	4.50%	4.50%
Rate of return on fund	5.50%	5.50%
Rate of Salary Growth	2.75%	2.75%
Rate of Salary Revaluation (Social Security)	3.00%	3.00%
Growth rate for pensions	2.00%	2.00%

**r) Describe the components of depreciation plans regularly planned and provide information on these components required to understand them;**

As defined in article 5 of Enabling Standard n° 4/2007, of 27 April, of the ISP, "insurance companies may recognise in results retained, based on a depreciation plan for uniform annual payments over a maximum period of five years, the impact of applying the new accounting plan applicable to commitments for employee pensions plans."

Lusitania did not opt for this method

**s) Effect of positive and negative variations of one percentage point on tendency rates for medical costs assumed in the cost aggregate of current service and interest rate cost components for net, regular, post-employment medical costs, and in the**

**accrued liability of post-employment benefits for medical costs;**

Not applicable.

**t) Indicate quantities for the current annual period and for the preceding annual period when applicable for:**

**(i) Current value of the liability for defined benefits, fair value of assets in plan and the surplus or deficit of the plan; and**

**(ii) Adjustments from experience made as a result of liabilities in the plan expressed either as an amount or as a percentage of the liabilities of the plan on the date of the balance sheet, and the assets of the plan expressed either as an amount or as a percentage of the assets of the plan on the date of the balance sheet.**

in euro

	2010	2009 *	2008 *	2007 *	2006*
Value of liability for defined benefits	9,705,734	6,887,175	6,543,775	6,157,891	6,195,363
Fair value of assets of plan	9,646,121	7,097,792	6,414,043	6,084,071	6,196,477
<b>(Deficit)/ excess of plan</b>	<b>-59,613</b>	<b>210,617</b>	<b>-129,732</b>	<b>-73,820</b>	<b>1,114</b>
Adjustment for experience resulting from liabilities of plan	4,731	-220,191	-272,994	125,512	334,656
Adjustment for experience resulting from assets of plan	-164,825	693,352	161,281	-264,017	-294,404

\* Values refer to only the Lusitania Pensions Fund.

- u) **The amount of the transition liability (or asset) recognised in the current year, is the amount that remains to be recognised should recognition of a transition liability (or asset) not be immediate.**

See sub-para. r)

- v) **Describe the insurance company's best estimate, that can be reasonably determined, of the contributions it expects to be made during the year beginning after the close of the balance sheet**

The contribution estimated for 2011 is 191,264 Euro, should there be no need to change demographic/financial assumptions.

## 24. Tax on income

- 24.1. **The main components of loss (income) from taxation should be disclosed separately, and should include:**

- a) **Loss (income) due to current taxation**

At 31 December 2010 tax on income for the year was estimated at €376,000, for autonomous taxation as well as Municipal and

State duties, in view of the fact that the Company has tax losses relating to previous financial years.

- b) **Any adjustments recognised in the current tax year for previous years;**

The following adjustments were recognized on tax for previous years: (i) excess estimate for Corporate Tax for 2009 to the sum of €96,000 and (ii) correction to Corporate Tax for previous years to the sum of €39,000 (shortfall).

- c) **Amount of loss (income) due to deferred taxation related to origin and entitlement for temporary differences;**

Deferred tax was estimated at €1,077,000, corresponding basically to the use of deferred taxation associated with fiscal losses brought forward. Tax on profits for 2010 is broken down as follows:

in euro

Amounts	
Tax on Financial Year	376,365
Deferred Tax	1,077,434
<b>Tax on profits</b>	<b>1,453,799</b>

### 24.3. Explain the relationship between loss (income) on tax and book profit

Effective income tax estimated for the financial year of around 32.39%, higher than the nominal theoretical tax of 27.89% (26.5% + state duty of 2.5% on a result of over €2 million). This difference arises essentially from adjustments not accepted for tax purposes, such as those shown on the table below.

in euro

	Tax	Rate
<b>Corporate Tax and municipal duty on pre-tax result</b>	<b>1,189,398</b>	<b>26.5%</b>
<b>State duty on pre-tax result</b>	<b>62,207</b>	<b>2.5%</b>
<b>Total</b>	<b>1,251,605</b>	
<b>Tax adjustments</b>		
• Reintegration and depreciation on vehicles	8,266	
• Correction to Corporate Tax for previous financial years	10,815	
• Fines and penalties	18,945	
• Confidential spending	53,888	
• 50% tax gain shares/impairments	122,595	
• Excess estimate for Corporate Tax	-26,811	
• Dividends for shares allocated to underwriting provisions	-260,620	
• Tax benefits	-36,349	
• Autonomous taxation	271,058	
Change to estimate for deferred taxes	40,406	
<b>Tax on income for the year</b>	<b>1,453,799</b>	<b>32.39%</b>

## 24.7. Indicate for each type of time difference, and for each type of loss due to taxation not used and credit for taxation not used for:

### a) Amount of assets and liabilities deferred and recognised on the balance sheet for each year shown:

The balance for deferred tax statements recognised in the balance sheet are (euros):

See table ▼

in euro

	2010	Variation recognised in result	Variation in Equity & other adjustments	2009
<b>Deferred tax assets</b>	<b>14,366,752</b>	<b>(1,212,467)</b>	<b>1,273,477</b>	<b>14,305,741</b>
• Fiscal adjustments for transition	565,014	(316,944)	12,990	868,967
• Provisions not accepted	123,876			123,876
• Impairment losses	211,889	75,141		136,748
• Revaluation reserve for fair value	2,286,452		1,260,487	1,025,965
• Reportable tax losses	11,179,521	(970,664)		12,150,185
<b>Deferred tax liabilities</b>	<b>(1,922,104)</b>	<b>135,033</b>	<b>17,250</b>	<b>(2,074,387)</b>
• Fiscal adjustments for transition	(537,735)			(537,735)
• Liabilities for pension fund	(414,685)	35,079		(449,764)
• Property	(969,684)	99,954	17,250	(1,086,888)
<b>Deferred tax assets (net)</b>	<b>12,444,648</b>	<b>(1,077,434)</b>	<b>1,290,727</b>	<b>12,231,354</b>

Asset deferred taxation includes the sum of €11,180,000 for the fiscal losses entered by *Real Seguros*, prior to the merger operation. The response to the request for authorisation to deduct these losses, addressed to the Fiscal Administration, the latter stipulated a plan for deducting tax losses that limits their deduction to 1.29% of Lusitania's taxable profit. The Company's administration believes, and the Company's tax consultants corroborate this belief, that in the reaction Fiscal Administration will grant the Company authorisation to fully deduct the losses brought from *Real Seguros*. In addition, Fiscal Administration is still examining the request to accept the amortization of the insurance portfolio from *Real Seguros* for tax purposes.

### b) Amount of income or loss due to deferred taxation recognised in the profit and loss account

See note 24.3 and 24.7. a)

## 25. Capital

### 25.1. Indicate objectives and capital management policies for insurance companies, describing the respective processes implemented

In 2010 Lusitania conducted many projects and activities written into its action plan, which led to implementing most planned strategic objectives. It was a year of radical change and improvement that demanded a considerable amount of investment and dedication on the part of the teams involved.

In an adverse climate, which to a great extent explains the fall in revenue in 2010, Lusitania closed the year with a positive pre-tax result amounting to 4,488,295.39 euros. A good level



of provisions and financial stability were achieved, despite only a slight recovery on the money market.

It was a demanding year that was dealt with cautiously, under close monitoring and control.

The solvency margin demanded, calculated based on regulations in force, as at 31 December 2010 stood at 39,677,000 euros (2009: 40,903,000 euros). Solvency Margin cover is 157% (2009: 155%).

## 25.2. Indicate for each category of share capital

### a) The number of authorised shares;

As at 31 December 2010 the Company's entire capital was represented by 5,200,000 shares with a nominal value of 26,000,000 Euros.

### b) The number of shares issued and fully paid-in, and issued but not fully paid-in;

As described in a) above, the Company's share capital was 26,000,000 Euros, at 31 December 2010, fully paid in and represented by 5,200,000 registered shares each with a nominal value of 5 Euros. All shares issued are fully paid in.

	2010	2009
Montepio Geral – Associação Mutualista	64.22%	64.22%
Caixa Económica Montepio Geral	25.65%	25.65%
Lusitania Vida Companhia de Seguros, S.A.	5.37%	5.20%
Remaining Shareholders	4.76%	4.93%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

### c) Par value per share;

At 31 December 2010, the nominal value of each share was 5 Euros.

### d) Reconciliation of the number of shares in circulation at year end;

2010	
Nº shares as at 1 de January	5,116,179
Capital increase in 2010 through incorporation of reserves (in euro) *	83,821
Nº shares at 31 December	5,200,000

\* This increase in capital implied a transfer between the headings Other reserves and Share Capital to the sum of 419.000 Euros – See Statement of changes to share capital.

## 25.3 Identify amounts traded with holders of equity, with separate disclosure of distributions to these holders of equity;

*See transactions with holders of equity disclosed in note 29*

## 26. Reserves

### 26.1. Describe the nature of the purpose of each reserve within capital and reserves

#### a) Revaluation reserve

Revaluation reserves due to adjustments made to the fair value of financial assets represent the potential gains or losses in the investment portfolio available-for-sale, net of impairment recognised in results for the year and/or in previous financial years.

The revaluation reserve due to the revaluation of other tangible assets takes into account the sum of revaluations done in the past, under cover of legal rulings.

### b) Deferred tax reserve

Deferred tax, estimated for the time differences between the book value of assets and liabilities and their taxable value, are recognised in profit and loss, unless they are related to items that are recognised directly under capital and reserves, in which case they are also recorded accordingly under capital and reserves, under this heading. Deferred taxation recognised under capital and reserves arising from revaluation of investments available-for-sale are later recognised under profit and loss at the time when the profit and loss that gave rise to them is recognised.

### c) Statutory Reserves

These are set up annually as laid down in the Company's statutes, as 10% of annual net profit.

### d) Other Reserves

Free Reserves are recorded under this heading. These are the outcome of positive profit and loss, neither required for allocation to the legal reserve nor to cover retained losses, nor allocated to shareholders.

The Legal Reserve is also included in Other Reserves that may only be used to cover accrued losses or to increase capital. As laid down in Portuguese legislation, the legal reserve should be credited annually with at least 10% of annual net profit, up to concurrency with capital issued.

## 26.2. Describe the turnover for each reserve under capital and reserves according to the Financial Statement model for variations in capital and reserves

See table 6

## 27. Results per share

### 27.1. Indicate the amounts used as numerators in calculating basic and diluted earnings per share and provide a reconciliation of these amounts with the profit and loss attributable to the parent entity for the year in question

#### a) Basics

Earnings on basic shares are calculated dividing the profit attributable to holders of ordinary capital (net result for year, after deduction of preferential dividends) by the weighted average number of ordinary shares in circulation, excluding the average number of the company's shares held by the Company.

	2010	2009
<b>Net result attributable to shareholders</b> (thousands of euros)	3,034	4,292
<b>Weighted average number of shares in circulation</b> (thousands)	5,200	5,116
<b>Result per share attributable to shareholders</b> (euros)	0.58	0.84

#### b) Diluted

The Company had no items to give rise to the dilution effect in 2010 and 2009.

### 27.2. Indicate the weighted average number of ordinary shares used as denominator in calculating earnings per basic and diluted shares and provide a reconciliation of these denominators

See 27.1

## 28. Dividends per share

### 28.1. Indicate the amount of dividends recognised as being distributed to holders of capital and reserves during the year, and the amount per share

Dividends distributed in 2010 for the 2009 financial year totalled 1,023,235.80 euros (20 cents per share), resulting from the application of the net result for 2009.

### 28.2. Indicate the amount of dividends proposed or declared before the financial statements were approved but not recognised as distribution to holders of capital and reserves during the year, the amount per share, and the amount of an accrued preferential dividend not recognised

For the year ending at 31 December 2010 the Board of Directors proposed to the General Meeting that dividends be distributed to holders of capital to the sum of 1,040,000.00 euros, the equivalent of a gross dividend of 20.0 cents per share.

## 29. Transactions between related parties

### 29.1. Indicate the name of the parent company and the parent company at the head of the Company

Lusitania is a Portuguese insurer part of the *Montepio Geral* Group.

The Company's parent company is *Associação Mutualista Montepio Geral*.

### 29.2. Describe the relationship between the parent company and affiliates

The *Montepio Geral* Group has a direct holding of 89.87% in Lusitania's capital, 64.22% held by *Associação Mutualista Montepio Geral* and 25.65% by *Caixa Económica Montepio Geral*.

In conducting its business Lusitania trades with several of the companies in the *Montepio Geral* Group:

#### *Associação Mutualista Montepio Geral*

The AMMG is the leader of the Group and holds 64.22% of Lusitania's share capital. As such its returns are an equivalent share in the dividends distributed every year. In 2010 it received 657,095.00 Euro in dividends (2009: 657,095.00 Euro).

In 2009 the AMMG made supplementary payments to Lusitania for the sum of 29,750,000.70 Euro, that could be converted into equity for Lusitania, should an increase in the same equity occur.

#### *Caixa Económica Montepio Geral*

The CEMG is held 100% by AMMG and, in its turn, holds 25.65% of Lusitania's share capital. As such it receives an equivalent part of the dividends distributed each year, and in 2010 it received 262,484.00 Euro in dividends (2008: 262,484.00 Euro).

In 2009 CEMG made supplementary payments to Lusitania for the sum of 12,750,000.30 Euro, that could be converted into equity for Lusitania, should an increase in the same equity occur.

#### *Lusitania Vida Companhia de Seguros, S.A.*

*Lusitania Vida Companhia de Seguros, SA* is the life insurer in the Group and in which the *Montepio Geral* Group has a direct holding of 80.45%.

As at 31 December 2010 it held 5.37% of the share capital of Lusitania Companhia de Seguros, SA, and received in the 2010 financial year 54,988.60 Euro in dividends (2008: 53,245.80 Euro).

In 2009 Lusitania Companhia de Seguros, SA, underwrote 50% of the debenture loan issued by *Lusitania Vida Companhia de Seguros* in November 2007.

As at 31 December 2009, *Lusitania Vida Companhia de Seguros, SA* fully underwrote the issue of a subordinated debenture loan for the overall sum of 18,000,000.00 Euro, issued by Lusitania.

**29.3. Indicate the remuneration of those individuals who have direct or indirect authority and responsibility for planning, management and control, including any director (executive or other), for each and every category of short term employee benefit, post-employment benefit, other long term benefits, job termination benefits and payment based on shares**

Remuneration and overheads referring to Directors (in euros):

See table ▼

The amounts shown relative to the members of the Supervisory Auditing Board refer to what was determined in the Salaries Committee at the close of 2009 and which was paid and made available in March 2010. The amounts referring to the 2010 financial year, paid and made available in March 2011, amount to 4,500,000 and 3,500,000 euros respectively for the Chairman and the remaining members of the Board of Auditors. Also in reference to 2010 and, similarly, paid and made available in March 2011, the Salaries Committee attributed an exceptional amount of 5,000.00 euros to each member of the Board of Auditors.

The fees of the Official Statutory Auditor rose to 159,500 Euros (2009: 137,190 Euros), covering the work of the legal revision of accounts, revision of the six-monthly and yearly report is done by the Company for *Caixa Económica Montepio Geral*, revision of the reports and tables of the prudential report submitted to the ISP, revision of the report sent by the Company to the ISP on risk management systems and in-house control and, in addition, a revision and evaluation of information system controls associated with applicable systems and interfaces.

in euro

Remuneration and contributions for Corporate Governance				
	2010		2009	
Name/ Position	Remuneration	Contributions	Remuneration	Contributions
<b>António Tomás Correia</b> <i>Chairman of the Board</i>	0.00	0.00	0.00	0.00
<b>José António Arez Romão</b> <i>Managing Director<sup>1</sup></i>	234,091.69	15,627.77	243,026.00	15,670.46
<b>Jorge José Conceição Silva</b> <i>Director</i>	209,296.94	15,627.76	209,592.00	15,670.46
<b>Virgílio Manuel Boavista Lima</b> <i>Director</i>	27,720.00	0.00	47,520.00	0.00
<b>José António Romão Eusébio/</b> <i>Director<sup>2</sup></i>	224,487.00	15,627.76	0.00	0.00
<b>Manuel da Costa Brás</b> <i>Chairman of the Supervisory Auditing Board</i>	4,060.00	0.00	4,000.00	0.00
<b>José Augusto Perestrelo de Alarcão Troni</b> <i>Deputy Chairman of the Supervisory Auditing Board</i>	7,305.00	0.00	3,000.00	0.00
<b>Fernando Vassalo Namorado Rosa</b> <i>Member of the Supervisory Auditing Board</i>	3,045.00	0.00	3,000.00	0.00
<b>TOTAL</b>	<b>705,745.63</b>	<b>46,883.29</b>	<b>510,138.00</b>	<b>31,340.92</b>

<sup>1</sup> Amount of remuneration affected by sick leave;

<sup>2</sup> Amount includes provisions set up for holidays and holiday time to the sum of 15,426,00 euro. For the other Directors these amounts are set up by the difference compared to the previous financial year.

in euro

Remuneration and overheads referring to Directors				
	2010		2009	
Position	Remuneration	Overheads	Remuneration	Overheads
Coordinating Directors (8 directors)	700,066.19	154,729.77	682,393.46	152,907.57
Service Directors – 1 <sup>st</sup> Line (10 directors)	788,157.78	164,336.48	741,778.79	159,909.55
<b>TOTAL</b>	<b>1,488,223.97</b>	<b>319,066.25</b>	<b>1,424,172.25</b>	<b>312,817.12</b>

**29.4. Indicate, should there have been transactions between related parties, the nature of the relationship as well as the information required to understand the respective potential effect on financial statements, pending transactions and balances:**

*Financial and economic operations between the related parties in 2010 are shown on table 7.*

## 30. Cash flow statement

Similar to the previous year, Lusitania opted to submit the operations cash flow statement using the direct method.

See table 8

For a comparative reading of this statement (2009), the fact that the year end balances and their equivalents for *Real Seguros* and *Mutuamar* were added to those of Lusitania on 31 December 2009, following the business combinations described in note 33, should be taken into consideration.

The headings referring to receipts and payments related to non-running headings cover amounts received and paid that are recorded in statements n°69.1 and n°79.1, with the exception of statement n°69.1040 – Tax Fines, statement n°69.111 – Negative Exchange Differences, statement n°79.100 – Tax Refunds and statement n°79.111 - Positive Exchange Differences, which are dealt with, in the case of the first and the third, under taxation, and in the case of exchange differences at the end of the table, on the line “Exchange Differences”.

## 31. Commitments

### 31.2. General description of significant leasing agreements:

Operational leasing agreements for vehicles leased without a driver were signed under the general conditions of the motor vehicle rental contract.

In 2010 commitments for operational rental without a driver were as follows:

in euro

Name	2010	2009
<b>Rentilusa</b>	379,871.27	0.00
<b>Montepio</b>	172,812.00	195,407.63
<b>Lease Plan</b>	161,069.97	
<b>Multirent</b>	105,994.35	117,726.19
<b>Multiauto</b>	26,183.05	0.00
<b>GEFleet</b>	12,121.53	22,534.83
<b>Others</b>	9,739.80	3,439.36
<b>TOTAL</b>	<b>867,791.97</b>	<b>339,108.01</b>

The estimate for future payments is approximately 1,697,000 euros, and contact periods range from 36 to 48 months, as shown below:

in euro

Name	Amount outstanding as at 31/12/2010
<b>LeasePlan</b>	1,397,258.98
<b>Montepio</b>	156,192.07
<b>Rentilusa</b>	116,675.52
<b>Others</b>	27,612.49

The Company also recorded in 2010 sums related to commitments for operational leasing for the hire of data processing equipment, as shown below:

in euro

Name	2010	2009
<b>Companhia IBM Portuguesa</b>	337,973.55	179,898.30
<b>Xerox</b>	176,925.18	167,127.42
<b>Csintelrent</b>	79,057.84	
<b>Fortis Lease Portugal</b>	2,601.49	65,531.03
<b>TOTAL</b>	<b>596,558.06</b>	<b>412,556.75</b>

Liabilities recorded in accounts for commitments for Financial Leasing are as follows:

in euro

Name	2010	2009
<b>Mercedes Benz Financiamento</b>	31,765.73	42,959.18
<b>BMW Financial Service</b>	21,243.10	28,243.80
<b>Companhia IBM Portuguesa</b>	56,024.28	0.00
<b>Millennium bcp - Imóvel Loures</b>	104,234.24	114,011.73
<b>Millennium bcp - Imóvel Capitólio</b>	349,357.58	386,827.46
<b>TOTAL</b>	<b>562,622.93</b>	<b>572,042.17</b>

The amount of net assets recorded in accounts for Financial Leasing commitments are as follows:

in euro

Entidade	2010	2009
<b>Mercedes Benz Financiamento</b>	39,097.32	58,645.98
<b>BMW Financial Service</b>	32,040.00	48,060.00
<b>Companhia IBM Portuguesa</b>	62,574.81	0.00
<b>Imóvel Loures</b>	237,604.17	241,250.00
<b>Imóvel Capitólio</b>	371,922.61	377,146.90
<b>TOTAL</b>	<b>743,238.91</b>	<b>725,102.88</b>

## 32. Contingency liabilities

Describe the nature of contingency liabilities and, when practical, provide an estimate of their financial effect, an indication of the uncertainties related to the number and amount or time at which any outflow occurred, and the possibility of any reimbursement.

As a result of acquiring *Real Seguros*, the Company is monitoring the following contingency processes/liabilities:

### Adicais Case

On 31 December 2009 the Company held secured capital in the guarantee sector, net of outward insurance, against two insurance policies in which the policy holder is *Adicais – Investimentos Imobiliários, S.A. (Adicais)*, a company belonging to the *Sociedade Lusa de Negócios Group*, for the sum of 28,420,000 euros. This insurance backed warranty, which is not “first demand”, was contracted by *Adicais* to guarantee the redemption of advance payments received for property purchase and sales contracts. This property is mortgaged with a financial institution that partially funded construction of the same, so that completion of the purchase and sale deeds is conditioned by repayment of the credit to this institution.

This case was resolved in 2010 and the Company acquired property from *Adicais* worth €5,927,000.

### Solução Case

In July 2007, *Real Seguros* signed, but did not register in accounts, a put contract to acquire 16,060 shares representing 20% of the share capital of *Solução – Corretores e Consultores de Seguros, SA (Solução)*, through which two of the shareholders in *Solução* became the holders of the irrevocable right to opt to sell these shares, at the price for the financial year of 2,262,000 euros, capitalised at the 1-year Euribor rate, between 5 July 2007 (time of signing) and 24 April 2009 (date of exercising the option), less any dividends distributed by *Solução* during this period. Based on the opinion of its advisors, Administration also believes that this process will not involve significant expenditure for the Company.

### SMN Case

*Real Seguros* signed a contract with the Venture Capital Fund for Qualified Investors of *Banco Efisa – Dinamização e Competitividade Empresarial (Fundo)*, in which the Fund holds a put option with *Real Seguros* for 8,073 shares in *SMN – Serviços Médicos Nocturnos, SA (SMN)*, to be transacted between 31 March 2008 and 31 May 2009, for a price to be determined by an entity selected by mutual accord. Should there be no economic value for

*SMN*, Administration believes that this process will not involve significant expenditure for the Company.

### Corporate Tax for 2009 and 2010

See note 24, Tax on income.

Besides those mentioned above and arising from the insurance business, and for which there are due provisions under claims headings, there are no other significant contingency liabilities.

## 33. Business Combinations;

As described in Note 1, at the decision of the General Meeting held on 31 December 2009, the merger was approved to incorporate *Real, Companhia de Seguros, SA* in the Company (Acquired Company). The merger deed was also approved on 31 December 2009 and the respective registration of the deed took place at the Trade Registry on 1 January 2010. As a result the merger was implemented on 31 December 2009, with the global transfer of the assets, rights and obligations of *Real, Companhia de Seguros, SA* to *Lusitania (Acquiring Company)* and the former *Real* ceased to exist.

With 85% of the shares in *Real, Companhia de Seguros, SA* acquired on 2 November 2009, for the purposes of recording the merger in accounts, the Company then determined the respective negative goodwill, with reference to 31 October 2009, as laid down below:

See table on next page ►

in euro

Description	Book value	Fair value of net assets
	31-10-2009	31-10-2009
Cash and its equivalents and call deposits	1,965,988	1,965,988
Investments in affiliates, associates and joint undertakings	15,843,456	15,843,456
Financial assets classified in initial recognition at fair value through profit and loss	11,101,560	11,101,560
Assets available for sale	78,238,290	78,238,290
Loans and accounts outstanding	18,099,797	18,099,797
Land and buildings	4,302,724	4,302,724
Other tangible assets	2,238,003	2,238,003
Business/portfolio evaluation value	0	33,880,669
Underwriting provisions for outward re-insurance	18,392,934	18,392,934
Assets for post-employment benefits and other long term benefits	560,951	560,951
Other debtors in insurance and other operations	26,623,742	26,623,742
Assets from current and deferred taxation	214,406	17,280,794
Accruals and deferred assets	179,420	179,420
Other asset items	806,094	806,094
<b>TOTAL ASSETS</b>	<b>178,567,364</b>	<b>229,514,420</b>
Underwriting provisions	-180,505,418	-180,505,418
Other financial liabilities	-3,262,715	-3,262,715
Other creditors in insurance and other operations	-15,838,457	-15,838,457
Liabilities from current and deferred taxation	-5,544,200	-5,544,200
Accruals and deferred liabilities	-4,998,935	-4,998,935
Other provisions	-2,745,292	-2,745,292
<b>TOTAL LIABILITIES</b>	<b>-212,895,017</b>	<b>-212,895,017</b>
<b>NET ASSETS</b>	<b>-34,327,653</b>	<b>16,619,403</b>
<b>85% of acquired net asset</b>		14,126,493
<b>Additional payments acquired from minority groups (15% of €20.000.000)</b>		3,000,000
<b>Fair value of assets acquired</b>		17,126,493
<b>Sum paid in cash</b>		11,546,000
<b>Preliminary estimate of negative goodwill</b>		-5,580,493
<b>Provision for potential losses on 31 October 2009, arising from acquisition</b>		4,085,207
<b>Negative goodwill recognised in Profit and Loss Statement</b>		-1,495,286
<b>Sum of minority interests (€16.619.000 * 15% - €3.000.000), incorporated under Other Reserves, at the time of merger</b>		-507,090



In compliance with IFRS 3, Business Combinations, the Company adjusted the respective goodwill determined at the start, in the 12 months subsequent to business combination taking place, in

this case on 31 October 2010, re-expressing the respective comparative elements of 2009, based on the following exercise:

in euro

Description	Book value
	31-10-2009
Cash and its equivalents and call deposits	1,965,988
Investments in affiliates, associates and joint undertakings	15,843,456
Financial assets classified in initial recognition at fair value through profit and loss	11,101,560
Assets available for sale	78,238,290
Loans and accounts outstanding	18,099,797
Land and buildings	4,302,724
Other tangible assets	2,238,003
Underwriting provisions for outward re-insurance	18,392,934
Assets from post-employment benefits and other long term benefits	560,951
Other debtors from insurance and other operations	26,623,742
Assets from current and deferred taxation	214,406
Accruals and deferred items	179,420
Other asset items	806,094
<b>TOTAL ASSETS</b>	<b>178,567,364</b>
Underwriting provisions	-180,505,418
Other financial liabilities	-3,262,715
Other creditors in insurance and other operations	-15,838,457
Liabilities from taxation	-5,544,200
Accruals and deferred liabilities	-4,998,935
Other provisions	-2,745,292
<b>TOTAL LIABILITIES</b>	<b>-212,895,017</b>
<b>NET ASSETS</b>	<b>-34,327,653</b>
<b>Adjustments – Fair value of net assets</b>	
Current value of future cash flows relative to acquired portfolio (policies in force) – see note 12, Intangible assets.	17,326,816
Deferred asset taxation relative, essentially, to tax losses from Real Seguros – see note 24, Tax on income	14,566,388
Estimate of adjustment for losses due to impairment of underwriting assets and liabilities not recorded – securities, immovable, loans, co-insurance, agents, re-insurance and other debtors – entered under heading 49,2 – Other provisions – see note 13.	-5,811,223
Cancellation of excess provision for tax contingencies	1,333,406
Other adjustments for impairment losses on third party accounts	-316,763
<b>TOTAL ADJUSTMENTS</b>	<b>27,098,625</b>
<b>Net assets, after adjustments to fair value</b>	<b>-7,229,029</b>
<b>85% of acquired net asset</b>	<b>-6,144,674</b>
<b>Additional payments acquired from minority groups (15% of €20.000.000)</b>	<b>3,000,000</b>
<b>Fair value of net assets acquired – 85%</b>	<b>-3,144,674</b>
<b>Sum paid in cash</b>	<b>11,546,000</b>
<b>Goodwill</b>	<b>14,690,674</b>
<b>Sum of minority interests (€7.229.000 * 15% - €3.000.000), incorporated under Other Reserves and Results Brought Forward</b>	<b>-4,084,354</b>

After calculating goodwill once again, as disclosed in the table above, the Company integrated (i) the net negative result of €1,506,000, obtained by *Real Seguros* in the period from 1 November to 31 December 2009, under the heading Other Income/ Non-underwriting Gains (see note 37.3) and (ii) from the variation in the remaining headings for the share capital of *Real Seguros*, after acquisition, the net positive sum of €1,411,000.

In addition, on 31 December 2009, the net assets of *Mutuamar – Mútua de Seguros dos Armadores da Pesca do Arrasto* were purchased. In compliance with IFRS 3, Business combinations, the Company determined the respective negative goodwill with reference to 31 December 2009.

See table ▼

in euro

Description	Book Value	Fair value of net assets
	31-12-2009	31-12-2009
Cash and its equivalents and call deposits	2,662,304	2,662,304
Investments in affiliates, associates and joint undertakings	50,000	50,000
Assets available for sale	1,743,240	1,743,240
Loans and accounts outstanding	150,000	150,000
Land and buildings	16,166,392	14,210,707
Other tangible assets	29,582	29,582
Underwriting provisions for outward re-insurance	375,677	375,677
Assets from current and deferred taxation	2,286,038	2,286,038
Accruals and deferred assets	872,900	52,314
Acréscimos e diferimentos	10,032	10,032
<b>TOTAL ASSETS</b>	<b>24,346,166</b>	<b>21,569,894</b>
Underwriting provisions	-6,834,630	-7,613,176
Other financial liabilities	-1,549,880	-1,549,880
Liabilities from post-employment benefits and other long term benefits	-24,231	-24,231
Other creditors in insurance and other operations	-4,831,668	-4,831,668
Liabilities from current and deferred taxation	-3,161,741	-86,730
Accruals and deferred liabilities	-99,136	-99,136
Other provisions	-50,000	-50,000
<b>TOTAL LIABILITIES</b>	<b>-16,551,286</b>	<b>-14,254,821</b>
<b>Net Assets</b>	<b>7,794,880</b>	<b>7,315,073</b>
<b>Sum paid in cash</b>		4,709,014
<b>Preliminary estimate of negative goodwill</b>		-2,606,059
<b>Provision for potential losses on 31 October 2009, arising from acquisition</b>		1,000,000
<b>Negative goodwill recognised in Profit and Loss Statement</b>		-1,606,059
<b>NEGATIVE GOODWILL RECOGNISED IN PROFIT AND LOSS STATEMENT - TOTAL RELATIVE TO TWO BUSINESS COMBINATIONS</b>		<b>-3,101,345</b>

In compliance with IFRS 3, Business Combinations, the Company adjusted the respective goodwill determined at the start, in the 12 months subsequent to business combination taking place, in this case on 31 October 2010, re-expressing the

respective comparative elements of 2009, based on the following exercise:

[See table ▼](#)

i n euro

Description	Book Value
	31-12-2009
Cash and its equivalents and call deposits	2,662,304
Investments in affiliates, associates and joint undertakings	50,000
Assets available for sale	1,743,240
Loans and accounts outstanding	150,000
Land and buildings	16,166,392
Other tangible assets	29,582
Underwriting provisions for outward re-insurance	375,677
Other debtors in insurance and other operations	2,286,038
Assets from current and deferred taxation	872,900
Accruals and deferred assets	10,032
<b>TOTAL ASSETS</b>	<b>24,346,166</b>
Underwriting provisions	-6,834,630
Other financial liabilities	-1,549,880
Liabilities from post-employment benefits and other long term benefits	-24,231
Other creditors in insurance and other operations	-4,831,668
Liabilities from current and deferred taxation	-3,161,741
Accruals and deferred liabilities	-99,136
Other provisions	-50,000
<b>TOTAL LIABILITIES</b>	<b>-16,551,286</b>
<b>NET ASSETS</b>	<b>7,794,880</b>
<b>Adjustments – Fair value for net assets</b>	
• Cancellation of liability deferred tax	2,254,424
• Property	-1,955,686
• Increase in underwriting provisions	-812,614
• Other	-180
<b>Total adjustments</b>	<b>-514,056</b>
<b>Net assets, after adjustment to fair value</b>	<b>7,280,824</b>
<b>Amount paid in cash</b>	<b>4,709,014</b>
<b>Negative goodwill recognised directly in Profit and Loss Statement</b>	<b>-2,571,810</b>

After recalculating the goodwill disclosed above, relative to the purchase of the shares of *Real Seguros* and the portfolio of assets and liabilities of *Mutuamar*, the Company recorded the following values:

**Real Seguros:** Goodwill of 14,691,000 euro entered under assets together with the goodwill from previous years, relative to the acquisition of the insurance portfolios of Royal and Sun Alliance (2,860,000 euro) and Genesis (1,123,000 euro) – the Goodwill total recorded in the balance sheet of 18,674,000 euro (2009 re-expressed: 18,674,000 euro). The respective goodwill is tested for impairment annually, by forecasting future profits inherent in business acquired. On 31 December 2010, the results of impairment tests identified no need to recognise impairments;

**Mutuamar:** Negative goodwill of 2,540,000 euros, which was recognised directly under the Profit and Loss Statement for 2009.

## 36. Incidents after the date of the balance sheet not described under previous items

No incidents to report.

## 37. Other information

### 37.1 Liabilities - accrued and deferred

Indicate according to whether accrued or deferred amounts recognized under liability:

	in euro	
	2010	2009
Return processed in advance	40,859,726.82	19,977,483.55
Remuneration for holidays, holiday subsidy, other remuneration and respective overheads	4,999,225.36	4,145,609.45
Other accrued and deferred liabilities	1,671,953.59	2,409,992.59
<b>TOTAL</b>	<b>47,530,905.77</b>	<b>26,533,085.59</b>

The increment recorded in return processed in advance is the result of applying accounting procedures used in Lusitania to the policies originating in *Real Seguros*. The latter did not have a procedure for recording premiums earned in advance, so that the respective heading, in 2009, did not consider the early return from *Real Seguros*. See detailed explanation in note 3.4 iii)

### 37.2 Other income / underwriting costs, net of reinsurance

Indicate per type of income / underwriting cost, the amount recognized in the Profit and Loss Statement.

	in euro	
	2010	2009
Cancellation of re-insurer's current account <sup>1</sup>	500,000.00	0.00
Revaluation of income-earning property <sup>2</sup>	420,291.78	0.00
Other income / underwriting costs	41,516.83	120,310.78
<b>TOTAL</b>	<b>961,808.61</b>	<b>120,310.78</b>

<sup>1</sup> Cancellation of reinsurers' creditor balance, as a result of the work of account settlement.

<sup>2</sup> Revaluation of income-earning property — see note 9,3

### 37.3 Other income / spending

	in euro	
	2010	2009
Offers to clients	300,829.94	222,265.84
Inventory adjustment	278,336.62	0.00
Confidential spending	193,244.00	200,332.65
Other income / spending	-98,571.47	32,086.00
Negative net result obtained by Real Seguros in period from 1 November to 31 December 2009 <sup>1</sup>		1,506,396.30
<b>TOTAL</b>	<b>673,839.09</b>	<b>1,961,080.79</b>

<sup>1</sup> Post-acquisition result of *Real Seguros*, recognised in 2009, as part of the merger of the two companies that took place on 31 December 2009 — see note 33.

# Tables Attached to the Notes to the Financial Statements

Year: 2010

in euro

Table 1 Note 6.8 Financial Instruments With Built-In Derivatives					
ISIN	Description	Quantity	Acquisition Value	Book Value 2010	Book Value 2009
PTPETGCM0002	PARPUB 3,25 12/18/14	50,000.00	49,551.48	45,445.00	50,402.50
DE0003933511	AG DB 0 16/01/2014	250,000.00	233,036.35	242,428.25	243,924.00
DE0003933511	AG DB 0 16/01/2014	150,000.00	141,397.06	145,456.95	146,354.40
DE0003933511	AG DB 0 16/01/2014	80,000.00	78,372.22	77,577.04	78,055.68
DE0003933511	AG DB 0 16/01/2014	250,000.00	247,438.59	242,428.25	
XS0337173776	BARCLAYS BANK PLC	14,200,000.00	14,200,000.00	10,487,708.20	10,949,066.19
XS0271771239	BBVASM 0 10/24/16	200,000.00	200,208.00	184,928.60	193,582.80
XS0271771239	BBVASM 0 10/24/16	150,000.00	121,175.89	138,696.45	145,187.10
XS0278435226	BCPN 0 12/21/16	250,000.00	249,772.50	173,125.00	225,635.00
XS0278568026	BFCM 0 12/19/16	150,000.00	149,862.00	143,500.05	139,566.00
XS0278568026	BFCM 0 12/19/16	150,000.00	144,772.58	143,500.05	
PTBRIHOM0001	BRISA 4 1/2 12/05/16	1,000,000.00	994,100.00	940,623.00	993,780.00
ES0214950158	CAJAMM 0 02/09/12	200,000.00	192,870.09	191,988.00	
PTCGFC1E0029	CGD 4.625% 06/12	500,000.00	507,263.64	493,706.00	
XS0099472994	CREDIT SUISSE G. FINANCE - 99/19	1,000,000.00	1,048,700.00	1,000,000.00	978,000.00
BE0932317507	FORTIS 0 01/17/2017	50,000.00	50,052.00	47,218.75	45,919.15
BE0932317507	FORTIS 0 01/17/2017	200,000.00	191,699.16	188,875.00	183,676.60
XS0301010145	PFE 4,55 05/15/17	1,000,000.00	972,200.00	1,071,970.00	1,044,667.00
XS0215828830	PORTEL 3 3/4 03/26/12	500,000.00	452,200.00	504,816.50	511,675.50
XS0215828913	PT INT 4.35% 2017	100,000.00	101,532.77	95,485.30	
XS0187584072	SOCGEN 0 03/15/16	200,000.00	200,728.54	196,241.60	194,550.60
XS0187584072	SOCGEN 0 03/15/16	80,000.00	79,002.08	78,496.64	77,820.24
XS0187584072	SOCGEN 0 03/15/16	250,000.00	243,375.00	245,302.00	243,188.25
935930005001	MERCAPITAL FUNDO ESPECIAL DE INV. IMOB. FECHADO (CP 04/09/2007)	45,610.00	4,676,799.23	4,213,730.02	4,611,321.52
XS0192079787	DEXGRP 0 05/14/19	750,000.00	738,750.00		731,137.50
XS0192079787	DEXGRP 0 05/14/19	610,000.00	596,497.53		594,658.50
XS0108897074	BANCO CRÉDITO LOCAL ESPAÑA - 00/10	250,000.00	249,875.00		261,752.50
XS0108897074	BANCO CRÉDITO LOCAL ESPAÑA - 00/10	500,000.00	485,000.00		523,505.00
XS0223465393	ERSTBK 0 06/29/15	300,000.00	294,005.45		262,029.90

Year: 2010

in euro

Table 2 Note 9.5 a) Income - Earning Land and Buildings

Description	Opening Balance				Transfers/ Improvement Works	Sell-Offs		Closing Balance	
	Acquisition Value	Balance Sheet Value	Acquisitions	Revaluations & Reductions In Value	Value	Acquisition Value	Balance Sheet Value	Acquisition Value	Balance Sheet Value
<b>Incoming-earning</b>									
• Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
• Buildings	19,220,706.61	20,113,662.30	5,956,476.17	434,594.52	218,628.54	1,241,209.39	1,205,182.67	24,154,601.93	25,518,178.86
<b>TOTAL</b>	<b>19,220,706.61</b>	<b>20,113,662.30</b>	<b>5,956,476.17</b>	<b>434,594.52</b>	<b>218,628.54</b>	<b>1,241,209.39</b>	<b>1,205,182.67</b>	<b>24,154,601.93</b>	<b>25,518,178.86</b>

Year: 2010

in euro

Table 3 Note 9.7 Land and Buildings for Company Use

Description	Opening balance		Increases			Transfers / Improvement works	Sell-offs		Closing balance	
	Acquisition balance	Balance sheet value	Acquisi- tions	Revaluations & reductions in value	Depreciation	Value	Acquisi- tion value	Balance sheet value	Acquisi- tion value	Balance sheet value
<b>For own use</b>	<b>Gross Value</b>	<b>Amortization</b>			<b>For finan- cial year</b>	<b>Business Com- binations</b>	<b>Accrued</b>			
• Land	3,215,420.08	7,486,605.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,215,420.08 7,486,605.49
• Buildings	25,851,263.43	33,710,091.50	1,586,353.96	0.00	-74,580.41	758,074.76	0.00	2,344,428.72	7,039,975.50	9,522.00 9,522.00 32,881,716.93 38,321,535.87
<b>TOTAL</b>	<b>29,066,683.51</b>	<b>41,196,696.99</b>	<b>1,586,353.96</b>	<b>0.00</b>	<b>-74,580.41</b>	<b>758,074.76</b>	<b>0.00</b>	<b>2,344,428.72</b>	<b>6,928,325.15</b>	<b>9,522.00 9,522.00 36,097,137.01 45,808,141.36</b>

Year: 2010

in euro

Table 4 Note 10.2 Fixed Tangible Assets (Excluding Land and Buildings)

	Opening Balance			Increases			Depreciation + Impairment		Closing Balance		
	Gross Value	Depreciation + Impairment	Net Value	Acquisitions	Transfers & Decommission		Reinforce-ment	Settlements	Gross Value	Depreciation + Impairment	Net Value
Administrative Equipment	6,377,510.28	5,489,570.21	887,940.07	404,927.43	0.00	0.00	517,726.62	0.00	6,782,437.71	6,007,296.83	775,140.88
Machines and Tools	996,655.28	897,735.02	98,920.26	37,036.95	0.00	0.00	57,132.00	1.16	1,033,692.23	954,865.86	78,826.37
Data Processing Equipment	6,287,674.20	5,886,261.85	401,412.35	1,033,886.68	-729,684.21	0.00	585,708.85	729,684.21	6,591,876.67	5,742,286.49	849,590.18
Interior installations	1,282,711.46	983,594.17	299,117.29	73,933.83	0.00	0.00	182,417.48	0.00	1,356,645.29	1,166,011.65	190,633.64
Transport Material	310,193.56	273,876.60	36,316.96	19,259.99	0.00	0.00	24,298.35	0.00	329,453.55	298,174.95	31,278.60
Cultural Assets	5,306,701.03	0.00	5,306,701.03	40,220.69	0.00	0.00	0.00	0.00	5,346,921.72	0.00	5,346,921.72
Other tangible fixed assets	1,273,627.21	884,708.65	388,918.56	398.00	0.00	0.00	571.02	3,349.50	1,274,025.21	881,930.17	392,095.04
Leasing Equipment	421,123.23	291,290.35	129,832.88	83,433.08	0.00	0.00	79,269.56	0.00	504,556.31	370,559.91	133,996.40
Property in progress	5,325,735.94	0.00	5,325,735.94	1,943,263.30	7,179,757.87	0.00	0.00	0.00	89,241.37	0.00	89,241.37
<b>TOTAL</b>	<b>27,581,932.19</b>	<b>14,707,036.85</b>	<b>12,874,895.34</b>	<b>3,636,359.95</b>	<b>6,450,073.66</b>	<b>0.00</b>	<b>1,447,123.88</b>	<b>733,034.87</b>	<b>23,308,850.06</b>	<b>15,421,125.86</b>	<b>7,887,724.20</b>

Year: 2010

in euro

Table 5 Note 12.3 c) Intangible Assets

Description	Opening Balance			Increases		Settlements & Decommission	Amortization			Closing Balance		
	Gross Value	Amortization	Net Value*	Acquisitions	Improve-ment Works		Reinforce-ment	Settlements	Corporate Combinations	Gross Value	Amortization	Net Value
Cost of Software Applications	1,456,388.61	1,053,262.69	403,125.92	0.00	0.00	633,984.77	274,134.80	633,984.77		822,403.84	693,412.72	128,991.12
Business Portfolio of Real Seguros	17,326,816.26	144,390.14	17,182,426.12	0.00	0.00		866,340.63			17,326,816.26	1,010,730.77	16,316,085.49
Spending on Rented Buildings	1,722,012.91	117,395.17	1,604,617.74	604,394.04	0.00	85,884.58	21,916.89	85,884.58		2,240,522.37	53,427.48	2,187,094.89
<b>TOTAL</b>	<b>20,505,217.78</b>	<b>1,315,048.00</b>	<b>19,190,169.78</b>	<b>604,394.04</b>	<b>0.00</b>	<b>719,869.35</b>	<b>1,162,392.32</b>	<b>719,869.35</b>	<b>0.00</b>	<b>20,389,742.47</b>	<b>1,757,570.97</b>	<b>18,632,171.50</b>

\* Sum of opening balance was re-expressed

in euro

Table 6 Note 26.2

Variations in Reserves in Equity	Revaluation Reserves			Reserve for Deferred Taxation	Other Reserves			Total
	Adjustments In Fair Value of Financial Assets Available for Sale	Revaluation of Tangible Assets	Revaluation of Intangible Assets		Legal Reserve	Statutory Reserve	Other Reserves	
<b>Balance sheet as at 31 December n-1 (opening balance)</b>	<b>-10,788,478.80</b>	<b>0.00</b>	<b>172,649.03</b>	<b>2,315,966.24</b>	<b>2,103,185.75</b>	<b>0.00</b>	<b>1,491,230.63</b>	<b>-4,705,447.15</b>
Error correction (IAS 8)								0.00
Changes to accounting policies (IAS 8)								0.00
<b>Change in opening balance</b>	<b>-10,788,478.80</b>	<b>0.00</b>	<b>172,649.03</b>	<b>2,315,966.24</b>	<b>2,103,185.75</b>	<b>0.00</b>	<b>1,491,230.63</b>	<b>-4,705,447.15</b>
Increases/reductions in capital							-580,895.00	-580,895.00
Transactions in Company's shares								0.00
Net gains from adjustments in fair value of affiliates and associates								0.00
Net gains from adjustments in fair value of financial assets available for sale	7,807,487.19							7,807,487.19
Net gains from adjustments in revaluation of land and buildings for own use								0.00
Net gains from adjustments to revaluation of other intangible assets								0.00
Net gains from adjustments to revaluation of other tangible assets								0.00
Net gains from adjustments to hedging instruments in hedging cash flows								0.00
Net gains from adjustments to hedging instruments for net investments in foreign currency								0.00
Net gains from differences in exchange rate								0.00
Adjustments due to recognition of deferred taxation				-1,540,180.39				-1,540,180.39
Increases in reserves due to distribution of profits					239,245.02	239,245.02	913,960.11	1,392,450.15
Distribution of reserves								0.00
Changes to accounting estimates								0.00
Other gains/losses recognised directly in equity	1,906,157.83			-505,131.82			-496,899.58	904,126.43
Transfers between equity headings not included under other lines		172,649.03	-172,649.03			251,669.81	-251,669.81	0.00
<b>Total variations in equity</b>	<b>9,713,645.02</b>	<b>172,649.03</b>	<b>-172,649.03</b>	<b>-2,045,312.21</b>	<b>239,245.02</b>	<b>490,914.83</b>	<b>-415,504.28</b>	<b>7,982,988.38</b>
Net profit for period								0.00
Advance distribution of profits								0.00
Effects of re-expression	104,276.82			-30,240.28			-861,521.32	-787,484.78
<b>Balance sheet as at 31 December n-1 re-expression</b>	<b>-970,556.96</b>	<b>172,649.03</b>	<b>0.00</b>	<b>240,413.75</b>	<b>2,342,430.77</b>	<b>490,914.83</b>	<b>214,205.03</b>	<b>2,490,056.45</b>
<b>Balance sheet as at 31 December n-1 re-expression (opening balance)</b>	<b>-970,556.96</b>	<b>172,649.03</b>	<b>0.00</b>	<b>240,413.75</b>	<b>2,342,430.77</b>	<b>490,914.83</b>	<b>214,205.03</b>	<b>2,490,056.45</b>
Error correction (IAS 8)								0.00
Changes to accounting policies (IFRS 1 and IAS 8)								0.00



in euro

Table 6 Note 26.2

Variations in Reserves in Equity	Revaluation Reserves			Reserve for Deferred Taxation	Other Reserves			Total
	Adjustments In Fair Value of Financial Assets Available for Sale	Revaluation of Tangible Assets	Revaluation of Intangible Assets		Legal Reserve	Statutory Reserve	Other Reserves	
<b>Opening Balance Sheet altered</b>	<b>-970,556.96</b>	<b>172,649.03</b>	<b>0.00</b>	<b>240,413.75</b>	<b>2,342,430.77</b>	<b>490,914.83</b>	<b>214,205.03</b>	<b>2,490,056.45</b>
Increases/reductions in capital							-419,105.00	-419,105.00
Transactions in Company shares								0.00
Net gains from adjustments in fair value of affiliates and associates and joint undertakings								0.00
Net gains from adjustments in fair value of financial assets available for sale	-4,687,687.59							-4,687,687.59
Net gains from adjustments in revaluation of land and buildings for own use								0.00
Net gains from adjustments to revaluation of other intangible assets								0.00
Net gains from adjustments to revaluation of other tangible assets								0.00
Net gains from adjustments to hedging instruments in hedging cash flows								0.00
Net gains from adjustments to hedging instruments for net investments in foreign currency								0.00
Net gains from differences in exchange rate								0.00
Adjustments due to recognition of deferred taxation				1,290,727.94				1,290,727.94
Increases in reserves due to distribution of profits					429,242.94	429,242.94	2,410,707.75	3,269,193.63
Distribution of reserves								0.00
Changes to accounting estimates								0.00
Other gains/losses recognised directly in equity								0.00
Transfers between equity headings not included under other lines							-560,963.71	-560,963.71
<b>Total variations in equity</b>	<b>-4,687,687.59</b>	<b>0.00</b>	<b>0.00</b>	<b>1,290,727.94</b>	<b>429,242.94</b>	<b>429,242.94</b>	<b>1,430,639.04</b>	<b>-1,107,834.73</b>
Net profit for period								0.00
Advance distribution of profits								0.00
<b>BALANCE SHEET AS AT 31 DECEMBER</b>	<b>-5,658,244.55</b>	<b>172,649.03</b>	<b>0.00</b>	<b>1,531,141.69</b>	<b>2,771,673.71</b>	<b>920,157.77</b>	<b>1,644,844.07</b>	<b>1,382,221.72</b>

in euro

Table 7 Note 29.4 Operations with companies related as at 31-12-2010

Name of Accounts	CEMG		LUS. VIDA C.S., S.A.		S.P.A, S.A.	
Asset Accounts	2010	2009	2010	2009	2010	2009
Call Deposits	1,454,591.60	1,901,708.32				
Shares			3,261,415.64	3,261,415.64	589,561.17	589,561.17
Mortgage Loan						150,000.00
Term Deposits	12,052,181.45	22,311,196.46				
Loan					3,980,000.00	
Bonds	14,150,867.45	14,148,996.10	5,000,000.00	5,000,000.00		
Overdraft agreed – Current Ac					42,002.93	
Investment Units						
Liability Accounts	2010	2009	2010	2009	2010	2009
Dividends paid	919,579.00	919,579.00	54,988.60	53,245.80		
Subordinated Loan			18,000,000.00	18,000,000.00		
Current Account guaranteed	10,000,000.00					
Brokerage commissions		100,009.00				
Overdraft agreed – Current Ac						17,859.09
<b>Gains</b>	<b>418,824.90</b>	<b>515,257.36</b>	<b>383,833.28</b>	<b>318,670.89</b>	<b>123,395.84</b>	<b>71,596.91</b>
<b>Costs</b>	<b>5,464,653.26</b>	<b>5,183,969.83</b>	<b>417,927.61</b>	<b>54,672.79</b>	<b>178,800.00</b>	<b>102,000.00</b>

CEMG - Caixa Económica Montepio Geral

LUS. VIDA C.S., S.A. - Lusitania Vida Companhia de Seguros, S.A

S.P.A, S.A. - Sociedade Portuguesa de Administrações, S.A.

C.S.M.C.B, S.A. - Clínica Serv.Médicos Comput. Belém, S.A

C.S.M.B, S.A. - Clínica Santa Maria de Belém, S.A

E.G.I.R.P - Empresa Gestora de Imóveis da Rua do Prior

in euro

Table 7 Note 29.4 Operations with companies related as at 31-12-2010

Name of Accounts	C.S.M.C.B, S.A.		C.S.M.B, S.A.		E.G.I.R.P	
Asset Accounts	2010	2009	2010	2009	2010	2009
Call Deposits						
Shares	256,706.34	256,706.34	527,363.85	527,363.85	1,851,310.40	1,851,310.40
Mortgage Loan						
Term Deposits						
Loan						
Bonds						
Overdraft agreed – Current Ac					514,493.58	508,389.94
Investment Units						
Liability Accounts	2010	2009	2010	2009	2010	2009
Dividends paid						
Subordinated Loan						
Current Account guaranteed						
Brokerage commissions						
Overdraft agreed – Current Ac						
<b>Gains</b>	<b>5,718.18</b>					
<b>Costs</b>						

CEMG - Caixa Económica Montepio Geral  
 LUS. VIDA C.S., S.A. - Lusitania Vida Companhia de Seguros, S.A  
 S.P.A, S.A. - Sociedade Portuguesa de Administrações, S.A.  
 C.S.M.C.B, S.A. - Clínica Serv.Médicos Comput. Belém, S.A  
 C.S.M.B, S.A. - Clínica Santa Maria de Belém, S.A  
 E.G.I.R.P - Empresa Gestora de Imóveis da Rua do Prior

in euro

Table 7 Note 29.4 Operations with companies related as at 31-12-2010

Name of Accounts	Leacock Seguros, Lda		E.N.SAK		Germont	
Asset Accounts	2010	2009	2010	2009	2010	2009
Call Deposits						
Shares				400,000.00	5,000.00	500.00
Mortgage Loan						
Term Deposits						
Loan						
Bonds						
Overdraft agreed – Current Ac			225,000.00			
Investment Units						
Liability Accounts	2010	2009	2010	2009	2010	2009
Dividends paid						
Subordinated Loan						
Current Account guaranteed						
Brokerage commissions						
Overdraft agreed – Current Ac						
<b>Gains</b>						
<b>Costs</b>	<b>145,226.69</b>	<b>148,973.10</b>				

CEMG - Caixa Económica Montepio Geral  
LUS. VIDA C.S., S.A. - Lusitania Vida Companhia de Seguros, S.A  
S.P.A, S.A. - Sociedade Portuguesa de Administrações, S.A.  
C.S.M.C.B, S.A. - Clínica Serv.Médicos Comput. Belém, S.A  
C.S.M.B, S.A. - Clínica Santa Maria de Belém, S.A  
E.G.I.R.P - Empresa Gestora de Imóveis da Rua do Prior

in euro

Table 7 Note 29.4 Operations with companies related as at 31-12-2010

Name of Accounts	Futuro		Mutua Formação		N-Seguros	
Asset Accounts	2010	2009	2010	2009	2010	2009
Call Deposits						
Shares	125,615.16	125,615.16	50,000.00	50,000.00	12,500,000.00	12,500,000.00
Mortgage Loan						
Term Deposits						
Loan					9,000,000.0	9,000,000.00
Bonds						
Overdraft agreed – Current Ac				120,009.90	707,752.61	
Investment Units						
Liability Accounts	2010	2009	2010	2009	2010	2009
Dividends paid						
Subordinated Loan						
Current Account guaranteed						
Brokerage commissions						
Overdraft agreed – Current Ac						
<b>Gains</b>					<b>551.84</b>	
<b>Costs</b>						

CEMG - Caixa Económica Montepio Geral  
LUS. VIDA C.S., S.A. - Lusitania Vida Companhia de Seguros, S.A  
S.P.A, S.A. - Sociedade Portuguesa de Administrações, S.A.  
C.S.M.C.B, S.A. - Clínica Serv.Médicos Comput. Belém, S.A  
C.S.M.B, S.A. - Clínica Santa Maria de Belém, S.A  
E.G.I.R.P - Empresa Gestora de Imóveis da Rua do Prior

in euro

Table 7 Note 29.4 Operations with companies related as at 31-12-2010

Name of Accounts	Bolsimo	
Asset Accounts	2010	2009
Call Deposits		
Shares	669,400.00	540,000.00
Mortgage Loan		
Term Deposits		
Loan		
Bonds	20,000,000.00	20,000,000.00
Overdraft agreed – Current Ac		
Investment Units		
Liability Accounts	2010	2009
Dividends paid		
Subordinated Loan		
Current Account guaranteed		
Brokerage commissions		
Overdraft agreed – Current Ac		
<b>Gains</b>	10,572.05	8,202.74
<b>Costs</b>		

CEMG - Caixa Económica Montepio Geral  
LUS. VIDA C.S., S.A. - Lusitania Vida Companhia de Seguros, S.A  
S.P.A, S.A. - Sociedade Portuguesa de Administrações, S.A.  
C.S.M.C.B, S.A. - Clínica Serv.Médicos Comput. Belém, S.A  
C.S.M.B, S.A. - Clínica Santa Maria de Belém, S.A  
E.G.I.R.P - Empresa Gestora de Imóveis da Rua do Prior



in euro

Table 8 Note 30 Cash Flow Statement

	Financial Year		Previous Financial Year	
Operations				
• Receipts on premiums	171,541,259.77		99,650,743.47	
• Receipts on redemptions	2,939,280.36		1,055,161.18	
• Receipts on co-insurance operations	398,538.00		453,162.08	
• Receipts on re-insurance operations	1,867,840.00		171,065.27	
• Claims payments	-127,067,774.11		-71,284,599.60	
• Commission payments	-2,713,871.35		-2,125,933.56	
• Rebate payments	-1,681,022.83		-1,410,262.52	
• Co-insurance operation payments	-709,256.05		-792,615.18	
• Re-insurance operation payments	-20,298,433.61		-13,496,767.05	
• Payments to suppliers	-17,177,755.53		-9,496,726.91	
• Payments to staff	-13,671,904.56		-8,011,565.50	
Flow generated by operations	-6,573,099.91		-5,288,338.32	
• Payments / Returns for tax on income	-43,799,497.59		-26,005,700.94	
• Other returns / payments for operations	36,845,540.57		5,939,580.60	
Flow generated before extraordinary headings	-13,527,056.93		-25,354,458.66	
• Receipts related to extraordinary headings	1,803.05		0.00	
• Payments related to extraordinary headings	-381,555.09		-287,065.48	
Flow from operations		-13,906,808.97		-25,641,524.14
Investment				
Receipts from:				
• Financial Investments	140,148,960.77		115,657,169.01	
• Tangible Assets	0.00		12,505.00	
• Intangible Assets	0.00		0.00	
• Investment Subsidies	0.00		0.00	
• Rents from investment property	30,871.26		45,045.70	
• Interest and similar gains	1,082,563.75		4,469,660.29	
• Dividends	4,613,260.46	145,875,656.24	784,888.87	120,969,268.87
Payments for:				
• Financial Investments	-134,644,762.58		-151,410,274.28	
• Tangible Assets	-3,149,908.36		-2,601,811.88	
• Intangible Assets	-910,545.88	-138,705,216.82	-897,037.79	-154,909,123.95



in euro

Table 8 Note 30 Cash Flow Statement

	Financial Year		Previous Financial Year	
Flow from Investments	7,170,439.42		-33,939,855.08	
Funding Activities				
Receipts from:				
• Loans obtained	9,948,000.00		18,000,000.00	
• Increases in capital, supplementary payments and issue premiums	0.00		42,500,001.00	
• Subsidies and donations	0.00		0.00	
• Sale of Company’s own shares	0.00		0.00	
• Loss cover	0.00	9,948,000.00	0.00	60,500,001.00
Payments for:				
• Loans obtained	-4,198,451.68		0.00	
• Amortization of financial leasing contracts	-27,408.80		-26,529.51	
• Interest and similar costs	-417,984.19		-7,737.27	
• Dividends	-1,023,235.80		-1,000,000.00	
• Reductions in capital and supplementary payments	0.00		0.00	
• Acquisition of Company’s own shares	0.00	-5,667,080.47	0.00	-1,034,266.78
Flow from financial activities	4,280,919.53		59,465,734.22	
Variation in cash and equivalents	-2,455,450.02		-115,645.00	
Effects of exchange differences	3,479.52		34.90	
Cash and equivalents at opening of period	6,620,715.01		2,473,904.73	
Cash and equivalents at close of period from merger, by incorporation, of Real, Companhia de Seguros, SA	0.00		1,600,116.26	
Cash and equivalents at close of period from acquisition of assets and liabilities of Mutuamar - Mútua dos Seguros dos Armandores da Pesca do Arrasto	0.00		2,662,304.12	
Cash and equivalents at close of period	4,168,744.51		6,620,715.01	

2010 Financial Year

in euro

## Annex 1 Inventory of Securities and Financial Holdings

ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
PTCMKLE0004	C. E. MONTEPIO GERAL Obrig.Subordinadas 2008/2018		13,000,000.00	100.00	100.00	13,000,000.00	90.00	11,700,000.00
PTLVAAOE0008	LUSITANIA VIDA - Obrig. Sub. Prazo Indeterminado		5,000,000.00	100.00	100.00	5,000,000.00	100.00	5,000,000.00
XS0217992030	MONTPI 0 05/12		150,000.00	100.00	97.11	145,666.34	91.98	137,962.50
XS0267837473	MONTPI 0 09/19/11		450,000.00	100.00	95.99	433,359.03	97.45	438,502.50
XS0241903821	MONTPI 0 01/31/11		550,000.00	100.00	98.49	541,409.45	99.66	548,136.05
XS0250907218	MONTPI 0 04/18/16		160,000.00	100.00	68.69	109,899.62	64.50	103,200.00
XS0217992030	MONTPI 0 05/03/12		650,000.00	100.00	96.93	631,855.31	91.98	597,837.50
XS0267837473	MONTPI 0 09/19/11		50,000.00	100.00	98.41	49,205.00	97.45	48,722.50
PTCMKROE0009	MONTPI 3 1/4 07/12		600,000.00	100.00	99.51	591,528.03	96.08	576,506.40
	BOLSIMO - 7ª emissão de papel comercial		20,000,000.00	100.00	100.00	20,000,000.00	100.00	20,000,000.00
PTCON3OE0006	CONSOLIDADO - 1943 (2,75%)		8,474.58	100.00	49.00	4,152.54	48.70	4,127.03
PTCON4OE0005	CONSOLIDADO Centenários - 1940 (4%)		3,930.53	100.00	57.04	2,241.97	66.10	2,597.90
PTOTEJOE0006	OBRIGAÇÕES TESOIRO - Junho 01/11 (5,15%)		500,000.00	100.00	108.86	544,300.00	100.60	503,000.00
PTOTECOE0029	OBRIGAÇÕES TESOIRO 2020 (4.8%)		4,160,000.00	100.00	92.18	3,682,255.90	87.72	3,649,276.80
PTOTE3OE0017	OT - 3,35% (15,10,2015)		2,040,000.00	100.00	101.93	2,079,314.76	90.55	1,847,199.60
PTOTEKOE0003	OT - 5% - JUNHO - 2002/2012		55,000.00	100.00	107.97	59,381.85	101.06	55,583.55
PTOTEGOE0009	OT - 5,45% - SETEMBRO - 1998/2013		1,800,000.00	100.00	111.17	2,001,117.38	101.81	1,832,526.00
PTOTE3OE0017	OT .2005/ 2015 3.35%		65,000.00	100.00	100.07	65,045.50	90.55	58,586.85
PTOTEKOE0003	OT 5% 2002/2012		28,000.00	100.00	106.66	29,864.80	101.06	28,297.08
PTOTEGOE0009	OT 5.45%/2013		12,000.00	100.00	109.39	13,126.80	101.81	12,216.84
PTOTEOOE0017	OT-3,6%-15,10,2014		810,000.00	100.00	100.32	805,530.34	94.08	762,072.30
PTOTECOE0029	OT-4,8%-2020		550,000.00	100.00	97.33	535,296.21	87.72	482,476.50
PTPETQOM0006	PARPUB 3 1/2 07/13		550,000.00	100.00	98.67	544,891.12	94.26	518,419.00
PTPETGCM0002	PARPUB 3,25 12/18/14		50,000.00	100.00	99.10	49,551.48	90.89	45,445.00
XS0230315748	PARPUB 3,567 09/22/20		2,000,000.00	100.00	98.44	1,968,800.00	83.28	1,665,500.00
PTOTEYOE0007	PCB 3,85 04/15/21		1,000,000.00	100.00	97.88	978,800.00	79.63	796,250.00
PTOTENOE0018	PCB 4,45 06/15/18		3,750,000.00	100.00	92.75	3,461,250.00	88.86	3,332,325.00
PTOTEMOE0027	PCB 4,75 06/14/19		2,250,000.00	100.00	90.38	2,033,550.00	88.48	1,990,687.50
PTPBTCGE0013	PORTB 0 21/01/11		250,000.00	100.00	97.06	242,637.85	99.85	249,622.50
XS0230315748	PARPUB 3,567 09/22/20		500,000.00	100.00	97.18	485,900.00	83.28	416,375.00
PTPBTOGE0019	PORTB 0 11/18/11		1,100,000.00	100.00	95.90	1,057,080.78	96.30	1,059,333.00
XS0139805948	CXGD 0 03/12/11		300,000.00	100.00	99.73	299,188.64	99.25	297,750.00
XS0230957424	CXGD 0 29/09/19		100,000.00	100.00	100.10	100,104.00	49.48	49,480.00
PTCG1LOM0007	CXGD 5 1/8 02/19/14		5,000,000.00	100.00	99.60	4,980,174.00	92.54	4,626,870.00
XS0209139244	ARGENT 0 12/15/35		1,085,833.00	100.00	14.26	154,791.50	12.65	137,357.87
XS0205537581	ARGENT 1,2 12/38		1,085,833.00	100.00	14.26	154,791.50	37.75	409,901.96
ES0000012106	BONOS 4.3% 2019		1,000,000.00	100.00	101.26	1,005,136.96	92.88	928,780.00
ES00000122R7	BONOS-2,5%-2013		500,000.00	100.00	100.25	501,260.52	96.28	481,380.00
IT0004019581	BTPS 3 3/4 08/01/16		250,000.00	100.00	96.71	241,775.00	99.18	247,950.00
IT0003493258	BTPS 4,25 02/01/19		1,000,000.00	100.00	106.34	1,063,400.00	98.61	986,060.00
DE0001137297	BUNDES-1%-2012		450,000.00	100.00	100.18	450,801.29	100.46	452,070.00
DE0001135192	BUNDESREPUB.DEUTCHLAND - 5% (04,01,2012)		558,608.00	100.00	107.53	600,694.75	104.52	583,862.67
DE0001141505	BUNDESREPUB.DEUTSCHL 4%-13,04,2012		198,369.00	100.00	106.72	211,698.26	104.31	206,918.70
IT0004564636	BUONI-2%-2012		765,000.00	100.00	100.61	768,481.65	98.41	752,867.10
DE0001135283	DBR 3,25 07/04/15		5,500,000.00	100.00	99.69	5,482,950.00	106.36	5,849,635.00
FR0116114978	FR.TR.NOTE-2,5%		200,000.00	100.00	102.56	205,116.61	103.12	206,246.00
FR0010415331	FRANCE (GOVT OF) - 3,75% - (25,04,2017)		429,211.00	100.00	104.30	447,684.24	106.26	456,083.90
FR0010216481	FRTR 3 10/25/15		500,000.00	100.00	101.13	505,625.00	103.55	517,765.00
FR0010415331	FRTR 3 3/4 04/25/17		776,544.00	100.00	104.30	809,966.45	106.26	825,163.42
DE0001141497	OBL 3 1/2 10/14/11		173,000.00	100.00	104.10	180,088.22	102.25	176,883.85
DE0001141505	OBL 4 04/13/12		306,977.00	100.00	106.72	327,604.09	104.31	320,207.71
FR0000188013	REP. FRANCE - 01/12 (3%)		300,000.00	100.00	120.89	362,681.13	106.62	319,863.00
ES00000120G4	SPGB 3,15 01/16		2,000,000.00	100.00	98.55	1,971,000.00	93.54	1,870,800.00
ES00000120J8	SPGB 3,8 01/31/17		1,000,000.00	100.00	93.78	937,800.00	94.29	942,930.00
DE0001141588	OBL 1 3/4 10/09/2015		745,000.00	100.00	100.39	747,876.99	99.60	742,034.90
ES00000122T3	BONOS-4.85% 2020		900,000.00	100.00	106.08	954,791.18	95.54	859,815.00
XS0221082125	AAB 0 06/15 (ABN AMRO)		300,000.00	100.00	99.87	299,597.26	80.24	240,725.10
XS0267063435	AAB 0 09/14/16		250,000.00	100.00	99.92	249,797.02	84.85	212,135.50
XS0220989692	ABBEY 3,375 06/08/15		500,000.00	100.00	99.92	499,600.00	99.75	498,730.50
XS0546217521	ABNANV FLT 15/01/13		100,000.00	100.00	99.97	99,970.59	100.20	100,200.10
XS0309643061	ABSA 0 07/16/12		278,000.00	100.00	89.59	249,060.65	97.08	269,891.58
FR0010161026	ACAF 0 02/28/49		15,000.00	100.00	60.50	9,075.00	60.50	9,075.00
DE0003933511	AG DB 0 16/01/2014		730,000.00	100.00	96.10	700,244.22	96.97	707,890.49
XS0208845924	AIB 0 03/23/15		173,250.00	100.00	71.99	124,717.97	25.25	43,745.63
XS0229541213	AIG 3,25 01/16/13		500,000.00	100.00	98.50	492,500.00	85.00	425,000.00
XS0404765710	AKZANA 7 3/4 01/14		500,000.00	100.00	114.65	573,255.00	114.77	573,825.50
XS0208845924	ALLIED IRISH BANKS-TX.VR.(23,03,2015)		95,750.00	100.00	71.99	68,927.82	25.25	24,176.88
XS0451674617	ALPHA 3 7/8 09/12		500,000.00	100.00	99.26	496,310.00	91.19	455,940.00
XS0211637839	ALZ 0 02/28/49		750,000.00	100.00	99.85	748,875.00	88.57	664,306.50
XS0207513127	ANZ CAPITAL TRUST III-TV-OB.PERP.SUB.		342,000.00	100.00	68.96	235,858.61	78.54	268,612.62
XS0193944765	ATLIM 0 06/09/11		200,000.00	100.00	99.69	199,374.00	100.06	200,121.40
XS0195487912	BAC 0 28/06/11		150,000.00	100.00	98.46	147,683.04	99.71	149,557.80
XS0227040283	BAC FLOAT 02/15/12		250,000.00	100.00	97.74	244,338.12	98.63	246,568.00

## 2010 Financial Year

in euro

Annex 1 Inventory of Securities and Financial Holdings								
ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
XS0459903620	BACR 0 01/28/13 Corp		250,000.00	100.00	99.95	249,878.98	100.26	250,656.25
XS0240949791	BACR 0 04/16		400,000.00	100.00	96.47	385,880.90	96.19	384,750.00
XS0214398199	BACR 4,75 03/29/49		1,000,000.00	100.00	97.45	974,500.00	66.50	665,000.00
XS0242832599	BANCA INTESA 02/16		250,000.00	100.00	98.67	246,663.47	97.98	244,953.75
PTBB2HOM0005	BANCO BPI-SUP.REN.FIXO CR.3AN.30,06,2012		850,000.00	100.00	100.12	851,020.00	100.59	855,015.00
PTBBQFOM0027	BANCO BPI-SUP.REN.FIXO CR.3AN.30,11,2012		250,000.00	100.00	100.00	250,000.00	100.55	251,375.00
PTBB2IOM0004	BANCO BPI-SUP.REN.FIXO CR.5AN.30,06,2014		850,000.00	100.00	100.57	854,845.00	101.88	865,980.00
PTBBQ6OM0039	BANCO BPI-SUP.REN.FIXO CR.5AN.30,11,2014		250,000.00	100.00	100.00	250,000.00	101.24	253,100.00
PTBB2GOM0006	BANCO BPI-SUPER REND.FIXO 2AN-30,06,2011		850,000.00	100.00	99.89	849,065.00	99.77	848,045.00
PTBBQEOM0028	BANCO BPI-SUPER REND.FIXO 2AN-30,11,2011		250,000.00	100.00	100.00	250,000.00	99.65	249,125.00
XS0481254257	BANCO POP.TV2012		400,000.00	100.00	99.90	399,605.30	99.22	396,877.60
ES0115006001	BANCO VALENCIA PREFERENT-TV-PERP		130,000.00	100.00	32.03	41,644.63	43.40	56,420.00
XS0478822496	BANEST 11/01/13		250,000.00	100.00	93.81	234,524.08	94.34	235,855.00
XS0239804445	BANIF - TAX.VAR. (30,12,2015)		211,900.00	100.00	76.56	162,228.45	64.00	135,616.00
XS0208463306	BANIF FINANCE(CAY)-TV-29,12,2014		111,500.00	100.00	79.98	89,180.15	67.00	74,705.00
ES0213860036	BANSAB 0 05/25/16		200,000.00	100.00	64.01	128,019.97	70.50	141,000.00
ES0313860134	BANSAB 0 10/26/11		300,000.00	100.00	92.51	277,543.30	98.49	295,477.20
XS0337173776	BARCLAYS BANK PLC		14,200,000.00	100.00	78.18	11,101,559.99	73.86	10,487,708.20
XS0191589695	BAVB 0 05/10/11		200,000.00	100.00	99.97	199,947.73	100.01	200,018.00
XS0201271045	BAVB 0 10/01/14		180,000.00	100.00	99.73	179,519.38	95.90	172,622.70
XS0218873072	BAVB 0 11/05/12		300,000.00	100.00	99.70	299,245.99	98.91	296,732.10
XS0420117383	BAYER CAPITAL CORP-4,625% - 26,09,14		30,000.00	100.00	105.61	31,681.65	107.79	32,337.60
XS0420117383	BAYNGR 4 5/8 09/14		556,000.00	100.00	105.11	584,408.52	107.79	599,323.52
PTBBTOOM0015	BBPI RF3AN 2011		28,000.00	100.00	101.09	28,305.20	100.53	28,148.40
XS0222699414	BBVA FLT 29/06/12		300,000.00	100.00	98.01	294,015.86	97.49	292,471.20
XS0479528753	BBVASM 0 01/22/13		200,000.00	100.00	95.24	190,489.71	96.18	192,359.60
XS0271771239	BBVASM 0 10/24/16		350,000.00	100.00	90.44	321,383.89	92.46	323,625.05
XS0474145801	BBVASM 0 12/23/11		200,000.00	100.00	100.10	200,191.22	99.00	198,003.80
XS0218479334	BBVSM 0 23/05/17		300,000.00	100.00	94.81	289,721.97	89.77	269,297.70
ES0413211071	BBVSM 4 02/25/25		4,000,000.00	100.00	103.57	4,142,800.00	81.34	3,253,716.00
PTBCLQOM0010	BCP - 5,625% - 23,04,2014		90,000.00	100.00	107.25	96,525.00	85.66	77,098.23
XS0284019659	BCPN 0 02/06/12		250,000.00	100.00	98.47	246,935.54	87.13	217,825.00
XS0278435226	BCPN 0 12/21/16		250,000.00	100.00	99.91	249,772.50	69.25	173,125.00
PTBCP9OM0051	BCPPL 3 5/8 01/19/12		2,500,000.00	100.00	99.96	2,498,875.00	98.09	2,452,277.50
PTBCP7OM0061	BCPPL 0 02/28/13		250,000.00	100.00	99.79	249,481.42	82.22	205,546.00
XS0241625838	BCPPL 0 03/02/11		450,000.00	100.00	96.96	436,915.48	99.25	446,633.55
PTBCT3OM0000	BCPPL 0 05/09/14		450,000.00	100.00	96.92	436,149.00	75.93	341,698.50
PTBCT5OM0008	BCPPL 0 05/24/11		650,000.00	100.00	98.30	638,666.63	96.93	630,048.90
PTBCLSOE0018	BCPPL 3 3/4 06/11		850,000.00	100.00	99.61	850,358.04	97.59	829,493.75
PTBCLQOM0010	BCPPL 5 5/8 04/14		160,000.00	100.00	107.25	171,600.00	85.66	137,063.52
XS0127011798	BCPPL 6.25 03/29/11		1,100,000.00	100.00	102.11	1,123,166.88	97.17	1,068,870.00
PTBCPUOM0010	BCPPL FLT 03/2/13		300,000.00	100.00	99.72	299,164.66	81.58	244,749.90
XS0242314291	BES FINANCE 02/08/11		500,000.00	100.00	96.78	483,900.47	98.84	494,175.50
XS0261040173	BES FINANCE 07/11		250,000.00	100.00	97.35	243,362.96	96.38	240,962.25
PTBLMGOM0002	BES-5,625%-05,06,2014		50,000.00	100.00	106.84	53,420.50	87.69	43,843.80
PTBERLOM0017	BESNN 0 05/08/13		700,000.00	100.00	94.39	639,844.55	82.16	575,095.50
XS0242314291	BESPL 0 02/08/11		500,000.00	100.00	99.31	496,558.10	98.84	494,175.50
PTBLMWOM0002	BESPL 0 02/25/13		500,000.00	100.00	96.77	486,933.13	83.37	416,827.00
PTBERHOM0013	BESPL 0 03/12		300,000.00	100.00	92.65	278,879.50	90.71	272,121.90
XS0242314291	BESPL 0 08/02/11		500,000.00	100.00	99.18	495,485.42	98.84	494,175.50
XS0425531315	BESPL 4,384 04/11		7,000.00	100.00	102.84	7,198.80	100.51	7,035.70
PTBLMGOM0002	BESPL 5 5/8 06/14		400,000.00	100.00	106.84	427,364.00	87.69	350,750.40
XS0288285272	BEST 150 + 2013		288,000.00	100.00	100.10	288,299.52	56.55	162,864.00
PTBLMWOM0002	BES-TV-25,02,2013		100,000.00	100.00	99.84	99,841.30	83.37	83,365.40
XS0200584125	BETA FINANCE CORPORATION-TV-15,03,2015		1,000,000.00	100.00	0.00	0.44	0.00	1.01
XS0187513642	BETA FINANCE CORP-TV-15,03,2015		1,000,000.00	100.00	0.00	0.44	0.00	1.01
XS0278568026	BFCM 0 12/19/16		300,000.00	100.00	98.21	294,634.58	95.67	287,000.10
XS0249093526	BFCM 03/31/16		550,000.00	100.00	90.46	501,345.54	95.34	524,387.05
XS0283474483	BKIR 01/24/17		150,000.00	100.00	99.97	149,950.28	49.17	73,750.05
XS0451689565	BMW 4 09/17/14		245,000.00	100.00	101.84	249,323.70	105.06	257,391.37
XS0173501379	BMW 5 08/06/18		1,000,000.00	100.00	110.68	1,106,800.00	110.91	1,109,117.00
XS0300795746	BNFPL 0 05/22/12		275,000.00	100.00	93.49	258,805.00	100.27	275,748.00
XS0208463306	BNFPL 0 12/29/14		183,500.00	100.00	79.98	146,767.33	67.00	122,945.00
XS0239804445	BNFPL 0 12/30/15		324,100.00	100.00	76.56	248,127.60	64.00	207,424.00
PTBAFPOE0003	BNFPL 3 1/4 05/12		423,000.00	100.00	100.99	422,024.43	97.36	411,823.49
XS0202386743	BNP 0 10/10/14		700,000.00	100.00	99.75	698,250.00	100.00	700,000.00
XS0270531147	BNP 0 17/10/16		400,000.00	100.00	98.07	392,261.20	98.00	392,000.00
ES0357080144	BPESP 0 02/08/12		400,000.00	100.00	96.16	384,625.60	97.45	389,800.00
XS0174443449	BPI CAP. FINANCE - PREFERENCIAIS SERIE C		140,500.00	100.00	71.19	100,016.40	50.00	70,250.00
XS0443820088	BPIM3 3/4 08/07/12		500,000.00	100.00	101.04	505,180.00	100.78	503,897.50
PTBBSVOM0004	BPIPL 0 01/25/12		850,000.00	100.00	99.13	846,084.06	95.77	814,062.00
XS0174443449	BPIPL 0 08/29/49		231,500.00	100.00	71.19	164,795.70	50.00	115,750.00
PTBBRQOM0023	BPIPL 0 12/17/17		920,000.00	100.00	98.51	906,205.00	98.50	906,200.00

## 2010 Financial Year

in euro

## Annex 1 Inventory of Securities and Financial Holdings

ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
PTBB24OE0000	BPIPL 3 07/17/12		600,000.00	100.00	100.17	596,177.57	96.43	578,569.20
XS0177256889	BRIPPL 4,797 09/13		7,000.00	100.00	102.92	7,204.40	101.43	7,100.10
PTBRIHOM0001	BRISA 4 1/2 12/05/16		1,000,000.00	100.00	99.41	994,100.00	94.06	940,623.00
ES0115006001	BVA 0 12/29/49		220,000.00	100.00	32.03	70,475.54	43.40	95,480.00
XS0277974076	C 0 01/12/12		250,000.00	100.00	99.95	249,882.50	98.97	247,433.25
XS0243636866	C 0 02/09/16		150,000.00	100.00	100.02	150,023.86	91.35	137,026.35
XS0193765673	C 0 06/03/11 (CITIGROUP)		200,000.00	100.00	99.78	199,553.32	99.84	199,688.60
XS0259257003	C 0 06/28/13		200,000.00	100.00	99.98	199,953.74	96.57	193,149.80
ES0214843130	CAGALI 0 09/12/16		50,000.00	100.00	84.00	42,000.00	80.00	40,000.00
ES0214843148	CAGALI 0 49		150,000.00	100.00	100.10	150,156.00	30.00	45,000.00
XS0257959113	CAIXA PENEDES CAPITAL II - OB. PERP.		110,000.00	100.00	62.10	68,307.36	0.00	0.00
ES0414970436	CAIXAB 0 28/2/13		300,000.00	100.00	98.57	295,696.12	96.54	289,605.00
ES0314840101	CAIXAC 0 07/18/11		200,000.00	100.00	99.96	199,927.71	99.04	198,080.20
ES0214958052	CAIXANOVA - TV - OB.PERP.		107,000.00	100.00	51.92	55,556.50	45.00	48,150.00
ES0214950158	CAJAMM 0 02/09/12		600,000.00	100.00	98.23	589,350.57	95.99	575,964.00
ES0214950166	CAJAMM 0 10/17/16		250,000.00	100.00	65.07	162,669.00	68.63	171,575.00
ES0214950125	CAJAMM 0 15/07/14		100,000.00	100.00	97.80	97,801.61	85.00	85,000.00
PTCFPAOM0002	CAMPER 4,17 10/16/19		5,500,000.00	100.00	98.95	5,435,500.00	71.39	3,926,395.00
ES0214958052	CANOVA 0 03/29/49		193,000.00	100.00	51.92	100,209.38	45.00	86,850.00
XS0499243300	CARREFOUR-4%-020		200,000.00	100.00	99.81	199,613.30	99.34	198,675.40
XS0214977151	CAVALE 0 04/23/14		300,000.00	100.00	100.01	300,035.71	84.47	253,400.40
XS0214965450	CAVALE 4,5 03/29/49		500,000.00	100.00	96.10	480,500.00	54.17	270,833.50
ES0314954068	CAZAR 0 09/02/11		200,000.00	100.00	99.96	199,923.70	100.14	200,281.40
FR0010239400	CCBP FLT 21/01/16		200,000.00	100.00	97.12	194,230.30	99.45	198,891.80
XS0178293519	CENTAURI CORPORATION(CAY)-TV-09,09,2013		2,500,000.00	100.00	0.01	250.00	0.01	250.00
XS0224399872	CENTAURI CORPORATION(CAY)-TV-09,09,2014		1,210,000.00	100.00	0.01	121.00	0.01	121.00
FR0010292052	CFDCM 0 22/02/16		200,000.00	100.00	99.92	199,831.61	94.88	189,750.00
PTCGFC1E0029	CGD 4.625% 06/12		500,000.00	100.00	101.45	507,263.64	98.74	493,706.00
XS0192377538	CIMPL 4 1/2 05/11		1,613,000.00	100.00	101.13	1,628,402.65	100.08	1,614,272.66
XS0213026197	CITIGROUP 4,25 02/25/30		500,000.00	100.00	99.18	495,900.00	79.25	396,269.50
XS0305903410	CM FLOAT 22/06/2017		400,000.00	100.00	95.77	383,068.71	86.00	344,000.00
XS0210641816	CRDIT 0 01/12		200,000.00	100.00	99.38	198,751.00	99.31	198,617.80
XS0267703352	CRDIT 0 09/20/16		200,000.00	100.00	99.97	199,931.71	95.11	190,210.20
FR0010128736	CREDIT LOGEMENT- TX.VR.PERP		69,400.00	100.00	70.12	48,665.85	78.00	54,132.00
XS0099472994	CREDIT SUISSE G. FINANCE - 99/19		1,000,000.00	100.00	104.87	1,048,700.00	100.00	1,000,000.00
ES0340609009	CRISM 4 1/8 11/14		150,000.00	100.00	99.52	149,283.00	97.43	146,146.65
ES0340609009	CRITERIA CAIXA CORP.-4,125%-20,11,2014		50,000.00	100.00	99.52	49,762.30	97.79	48,894.05
FR0010128736	CRLOG 0 11/29/49		125,600.00	100.00	70.12	88,075.38	78.00	97,968.00
XS0302887772	CS 0 04/06/12		200,000.00	100.00	95.09	190,189.66	99.68	199,353.00
XS0276790721	DALI CAPITAL-SR.2006-1-CL.A-25,12,2046		20,906.67	100.00	76.36	15,964.80	87.51	18,295.43
XS0541896485	DANBNK FLT 16/09/13		250,000.00	100.00	99.93	249,816.47	99.76	249,393.75
DE0003933685	DB 0 09/20/16		250,000.00	100.00	97.13	244,213.20	94.29	235,729.25
XS0229840474	DB 0 09/22/15		150,000.00	100.00	94.65	141,972.50	94.47	141,701.40
XS0213188096	DEXGRP 0 02/03/15		260,000.00	100.00	100.10	260,270.40	93.40	242,840.00
KYG2773C2068	DIVERSIFIELD GLOBAL SECS-PREF-PERP		459,000.00	100.00	11.64	53,407.44	11.65	53,473.77
XS0276898417	DT 0 05/23/12		250,000.00	100.00	100.00	250,000.00	100.16	250,398.00
XS0207753780	EB5 BUILDING SOCIETY-TV-14,12,2014		50,000.00	100.00	64.89	32,445.76	27.00	13,500.00
XS0207753780	EB5BLD 0 12/14/14		100,000.00	100.00	64.89	64,891.52	27.00	27,000.00
XS0221295628	EDP FINANCE BV - 3,75% (22,06,2015)		30,000.00	100.00	100.07	30,021.03	95.34	28,602.78
XS0495010133	EDPFBV - 3,25% 2015		550,000.00	100.00	99.40	546,770.92	92.48	508,636.15
XS0451430150	EFG HELLAS PLC - TV. (15,03,2011)		435,000.00	100.00	99.33	433,510.80	96.19	418,439.99
XS0221295628	ELEPOR 3 3/4 06/15		556,000.00	100.00	100.07	556,389.77	95.34	530,104.86
XS0256997007	ELEPOR 4 5/8 06/16		500,000.00	100.00	99.35	496,745.00	95.10	475,499.50
XS0413462721	ELEPOR 5 1/2 02/14		1,000,000.00	100.00	99.70	996,985.79	101.83	1,018,314.00
ES0330960008	ENGSM 3 1/4 07/12		200,000.00	100.00	102.11	204,212.00	101.77	203,546.00
XS0451457435	ENIIM 4 1/8 09/19		250,000.00	100.00	100.63	251,575.00	100.34	250,845.00
XS0284761169	ERSTBK 0 02/06/14		200,000.00	100.00	99.89	199,775.55	97.65	195,297.80
XS0443680052	EUROB 4 3/8 02/13		600,000.00	100.00	100.67	604,942.30	82.83	496,999.80
XS0483673488	FBNETH 0 02/03/12		250,000.00	100.00	100.02	250,039.00	100.30	250,758.00
XS0221514879	FBNETH 0 06/22/15		20,000.00	100.00	93.03	18,606.00	87.76	17,551.66
BE0932317507	FORTIS 0 01/17/2017		250,000.00	100.00	97.98	241,751.16	94.44	236,093.75
BE0931714290	FORTIS 0 06/16		200,000.00	100.00	100.06	200,113.90	96.38	192,750.00
BE0930831194	FORTIS 0 14/02/18		300,000.00	100.00	90.30	268,221.84	91.16	273,465.00
BE0932317507	FORTIS BANK-TV-17,01,2017		310,000.00	100.00	92.10	285,512.64	94.44	292,756.25
FR0010245555	FRTEL 3,625 10/14/15		1,000,000.00	100.00	95.98	959,800.00	103.38	1,033,838.00
XS0479542150	GAS NAT C - 3.375%		100,000.00	100.00	100.05	100,051.00	95.15	95,146.20
XS0479541699	GAS NAT C - 4.125%		500,000.00	100.00	99.87	499,339.52	90.52	452,622.00
XS0441800579	GE 4 3/4 07/30/14		580,000.00	100.00	103.94	602,834.60	105.92	614,322.66
XS0203295562	GLBIR 0 10/21/14		50,000.00	100.00	0.00	0.00	0.00	0.05
XS0211034540	GOLDMAN SACHS GROUP 15		1,000,000.00	100.00	100.25	1,002,450.00	100.15	1,001,527.00
XS0184927761	GS 4,75 01/28/14		250,000.00	100.00	99.98	249,950.00	103.41	258,527.50
XS0222383027	GSK 4 06/16/25		500,000.00	100.00	98.50	492,500.00	99.14	495,706.50
XS0292051835	HAA 0 03/20/15		150,000.00	100.00	100.07	150,103.45	93.07	139,602.00

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Annex 1 Inventory of Securities and Financial Holdings								
ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
XS0219714564	HAA 0 27/05/15		280,000.00	100.00	100.10	280,291.20	100.59	281,652.00
XS0259252897	HBOS 07/05/11		200,000.00	100.00	99.96	199,925.71	99.86	199,722.20
DE000HSH2H23	HSB NORDBANK AG - TV - (14,02,2017)		361,000.00	100.00	5.85	21,116.36	47.79	172,528.03
XS0222372178	IBERDU 3,5 06/22/15		500,000.00	100.00	99.40	497,000.00	98.18	490,892.50
XS0548801207	IBERDU 3,5 10/16		250,000.00	100.00	99.86	249,641.30	95.47	238,670.25
XS0243399556	IBSANP 0 02/20/18		200,000.00	100.00	99.91	199,823.60	90.28	180,562.40
XS0194783352	IBSANP 0 06/28/16		230,000.00	100.00	99.71	229,341.26	95.62	219,926.00
NL0000122489	ING-INT. NEDERLAND BANK - 99/19 (5,25%)		250,000.00	100.00	112.84	282,100.00	103.83	259,584.50
IT0003428619	INTESA SPA MORTGAGES - 03/23 (INTS2 1 A2)		13,342.36	100.00	100.00	13,342.36	98.76	13,176.58
XS0259036175	INTNED 0 06/28/11		200,000.00	100.00	99.99	199,973.76	99.86	199,729.20
XS0243302220	IPBS 0 02/11		200,000.00	100.00	100.06	200,113.90	95.46	190,924.60
XS0246688435	ISPIM 0 03/15/13		200,000.00	100.00	93.07	186,133.38	97.37	194,732.60
XS0249938175	ISPIM 0 04/19/16		200,000.00	100.00	95.66	191,329.85	96.77	193,548.40
XS0300196879	ISPIM FLT 05/18/17		250,000.00	100.00	96.64	241,587.68	91.87	229,672.25
US96428FAW86	JACKET 0 12/31/16		506,000.00	100.00	0.00	0.00	0.01	35.12
XS0284839882	JPM 0 01/30/14		200,000.00	100.00	99.80	199,591.36	97.63	195,264.80
XS0231555672	JPM 0 10/12/15		100,000.00	100.00	99.75	99,747.63	91.65	91,649.80
XS0149850777	K2 CORPORATION-TV-15,01,2011		1,500,000.00	100.00	0.00	1.04	0.00	1.03
XS0194805429	KAUP 0 06/30/14		239,000.00	100.00	1.00	2,390.00	1.00	2,390.00
XS0327159074	KBC 0 26/10/12		150,000.00	100.00	100.10	150,156.00	97.98	146,967.75
DE000A0E83L5	KFW 0 07/24/18		87,000.00	100.00	100.10	87,090.48	98.92	86,060.40
FR0010369595	KNFP 0 01/26/17		400,000.00	100.00	96.49	385,940.80	91.82	367,270.00
FR0010479527	KNFP 0 07/06/17		250,000.00	100.00	100.06	250,144.89	90.95	227,375.00
XS0203880991	KNFP 0 11/16		200,000.00	100.00	89.16	178,327.82	94.24	188,474.20
XS0498391894	LLOYDS 0 03/25/13		250,000.00	100.00	99.72	249,301.38	99.91	249,765.75
XS0195810717	LLOYDS 0 07/09/16		323,000.00	100.00	98.00	320,879.86	83.80	270,674.00
XS0285810841	MONTE 0 14/02/12		300,000.00	100.00	99.30	297,886.47	98.51	295,519.80
XS0426505102	MONTE 4 3/4 04/14		500,000.00	100.00	104.61	523,030.00	103.33	516,661.50
XS0250907218	MONTPI 0 04/18/16		90,000.00	100.00	68.69	61,818.54	64.50	58,050.00
XS0292499620	MOSCOW RIVER (LESSIRON) -12%-20,03,2011		227,700.00	100.00	45.80	104,276.82	0.00	0.00
XS0276891594	MS 0 11/29/13		250,000.00	100.00	99.82	249,537.50	95.80	239,511.25
XS0250971222	MS 0 13/04/16		250,000.00	100.00	99.85	249,614.33	90.51	226,274.25
XS0269714464	NAB 0 12/29/49		65,000.00	100.00	68.82	44,729.86	73.35	47,677.50
XS0267821394	NATIONAL GRID PLC-TV. 19,01,2012		72,000.00	100.00	98.94	71,236.80	99.88	71,913.60
XS0099026352	NATIONAL WESTMINSTER BANK - 99/11 (5,125%)		250,000.00	100.00	99.65	249,125.00	100.99	252,470.75
XS0269714464	NATL CAPITAL INSTRUM-TV-PERP		35,000.00	100.00	68.82	24,085.31	73.35	25,672.50
XS0267821394	NGGLN 0 01/18/12		130,000.00	100.00	98.94	128,622.00	99.88	129,844.00
XS0293598495	OPERA GER3 A 01/25/22		90,053.80	100.00	100.10	90,147.45	80.02	72,057.00
XS0180062191	PARKLAND FINANCE CORP-TV-15,12,2013		1,000,000.00	100.00	0.00	0.00	0.01	100.00
XS0159861078	PELICAN MORTGAGES - 03/37		77,300.21	100.00	100.39	77,598.23	91.86	71,010.76
XS0257959113	PENED 0 06/21/49		190,000.00	100.00	62.10	117,985.44	0.00	0.00
XS0301010145	PFE 4,55 05/15/17		1,000,000.00	100.00	97.22	972,200.00	107.20	1,071,970.00
XS0215828830	PORTEL 3 3/4 03/12		400,000.00	100.00	101.85	407,392.00	100.96	403,853.20
XS0215828830	PORTEL 3 3/4 03/26/12		500,000.00	100.00	90.44	452,200.00	100.96	504,816.50
XS0221854200	PORTEL 4 1/2 06/16/25		500,000.00	100.00	99.63	498,150.00	83.52	417,591.00
XS0426126180	PORTEL 6 04/30/13		500,000.00	100.00	107.90	539,495.00	104.89	524,457.00
PTPTICOE0008	PORTUCEL TV.2012		20,000.00	100.00	99.60	19,920.00	99.40	19,880.00
XS0215828913	PT INT 4.35% 2017		100,000.00	100.00	101.53	101,532.77	95.49	95,485.30
XS0462994343	PT INT FIN 5%2019		500,000.00	100.00	99.90	499,509.62	90.37	451,873.50
XS0313145772	RABOBK 0 09/20/17		350,000.00	100.00	94.56	330,976.63	95.30	333,546.15
XS0259579547	RBS 0 01/30/17		200,000.00	100.00	100.10	200,208.00	81.33	162,652.60
XS0541883400	RBS FLT 17/09/12		400,000.00	100.00	100.47	401,886.68	100.51	402,048.40
XS0545097742	REDELE 3,5		500,000.00	100.00	99.77	500,144.92	98.15	490,748.50
XS0188552839	REDELE 3,85 03/22/11		500,000.00	100.00	99.59	497,950.00	100.43	502,130.00
XS0419352199	REPSM 6 1/2 03/14		500,000.00	100.00	110.82	554,105.00	109.33	546,663.50
XS0163771396	RESEAU FERRE FRANCE - 03/23 (RESFER)		150,000.00	100.00	113.74	170,607.78	121.14	181,710.00
XS0127276235	SANTAN 0 03/28/11		350,000.00	100.00	98.26	343,923.64	99.20	347,200.35
XS0502921421	SANTAN 0 06/26/12		250,000.00	100.00	100.02	250,039.00	98.37	245,924.00
XS0202197694	SANTAN 0 09/29/49		15,000.00	100.00	60.00	9,000.00	59.92	8,987.51
XS0477243843	SANTAN FLT 01/18/13		150,000.00	100.00	95.35	143,032.31	96.31	144,460.05
XS0552177858	SANTAN FLT 01/18/13		550,000.00	100.00	99.76	548,657.16	97.20	534,622.00
XS0541883319	SBAB FLT 16/09/13		250,000.00	100.00	99.87	249,668.94	99.94	249,842.75
PTSEMCOE0006	SEMAPA - TV (20,04,2016)		400,000.00	100.00	92.10	368,400.00	95.00	380,000.00
XS0178112743	SHERLOCK LTD-CZ-20,11,2011		169,000.00	100.00	70.37	118,921.66	68.38	115,562.20
XS0187584072	SOCGEN 0 03/15/16		450,000.00	100.00	98.86	444,103.54	98.12	441,543.60
XS0187584072	SOCGEN 0 06/07/17		80,000.00	100.00	98.75	79,002.08	98.12	78,496.64
XS0303483621	SOCGEN 0 06/07/17		550,000.00	100.00	98.13	538,734.84	94.56	520,093.75
XS0309515657	SPAREBANKEN VEST-TV-12,07,2017		50,250.00	100.00	76.30	38,342.03	85.00	42,712.50
XS0194963848	STALIF 0 12/02/14		400,000.00	100.00	94.76	379,059.12	95.42	381,696.00
XS0309515657	SVEG 0 07/12/17		90,750.00	100.00	76.30	69,244.57	85.00	77,137.50
XS0232843671	SVSKHB 0 10/19/17		300,000.00	100.00	98.59	297,160.88	97.46	292,374.90
XS0312208407	TELECOM ITALIA SPA - TV - 19,07,2013		300,000.00	100.00	96.18	288,533.64	97.48	292,434.60
XS0494547168	TEMIS 3.406% 2015		500,000.00	100.00	100.47	503,074.11	98.66	493,300.50

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in euro

## Annex 1 Inventory of Securities and Financial Holdings

ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
XS0296237919	UBS 0 04/18/12		250,000.00	100.00	100.06	250,144.89	99.67	249,185.25
XS0285148598	UCGIM 0 02		250,000.00	100.00	98.32	245,788.33	96.13	240,321.50
XS0541506365	UCGIM FLT 14/09/12		250,000.00	100.00	99.82	249,541.43	99.90	249,737.75
XS0285818075	UKRAINE MORT-SR.2007-1 CL.A-15,12,2031		100,057.32	100.00	25.81	25,825.50	60.61	60,643.45
XS0230663196	ULVR 3,375 09/29/15		500,000.00	100.00	98.75	493,750.00	104.13	520,635.00
XS0266760965	VOD 0 09/05/13		230,000.00	100.00	100.04	230,096.45	99.79	229,509.64
XS0257808500	VODAFONE GROUP PLC-TV. (13,01,2012)		208,000.00	100.00	99.37	206,683.36	100.15	208,314.92
XS0304458564	VODAFONE GROUP PLC-TV-06,06,2014		161,000.00	100.00	97.35	156,738.33	98.78	159,039.67
XS0246359532	VOLKSWAGEN BANK GMBH-TV-14,03,2016		262,000.00	100.00	78.03	204,451.19	92.50	242,350.00
XS0246359532	VW 0 03/14/16		220,000.00	100.00	100.10	220,228.80	92.50	203,500.00
XS0210908751	WESTLB 0 12/02/12		107,000.00	100.00	99.12	106,053.55	98.81	105,726.70
XS96428FAW86	WHITE PINE CORP-TV-31,12,2016		378,000.00	100.00	0.00	0.00	0.01	26.24
XS0271816869	ZELA FINANCE CORP-TV-18,08,2016		1,000,000.00	100.00	0.00	0.00	0.00	1.00
PTBCLSOE0018	BCPPL 3.75% 17/06/11		300,000.00	100.00	99.11	297,334.28	97.59	292,762.50
FR0010956748	BPCGP FLT 29/10/13		400,000.00	100.00	99.87	399,470.31	99.74	398,960.00
PTPBT1GE0012	BT-CZ-21/10/11		1,000,000.00	100.00	97.25	972,530.97	96.64	966,350.00
PTPBTNGE0010	BT-CZ-23/09/11		1,000,000.00	100.00	97.62	976,347.57	97.22	972,190.00
PTPBTGE0019	BT-CZ-18,11,2011		250,000.00	100.00	95.47	238,667.34	96.30	240,757.50
XS0282583722	MS 0 01/16/17 Corp		250,000.00	100.00	100.10	250,260.00	89.27	223,179.00
XS0552807629	NAB FLT 22/10/13		300,000.00	100.00	100.02	300,046.80	99.89	299,665.80
XS0250622304	NAB FLT 07/16		250,000.00	100.00	99.71	249,263.88	99.52	248,793.75
NL0000303709	AEGON NV	5,508.00			2.66	57,760.19	4.62	25,446.96
FR0000130007	ALCATEL	6,860.00			2.95	20,247.12	2.19	15,023.40
DE0008404005	ALLIANZ	1,970.00			85.52	168,479.80	88.93	175,192.10
BE0003793107	ANHEUSER - BUSCH INBEV	2,000.00			42.66	85,327.80	43.23	86,460.00
IT0000062072	ASSICURAZIONE GENERALI	1,057.00			18.08	19,109.54	14.35	15,167.95
FR0000120628	AXA	3,777.00			14.65	63,985.67	12.65	47,779.05
ES0113211835	BANCO BILBAO VIZCAYA (BBVA)	16,055.00			9.48	181,396.57	7.57	121,536.35
PTBP10AM0004	BANCO BPI SA	145,896.00			2.41	351,639.19	1.39	202,065.96
PTBPCP0AM0007	BANCO COMERCIAL PORTUGUES SA	671,014.00			0.94	687,777.73	0.58	390,530.15
ES0113900J37	BANCO SANTANDER CENTRAL HISPANO	30,000.00			9.73	310,680.76	7.95	238,500.00
DE0005151005	BASF	862.00			43.15	37,196.65	59.70	51,461.40
DE00084Y0017	BAYER AG	1,511.00			52.63	79,518.34	55.30	83,558.30
DE0005190003	BAYERISCHE MOTOREN WERKE AG	1,151.00			63.83	73,470.52	58.85	67,736.35
PTBES0AM0007	BESCL	30,000.00			3.38	101,401.87	2.88	86,400.00
FR0000131104	BNP	2,147.00			48.04	117,021.61	48.66	104,473.02
ES0115056139	BOLSAS Y MERCADO	11,094.00			21.12	234,298.78	17.47	193,756.71
722910042701	BOLSIMO,GESTÃO DE ATIVOS FINANCEIROS	6,694.00			100.00	669,400.00	100.00	669,400.00
PTBR10AM0000	BRISA - PRIV. Nom.	149,957.00			7.33	1,060,440.84	5.22	782,625.58
FR0000120172	CARREFOUR	1,876.00			32.93	61,770.03	31.87	59,788.12
DE0007100000	DAIMLER CHRYSLER	3,512.00			54.30	190,691.54	50.73	178,163.76
DE0005140008	DEUTSCHE BANK	4,139.00			39.59	163,862.12	39.10	161,834.90
DE0005557508	DEUTSCHE TELEKOM AG	5,646.00			13.29	75,016.37	9.66	54,512.13
DE0007614406	E. ON AG (EX-VEBA)	5,310.00			28.41	150,879.40	22.94	121,811.40
PTEDP0AM0009	EDP	538,991.00			2.77	1,402,160.89	2.49	1,342,626.58
ES0127797019	EDP RENOVAVEIS	88,933.00			6.66	653,075.63	4.34	385,702.42
IT0003128367	ENEL SPA 2001	21,054.00			4.30	90,524.81	3.78	79,668.34
IT0003132476	ENI SPA	8,962.00			17.08	153,057.83	16.41	147,066.42
BE0003801181	FORTIS	7,767.00			3.02	23,436.98	1.73	13,452.44
BE0917378490	FORTIS DTOS 08	3,500.00			0.00	0.00	0.00	0.00
BE0005591624	FORTIS (DTOS) Strip VVPR	1,360.00			0.00	0.00	0.00	0.00
FR0000133308	FRANCE TELECOM	10,000.00			16.95	173,034.10	15.75	157,500.00
PTGALOAM0009	GALP ENERGIA	101,289.00			14.51	1,462,479.46	14.34	1,452,484.26
ES0116870314	GAS NATURAL SDG	19,336.00			15.71	302,295.57	11.28	218,110.08
FR0010208488	GDF SUEZ	2,582.00			28.68	74,050.04	27.17	70,152.94
GB0009252882	GLAXO SMITHKLINE	3,795.00			14.58	55,335.42	14.80	56,166.00
US38259P5089	GOOGLE INC	324.00			413.93	134,112.30	454.00	147,096.00
NL0000303600	ING GROUP	16,792.00			7.76	134,858.35	7.24	121,574.08
IT0000072618	INTESA SANPAOLO	10,000.00			2.52	22,978.79	2.04	20,400.00
NL0000009538	KONINKLIJKE PHILIPS ELECTRONICS	4,314.00			19.98	86,193.66	22.95	99,006.30
FR0000120537	LAFARGE	417.00			60.25	25,124.30	47.39	19,761.63
FR0000120321	L'OREAL	708.00			75.41	53,388.64	84.68	59,953.44
FR0000121014	LVMH MOET HENNESSY	598.00			124.56	74,488.23	124.05	74,181.90
PTMFR0AM0003	MARTIFER SGPS SA	7,320.00			8.01	58,620.90	1.49	10,906.80
PTMGFOAM0006	MG GESTÃO DE ATIVOS FINANCEIROS	15.00			0.00	0.00	5.00	75.00
PTMGPOAE0005	MG PATRIMONIOS-SOC. GESTORA PATRIMONIOS	12.00			0.00	0.00	5.00	60.00
DE0008430026	MUNCHENER RUCKVERS.	801.00			129.76	103,941.64	113.45	90,873.45
CH0038863350	NESTLE	3,630.00			44.34	160,959.69	44.55	161,716.50
FI0009000681	NOKIA AB FINLAND	19,000.00			7.62	144,852.39	7.75	147,250.00
FR0000121485	PINAULT - PRINTEMPS - REDOUTE	209.00			82.44	17,230.21	119.72	25,021.48
DE000PAH0038	PORSCHE	1,972.00			63.58	125,383.26	59.66	117,649.52
PTPTCOAM0009	PORTUGAL TELECOM	138,200.00			9.19	1,363,137.52	8.38	1,158,116.00



## 2010 Financial Year

in euro

Annex 1 Inventory of Securities and Financial Holdings								
ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
NL0006033250	Q	1,163.00			28.35	32,975.98	9.93	11,548.59
PTRELOAM0008	REN	39,800.00			3.56	141,507.59	2.58	102,684.00
FR0000131906	RENAULT SA	257.00			35.32	9,076.64	43.33	11,135.81
ES0173516115	REPSOL	3,000.00			17.64	53,727.21	21.41	64,215.00
GB0007188757	RIO TINTO PLC	2,111.00			53.18	112,272.03	53.51	112,959.61
GB0007547838	ROYAL BK SCOTLAND GR	6,233.00			0.82	5,203.94	0.47	2,929.51
GB00B03MLX29	ROYAL DUTCH SHELL	6,854.00			24.68	169,172.72	25.03	171,555.62
NL0000009082	ROYAL KPN - KONINKLIJKE	5,000.00			11.14	55,789.19	11.02	55,100.00
DE0007037129	RWE	1,150.00			87.44	100,560.26	49.89	57,373.50
FR0000120578	SANOFI SYNTHELABO	2,339.00			53.72	125,643.70	48.64	113,768.96
DE0007164600	SAP AG - Pref.	2,328.00			38.14	88,787.73	38.10	88,696.80
PTSEM0AM0004	SEMAPA	5,000.00			8.60	43,021.50	8.28	41,400.00
DE0007236101	SIEMENS AG	2,812.00			94.28	265,107.25	92.70	260,672.40
FR0000130809	SOCIÉTÉ GENERALE	2,964.00			44.79	149,276.87	40.93	121,316.52
PTSNP0AE0008	SONAE CAPITAL	10,110.00			0.82	8,294.35	0.41	4,145.10
PTS3P0AE0009	SONAE INDUSTRIA NEW	17,634.00			2.56	45,218.54	1.91	33,680.94
PTSON0AM0001	SONAE SGPS	533,975.00			0.92	495,291.91	0.78	416,500.50
FI0009005961	STORA ENSO	2,443.00			4.88	11,927.80	7.72	18,859.96
FR0010613471	SUEZ ENVIRONMENT SA	676.00			0.01	4.22	15.52	10,491.52
IT0003497168	TELECOM ITALIA	50,000.00			2.16	113,935.34	0.97	48,700.00
SE0000108656	TELEFONAKTIEBOLAGET LM ERICSSON	4,556.00			9.01	44,708.91	8.74	39,819.44
ES0178430E18	TELEFONICA	39,520.00			19.50	764,053.00	17.30	683,498.41
FR0000120271	TOTAL FINA	5,748.00			43.11	247,805.16	40.15	230,753.46
IT0000064854	UNICRÉDITO ITALIANO	46,285.00			2.08	112,693.57	1.61	74,287.43
NL0000009355	UNILEVER NV	3,901.00			22.14	86,372.29	23.61	92,102.61
FR0000127771	VIVENDI	1,846.00			20.30	37,474.07	20.54	37,916.84
GB00B16GWD56	VODAFONE AIRTOUCH PLC	76,322.00			2.01	153,636.64	1.95	148,827.90
PTZON0AM0006	ZON MULTIMÉDIA SGPS	36,430.00			4.48	168,700.34	3.39	123,497.70
ES011390037	BANCO SANTANDER CENTRAL HISPANO	385.00			0.00	0.78	7.95	3,060.75
922910000501	SOC. PORTUGUESA DE ADMINISTRAÇÕES	80,632.00			16.54	589,561.17	16.54	589,561.17
920910022001	CLINICA SERV. MÉDICOS COMPUTORIZADOS DE BÉLEM	51,465.00			4.99	256,706.34	4.99	256,706.34
921910003001	AUDATEX	100.00			249.40	24,939.90	249.40	24,939.90
920910022101	CLINICA DE SANTA MARIA DE BÉLEM	69,920.00			7.54	527,363.85	7.54	527,363.85
722910037201	EMPRESA GESTORA DE IMÓVEIS DA RUA DO PRIOR	84,000.00			22.04	1,851,310.40	22.04	1,851,310.40
921910012201	EUROMINAS	13.00			4.99	64.83	4.99	64.83
921910000801	FUTURO - S.G.F.P.	3,385.00			27.57	93,315.11	27.57	93,315.11
921910000801	FUTURO - S.G.F.P. Preferenciais s/ voto	1,081.00			29.88	32,300.05	29.88	32,300.05
722910042601	GERMONT Empreendimentos Imobiliários SA	50.00			100.00	5,000.00	100.00	5,000.00
921910024801	INTERHOTEL	10.00			4.99	49.88	4.99	49.88
921910000701	LUSITANIA VIDA - Companhia de Seguros	110,204.00			29.41	3,261,415.64	29.41	3,261,415.64
921910013001	MATUR Portador	90.00			9.98	897.84	9.98	897.84
	MUTUAMAR FORMAÇÃO	1.00			50,000.00	50,000.00	50,000.00	50,000.00
921910039401	NSEGUROS (CP 28/12/2007)	1,700,000.00			7.35	12,500,000.00	7.35	12,500,000.00
921910024901	REGIS HOTEIS	471.00			21.18	9,975.96	21.18	9,975.96
921810000801	MOÇAMBIQUE - Companhia de Seguros	38,880.00			7.66	278,084.18	7.66	278,084.18
922910037101	Acácia - Bahrein	7,500,000.00			0.75	5,640,370.01	0.75	5,640,370.01
GGY121000008	AEIF 1 L.P.	637,357.82			0.72	320,017.55	0.46	293,058.53
PTARMAME0005	ALVES RIBEIRO - MÉDIAS EMPRESAS PORTUGUESAS	1,500.00			49.88	74,819.68	58.78	88,166.85
PTYPIXLM0009	BPI ALTO RENDIMENTO ALTO RISCO	83,385.44			7.26	605,504.57	8.00	666,774.97
PTYPIDLM0011	BPI BRASIL -	20,252.34			8.50	172,097.99	10.80	218,719.18
PTYPIALM0006	BPI EUROPA VALOR	21,617.50			17.08	375,218.96	19.06	412,092.16
LU0220377575	BPI Global Investment Funds	203,822.94			5.57	1,134,761.08	7.02	1,430,633.22
LU0220378110	BPI Global Investment Funds	81,716.02			5.88	480,221.79	6.77	553,217.43
LU0292622254	BPI Global Investment Funds	318,458.00			4.16	1,325,356.66	4.05	1,289,436.44
LU0220378623	BPI Global Investments Funds	39,845.23			6.41	255,323.98	6.99	278,637.67
LU0220378110	BPI HIBFCI	47,356.82			6.32	308,741.61	6.77	320,605.66
LU0220378110	BPI HIGH INC CL.I	22,594.35			5.88	132,780.76	6.77	152,963.75
LU0292622254	BPI IBERIA CL I	20,840.31			4.16	86,733.08	4.05	84,382.42
LU0049736407	BPI LUX EUROPA	101,441.00			10.18	1,012,735.64	10.78	1,093,128.22
PTYPIXLM0009	BPI OBR A.R.	980.21			7.38	7,235.06	8.00	7,838.05
LU0220378623	BPI UNIVERSAL CL	42,431.20			6.41	271,772.44	6.99	296,721.41
BMG288472605	DR DURHAM OVERSEAS FUND	60.84			0.00	0.00	42.26	2,571.13
KYG5569M2620	German Real Estate Fund	568.96			737.68	419,706.97	705.12	401,183.02
KYG399911232	Gottex Abi Fund Limited Class Eur	1,980.00			0.00	0.00	0.00	0.19
LU0140037622	LCF ROTHSCHILD PRIFUND GLOBAL - ADAGIO	7,430.00			100.40	742,039.41	128.38	953,863.40
PTYMGNLM0006	MULTI GEST MERC EMER	10,900.00			45.65	497,533.77	52.16	568,509.12
ES0131366033	MUTUAFONDO GESTION BONO	2,200.00			109.37	240,624.00	144.10	317,023.56
LU0141799097	Nord Hylti	13,061.89			20.28	269,669.64	21.45	280,177.57
LU0141799097	NORDEA 1 EUR HGH YLD-BI-EUR	38,429.80			18.62	715,408.89	21.45	824,319.12
LU0296922973	NovEnergia	0.86			67,471.99	58,228.33	71,730.00	61,902.99
FR0010251108	ODDO AVENIR EUROPE-B	3.76			147,121.00	553,616.33	168,442.41	633,848.78
KYG6846Y1035	PACIFIC ALLIANCE CHINA LAND	177,991.24			0.59	104,629.99	0.90	160,904.08

2010 Financial Year

in euro

## Annex 1 Inventory of Securities and Financial Holdings

ISIN	Name	Quantity	Nominal Value	% Nominal Value	Average acquisition price	Total acquisition value	Balance sheet value	
							Unit	Total
IE00B06YB805	PREFF	4,250.97			100.55	427,433.93	85.29	362,565.24
PTYSAFLM0006	SANTANDER ACÇÕES PORTUGAL	2,379.00			4.24	10,082.20	23.40	55,663.37
LU0220377575	BPI OPPOC	19,425.00			6.99	135,761.33	7.02	136,344.08
PTYPIVHM0014	BPI MONE	109,604.11			5.02	549,886.00	5.02	549,883.81
FR0000434805	BARC EURO MO TERM	3,352.79			222.52	746,053.36	292.79	981,663.38
PTYBPJMN0002	Bpn Gestão de Activos Valorização Patrimonial	583.00			2,368.44	1,380,800.00	2,224.88	1,297,102.59
PTFUN0AN0004	FUNDIMO	1,000.00			5.10	5,102.70	7.89	7,890.70
PTYBPGIM0002	FUNDO BPN IMOGLOBAL	8,643.00			297.09	2,567,709.73	400.80	3,464,079.83
PTYBQAIM0007	FUNDO BPN IMOREAL	87,275.00			94.86	8,278,588.71	94.23	8,224,263.62
PTYIMBHM0004	IMOVEST	56,744.00			8.74	313,329.54	7.15	405,713.91
PTNOFCIE0006	LOGISTICA E DISTRIBUIÇÃO	50,000.00			5.01	250,500.00	6.26	313,000.00
	MERCAPITAL FUNDO ESPECIAL DE INV. IMOB. FECHADO (CP 04/09/2007)	45,610.00			102.54	4,676,799.23	92.39	4,213,730.02
935930005701	PALAZZO - FUNDO INVEST. IMOBILIARIO FECHADO (CP 27/12/2007)	30,000.00			105.48	3,164,424.00	106.24	3,187,209.00
PTNOFAIM0008	VISION ESCRITÓRIOS	150,000.00			3.30	508,341.81	4.52	678,255.00
KYG0621N1016	A2CT2 SYSTEMATIC FUNDS, SPC	6,274.00			85.65	537,336.85	99.42	623,738.49
GBR12100007	The Fine Art Fund II, L.P.	578,054.00			0.44	251,885.83	0.55	319,973.12
GBR12100008	The Fine Art Fund, L.P.	527,297.00			0.73	385,180.09	0.66	349,141.70
TOTAL GERAL DE TITULOS EM VIGOR		16,247,779.38	203,269,140.48			259,332,737.94		250,387,687.47



in euro

**Anexo 2 Development of Provision for Claims made in Previous Financial Years and Readjustments to the same (Corrections)**

Sectors / Groups of Sectors	Provision for claims as at 31/12/2009 (1)	Claims costs * amount paid in financial year (2)	Claims provision * as at 31/12/2010 (3)	Readjustments (3)+(2)-(1)
<b>Life</b>	0.00	0.00	0.00	0.00
<b>Non-Life</b>				
• Accidents & Health	140,665,256.49	38,267,419.13	104,346,761.48	1,948,924.12
• Fire & Other Losses	20,747,979.40	10,960,522.29	11,867,985.56	2,080,528.45
• Motor				
• Third Party	100,709,852.20	21,776,300.45	64,421,629.09	-14,511,922.66
• Other cover	10,226,841.42	6,136,487.23	4,764,012.34	673,658.15
• Maritime, Air and Transport	3,025,472.67	799,051.20	1,614,135.07	-612,286.40
• General Third Party Liability	14,744,024.01	2,826,265.03	12,008,005.27	90,246.29
• Credit and Guarantees	1,083,719.09	380,860.27	850,107.64	147,248.82
• Legal Protection	8,226.32	6,669.61	9,823.82	8,267.11
• Assistance	1,710.11	110.72	1,764.50	165.11
• Other	884,358.86	54,626.63	734,089.51	-95,642.72
<b>Total</b>	<b>292,097,440.57</b>	<b>81,208,312.56</b>	<b>200,618,314.28</b>	<b>-10,270,813.73</b>
<b>OVERALL TOTAL</b>	<b>292,097,440.57</b>	<b>81,208,312.56</b>	<b>200,618,314.28</b>	<b>-10,270,813.73</b>

\* Claims made in 2009 and previous years (in euro)

Year: 2010

in euro

**Annex 3 Breakdown of Claims Costs**

Sectors / Groups of Sectors	Amounts paid - payments (1)	Amounts paid - management costs of claims received (2)	Comparison claims provision (3)	Claims costs (4)=(1)+(2)+(3)
<b>Direct Insurance</b>				
• Accidents & Health	59,614,026.15	8,122,745.30	-8,817,831.40	58,918,940.05
• Fire & Other Losses	26,712,930.17	841,180.64	1,336,631.37	28,890,742.18
• Motor				
• Third Party	45,722,937.73	1,368,378.95	-8,190,814.73	38,900,501.95
• Other cover	22,125,367.78	806,122.75	2,307,919.15	25,239,409.68
• Maritime, Air and Transport	2,667,857.36	32,817.25	69,415.79	2,770,090.40
• General Third Party Liability	2,813,957.81	800,441.16	-1,072,053.95	2,542,345.02
• Credit and Guarantees	407,586.54	1,134.81	-207,885.53	200,835.82
• Legal Protection	2.46	22,740.51	7,353.47	30,096.44
• Assistance	0.00	110.72	154.39	265.11
• Other	108,644.88	1,891.36	147,293.73	257,829.97
<b>Total</b>	<b>160,173,310.88</b>	<b>11,997,563.45</b>	<b>-14,419,817.71</b>	<b>157,751,056.62</b>
<b>Inward Reinsurance</b>	858,570.14	4,012.48	-124,464.84	738,117.78
<b>OVERALL TOTAL</b>	<b>161,031,881.02</b>	<b>12,001,575.93</b>	<b>-14,544,282.55</b>	<b>158,489,174.40</b>

Year: 2010

in euro

**Anexo 4 Breakdown of Some Values according to Sector**

Sectors / Groups of Sectors	Gross premiums earned	Gross premiums received	Costs incurred on gross premiums*	Gross running costs *	Reinsurance balance
<b>Direct Insurance</b>					
• Accidents & Health	75,786,293.72	76,901,936.25	58,918,940.05	25,556,214.14	-949,458.13
• Fire & Other Losses	43,762,727.96	44,111,981.87	28,890,742.18	10,635,599.91	-8,385,919.62
• Motor					
• • Third Party	62,713,684.57	60,462,227.36	38,900,501.95	15,038,371.63	3,156,556.60
• • Other cover	35,210,242.76	33,214,506.43	25,239,409.68	6,795,537.51	-7,506,038.37
• Maritime, Air and Transport	5,528,758.38	5,405,548.57	2,770,090.40	2,801,235.87	-1,763,178.19
• General Third Party Liability	6,244,116.53	6,075,941.90	2,542,345.02	3,126,810.07	-721,370.64
• Credit and Guarantees	184,015.45	214,757.03	200,835.82	48,104.40	65,304.31
• Legal Protection	1,551,025.31	1,351,168.63	30,096.44	227,970.34	-1,223.21
• Assistance	367,082.54	1,456,976.87	265.11	271,206.01	-185,530.18
• Other	1,024,728.14	1,058,450.21	257,829.97	210,940.16	-561,041.31
<b>Total</b>	<b>232,372,675.36</b>	<b>230,253,495.12</b>	<b>157,751,056.62</b>	<b>64,711,990.04</b>	<b>-16,851,898.74</b>
<b>Inward Reinsurance</b>	<b>2,482,622.21</b>	<b>2,343,532.21</b>	<b>738,117.78</b>	<b>798,089.81</b>	<b>0.00</b>
<b>OVERALL TOTAL</b>	<b>234,855,297.57</b>	<b>232,597,027.33</b>	<b>158,489,174.40</b>	<b>65,510,079.85</b>	<b>-16,851,898.74</b>

\* Without deduction of reinsurers' part (in euro)

# Property belonging to Lusitania

31 December 2010

in euro

Properties		
Location	Date of Inventory	Market Value
<b>LISBON</b>		
Av..Eng..Duarte.Pacheco,.Torre.2,..R/c..-Frac..ES.(Loja)	2007	542,500.00
Rua de São Domingos à Lapa, 35 a 41	2007	21,044,000.00
Av. Ant. Aug. Aguiar, 7	2009	5,166,056.89
Av. Rio Janeiro, 13, 3.º Esq.	2009	142,905.02
Av. Rio Janeiro, 28, r/c Dtº	2009	114,004.69
Av. Rio Janeiro, 28, 2.º Dtº	2009	183,716.80
Av. Eng. Duarte Pacheco, Torre 2, 4º - Sala 2	2007	153,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção AY (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção AZ (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção BA (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção GA (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção GB (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção II (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção FF (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção ND (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção IN (Parque)	2010	28,510.35
Av. Eng. Duarte Pacheco, Torre 2, Fracção ASN (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção ASO (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção ATE (Parque)	2007	25,000.00
Av. Eng. Duarte Pacheco, Torre 2, Fracção ATF (Parque)	2007	25,000.00
Praça de Espanha, Lote D - Terreno Sede	2007	9,180,000.00
Rua de São Domingos à Lapa, 29 a 33	2007	4,918,000.00
Rua do Prior, 6	2007	4,844,000.00
Alameda dos Oceanos, Ed. Adamastor, Lj 3,16,01 J	2007	346,491.65
R. Mª Amália V. Carvalho, 36	2009	635,150.82
Av.Ant.Aug.Aguiar, 23	2009	5,846,144.42

31 December 2010

in euro

Properties		
Location	Date of Inventory	Market Value
<b>MATOSINHOS</b>		
R. 1º Dezembro, 21, r/c A	2009	77,481.90
R. 1º Dezembro, 21, r/c B	2009	98,143.45
R. 1º Dezembro, 21, 1.º Esq.	2009	102,296.85
R. 1º Dezembro, 21, 1.º Dt.	2009	136,829.46
R. 1º Dezembro, 21, 2.º Esq.	2009	102,296.85
R. 1º Dezembro, 21, 2.º Dt.	2009	136,829.46
R. 1º Dezembro, 21, 3.º	2009	113,847.28
<b>OPORTO</b>		
Rua Júlio Dinis, 676 - Loja (Fracção A) - Dependência	2007	289,800.00
Av. Boavista, 770 - Fracção AI	2010	1,387,421.59
Av. Boavista, 772, 4,1 - Fracção AZ	2010	505,070.14
Av. Boavista, 772, 4,2 - Fracção BA	2010	369,886.80
Av. Boavista, 772, 4,3 - Fracção BB	2010	358,414.03
Av. Boavista, 772, 4,4 - Fracção BC	2010	358,414.03
Av. Boavista, 772, 4,5 - Fracção BD	2010	548,868.43
Av. Boavista, 772, 5,1 - Fracção BE	2010	520,148.95
Av. Boavista, 772, 5,2 - Fracção BF	2010	381,821.05
Av. Boavista, 772, 5,3 - Fracção BG	2010	369,983.39
Av. Boavista, 772, 5,4 - Fracção BH	2010	369,983.39
Av. Boavista, 772, 5,5 - Fracção BI	2010	564,773.62
R. 15 de Novembro, 78 - Fracção DF	2010	17,171.59
R. 15 de Novembro, 79 - Fracção DG	2010	17,171.59
R. 15 de Novembro, 80 - Fracção DH	2010	17,171.59
R. 15 de Novembro, 81 - Fracção DI	2010	17,171.59
R. 15 de Novembro, 86 - Fracção DJ	2010	17,171.59
R. 15 de Novembro, 86 - Fracção ES	2010	21,464.49
R. 15 de Novembro, 86 - Fracção ET	2010	21,464.49
R. 15 de Novembro, 86 - Fracção EU	2010	21,464.49
R. 15 de Novembro, 86 - Fracção EV	2010	21,464.49
R. 15 de Novembro, 86 - Fracção EW	2010	21,464.49
Rua Júlio Dinis, 676 - 3º (Fracção E)	2007	1,038,200.00
Rua Júlio Dinis, 676 - 4º (Fracção F)	2007	969,100.00
Rua Júlio Dinis, 676 - 5º (Fracção G) - Filial	2007	1,040,700.00
Rua Júlio Dinis, 676 - 7º (Fracção I)	2007	896,000.00
Rua Júlio Dinis, 676 - Auditório (50% Fracção J)	2007	123,000.00

31 December 2010

in euro

Properties		
Location	Date of Inventory	Market Value
Rua Júlio Dinis, 676 - Pq. Estac. n° 1 (Fracção L)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 2 (Fracção M)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 5 (Fracção P)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 6 (Fracção Q)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 7 (Fracção R)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 8 (Fracção S)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 9 (Fracção T)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 10 (Fracção U)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 11 (Fracção V)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 12 (Fracção X)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 13 (Fracção Z)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 14 (Fracção AA)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 15 (Fracção AB)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 16 (Fracção AC)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 29 (Fracção AQ)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 30 (Fracção AR)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 31 (Fracção AS)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 32 (Fracção AT)	2007	24,000.00
Rua Júlio Dinis, 676 - Pq. Estac. n° 33 (Fracção AU)	2007	24,000.00
Rua Gonçalo Sampaio n° 271, 4° esq. (inclui parque estac.)	2007	1,185,000.00
Rua Infante D. Henrique, 87/91 - R/c e Cv.	2007	279,000.00
Rua Infante D. Henrique, 87/91 - 1° A	2007	212,741.28
Rua Infante D. Henrique, 87/91 - 1° B	2007	186,940.74
Rua Infante D. Henrique, 87/91 - 2° A	2007	214,491.48
Rua Infante D. Henrique, 87/91 - 2° B	2007	187,544.26
Rua Infante D. Henrique, 87/91 - 3° A	2007	213,224.11
Rua Infante D. Henrique, 87/91 - 3° B	2007	188,570.25
Rua Infante D. Henrique, 87/91 - 4° A	2007	185,250.88
Rua Infante D. Henrique, 87/91 - 4° B	2007	176,771.41
Augusto Luso	2010	190,000.00
Av. França 222, 256, 316	2010	173,544.00
Av. França 222 S/C	2010	28,356.00
R. Prof. Duarte Leite, 97 5°	2010	83,101.00
Av. França 352 1°	2010	385,794.00
<b>ALMADA</b>		
Rua Galileu Saude Correia, 15 B	2007	577,575.00

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in euro

Properties		
Location	Date of Inventory	Market Value
<b>AVEIRO</b>		
Av. Eng. Adelino Amaro da Costa, 14	2007	193,122.00
Rua Feira de Março, Lt. A2, R/C Dto.	2010	338,233.00
<b>BRAGA</b>		
Largo de S. Francisco, 37	2007	572,400.00
Lg. Barrão de S.Martinho, 13 - 2º	2010	631,000.00
<b>CALDAS DA RAINHA</b>		
R. Dr. Francisco Sá Carneiro, 8, r/c	2007	471,900.00
<b>CASTELO BRANCO</b>		
R. Dr. Henrique Carvalhão, Lote 13 - loja 4	2007	318,857.00
<b>ÉVORA</b>		
Rua José Elias Garcia, 36	2007	370,000.00
Rua Santa Catarina 49, Piso -3, Fracção T	2007	15,000.00
<b>MAIA</b>		
Rua Augusto Simões, 1358-C	2007	148,964.00
Rua Augusto Simões, 1364-B	2007	273,561.71
Lg. Minhoteira, arruamento B - Crestins	2010	390,704.00
Rua Eng. Duarte Pacheco	2010	397,000.00
<b>PORTIMÃO</b>		
R. Santa Isabel, 15	2007	231,000.00
<b>SANTA MARIA DA FEIRA</b>		
Rua Comendador Sá Couto, 61, r/c D	2007	409,000.00
<b>SINTRA</b>		
Rua Dr Alfredo Costa, 46-48, R/c Dto.	2007	500,863.00
<b>SETÚBAL</b>		
Av. Rodrigues Marito, 100A	2010	148,500.00
<b>TORRES NOVAS</b>		
Lgo D. Diogo Fern. Almeida, Ed. Parque, Lote G - 1º	2007	102,000.00
Av. Francisco Sá Carneiro, nº 2, r/c dto	2007	452,750.00

31 December 2010

in euro

Properties		
Location	Date of Inventory	Market Value
<b>PONTA DELGADA</b>		
Rua de São Gonçalo n°24 - Fracção V	2009	376,095.39
<b>GAIA</b>		
Rua Soares dos Reis, 1116 - F	2007	188,000.00
<b>LAMEGO</b>		
Rua Alexandre Herculano, 6 - R/c, Loja 2 Esq.	2007	176,400.00
<b>LEIRIA</b>		
Edifício 2002-Carpalho-Fracção "T"	2009	376,113.39
<b>FUNCHAL</b>		
Rua 31 Janeiro, 87 - Edif. Ponte Nova, 2º / Sala T	2007	131,882.58
Rua Elias Garcia, 7, 9 e 11	2007	15,000.00
<b>GONDOMAR</b>		
R. 5 de Outubro, 127	2010	143,566.00
<b>GUIMARÃES</b>		
Rua Teixeira de Pascoais, 123 B	2007	233,422.00
<b>RIO TINTO</b>		
Rua da Levada, 82 - R/c. Dtº	2007	43,675.00
<b>COIMBRA</b>		
Av. Fernão Magalhães n° 22 e n° 23 - Fracção A	2009	429,745.39
<b>OEIRAS</b>		
Alam. Fernão Lopes, 29, 16º D Miraflores	2009	149,820.40
<b>VILA DO CONDE</b>		
R. Baltazar do Couto, 90 R/C	2010	256,000.00
<b>VIANA DO CASTELO</b>		
Quinta do Pêso - Geraz do Lima	2010	290,000.00
<b>LOURES</b>		
Av. Descobertas 49, 49A e 49B	2010	250,000.00
<b>ESPINHO</b>		
Barros Silvade	2010	759,241.37
<b>OVERALL TOTAL</b>		<b>79,204,692.34</b>



# Inventory of the Lusitania Collection

in euro

Inventory of the Lusitania Collection of Works of Art		
Description	Acquisition	Purchase Value
	Nº - Date	
Gravura de P. Shenk - A Lusitania / séc. XVIII	85-86	190.29
Aguarela de R. Bordalo - Avenida dos Aliados -Porto	184-86	598.06
Óleo de Rui Azevedo - A Mina Aérea	216-87	299.28
Gravura L'Éveque - Guerra Peninsular / séc. XIX	240-87	87.47
Gravura L'Éveque - Batalha de Talavera / séc. XIX	240-87	87.47
Gravura L'Éveque - Batalha de Salomonde / séc. XIX	240-87	87.47
Gravura L'Éveque - Ponte de Miserere - Salomonde / séc. XIX	240-87	87.47
Gravura L'Éveque - Aspecto da Guerra Peninsular / séc. XIX	240-87	87.47
Gravura L'Éveque - Ponte de Nodin / séc. XIX	240-87	87.47
Gravura L'Éveque - Combate de Grijó / séc. XIX	240-87	87.47
Aguarela de Rui Azevedo - O Cais	244-87	22.45
Aguarela de Rui Azevedo - O Cacilheiro	244-87	22.45
Aguarela de Rui Azevedo - O Canal	322-87	598.56
Aguarela de Rui Azevedo	323-87	149.64
Aguarela de L. M. Lapinha - Leiria	326-87	174.58
Gravura de A. Coronelli - Madeira / séc. XVIII	645-89	349.16
Aguarela de Luis Furtado - O Porto - Visto de Vila Nova de Gaia	675-89	798.08
2 Gravuras a Cobre - Galeria de Versailles - Batalhas / séc. XIX	681-89	1,745.79
Gravura Ben Jansen - Mapa seiscentista do Brasil (na posição horizontal datado de 1640)	811-89	835.74
Gravura de F. Wit - Mapa de Portugal / séc. XVII (na posição horizontal usada pelos cartógrafos quinhentistas)	927-90	799.52
Gravura de F. Wit - Mapa de Portugal / séc. XVII (na posição vertical)	927-90	799.52
Aguarela de Jorge Costa - Vista da Catedral de Viseu	972-90	174.58
Gravura de A. Coronelli - Açores / séc. XVIII	1024-90	249.40
Óleo de Roger Chapelet - Navio Escola Sagres	1135-91	3,214.75
Óleo de Roger Chapelet - Fragata D. Fernando	1135-91	3,214.75
Gravura de Braun e Hogenberg - Praças Fortes de Casablanca, Azamor, Diu e Goa	1138-91	249.40
Gravura de L. Baily - Ponte de Amarante	1138-91	249.40
Gravura de Braun e Hogenberg - Praças Fortes Portuguesas no Norte de África	1978-92	349.16
Gravura representando o General Silveira	1979-92	249.40
Óleo de José Pedroso - "Barcos no Tejo"	1983-92	11,571.94
Óleo de José Guimarães - "O Argonauta - D. João II"	1984-92	29,927.87
Escultura de Sacha Sosno - "Le Lac est au dessus"	1985-92	24,350.78
Duas esculturas em bronze de Augusto Cid - "Torso de Mulher"	2092-93	5,207.45

in euro

Inventory of the Lusitania Collection of Works of Art		
Description	Acquisition	Purchase Value
	Nº - Date	
Maqueta em madeira (escala 1/50) de Manuel Paradela Catarino - “Caravela Boa Esperança”	2121-94	1,745.79
Óleo de Jacinto Luis - “Natureza Morta”	2123-94	1,995.19
Óleo de Artista chinês - “Macau: The Praya Grande” - 1860	2124-94	20,522.66
Aguarela de Augusto Cid - “Monumento das Descobertas”	2251-94	867.91
Gravura de Probst - Lisboa	2374-95	2,493.99
Gravura a cobre - Porto de Lisboa / séc. XVIII	2375-95	498.80
Gravura a cobre - Fortaleza de Arronches / séc. XVIII	2375-95	498.80
Óleo de Appian - Le Golf des Saulettes	2377-95	24,338.44
Escultura de João Cutileiro - Menina deitada	2381-95	13,467.54
Escultura de João Cutileiro - Árvore Preta	2382-95	9,975.96
Escultura de João Cutileiro - Guerreiro - Viriato	2383-95	12,469.95
Painel de Azulejos da Fábrica do Rato / séc. XVIII - Cena de caça	2384-95	7,326.79
Óleo - Hortênsias	2493-96	1,246.99
Óleo - D. José	2489-96	6,234.97
Quadro de António Osório de Castro - sem título	2495-96	1,995.19
Gravura - Lisboa no séc. XIX	2490-96	249.40
Gravura - Porto no séc. XIX	2491-96	199.51
Gravura - Braga no séc. XVI	2492-96	872.90
Centro de mesa em bronze e cristal	2558-97	8,916.24
Par de apliques em bronze	2559-97	14,076.89
Óleo - Torre de Belém	2592-97	36,238.31
Gravura - Aguilar	2593-97	390.01
Gravura - O Palácio de Porto Côvo	2594-97	875.39
Óleo de Luis Pinto Coelho - Corrida de Touros	2595-97	8,903.54
Gravura de Hizen-Nagazaki	2596-97	1,757.27
Óleo de Luis Guimarães - Dr. Costa Leal	2615-97	4,189.90
Cómoda D. José	2820-98	7,481.97
Óleo de Luis Pinto Coelho - D. Maria II	2821-98	12,968.75
Desenho de Júlio Pomar - Tigre Rampante	2822-98	12,220.55
Óleo sobre placa de ferro de J. Pedroso - Vapor Lusitania	2823-98	8,357.36
2 Candeeiros Saco D. Maria	3335/6-98	57,361.76
2 Ânforas em mármore	3357/8-98	2,992.79
5 pratos de porcelana chinesa - Palácio de Porto Côvo	3359/65-98	1,392.89
15 potes de especiarias	3366/79-98	7,980.77
Estudo a Lápis de Almada Negreiros - Painéis de Lisboa	3563/65-99	59,855.75
Óleo de Luis Pinto Coelho - D. João V	3566-99	12,968.75
Óleo de Luis Pinto Coelho - Pequena Fantasmagoria	3567-99	3,990.38
Escultura em bronze de Augusto Cid - Poldro deitado	3568-99	34,042.96
3 potes de especiarias, tipo ânfora	3569/71-99	1,496.39

in euro

Inventory of the Lusitania Collection of Works of Art		
Description	Acquisition	Purchase Value
	Nº - Date	
2 Cadeiras D. José	1998	6,629.62
Alambique em cobre	2000	1,114.31
Peça decorativa em mármore	2001	2,992.81
Mesa de encostar - D. José - séc. XVIII	2002	27,433.88
Par de cadeiras - séc. XIX	2002	6,000.00
Óleo de Roger Chapelet - "Noemi"	2003	12,840.00
3 aquarelas de Roger Chapelet	2003	23,028.19
1 escultura original de Salvador Dali - Terpsichore	2004	110,000.00
Óleo de Roger Chapelet - "Marinha - Noemi"	2004	654.50
Óleo de Roger Chapelet - "Cutty Sark"	2007	8,500.00
Par de cómodas D. José, portuguesas, séc. XVIII	2009	40,040.00
6 cadeiras de braços modelo Gainsborough	2009	1,290.00
Secretária Luís XVI em mogno polida	2009	3,540.00
Objectos de Arte Oriundos da Ex-Real	2009	1,153,686.00
2 Mesas de apoio Luis XVI	2010	4,080.00
Secretária Luís XVI em mogno polida	2010	3,540.00
6 cadeiras de braços modelo Gainsborough	2010	14,190.00
<b>Sub-Total</b>		<b>1,912,023.00.€.</b>
<b>Paintings given by artists as part of the work of the Lusitania Museum</b>		
Óleo de Vasco Bobone - "Mercado Ferreira Borges"	2005	400.00
Óleo de Margarida Neto - "Pedro e Inês"	2005	7,000.00
Óleo de Guilherme Parente - S/ Título	2005	10,000.00
3 Óleos de Diane Kasakis - "Central Australia Triptych"	2005	460.00
Óleo de Ana Figueiredo - S/ Título	2005	1,000.00
3 Serigrafias de Nicole Callebaut - "Ar, Água, Terra"	2005	3,150.00
Desenho de Luis Teixeira da Silva - "Energia"	2005	250.00
Óleo de Sylvia Purwin Falcão Trigo "Ria calma"	2006	1,000.00
Óleo de Isabel Contreras do Botelho "Geometrias"	2007	907.50
<b>Sub-Total</b>		<b>24,167.50</b>
<b>TOTAL</b>		<b>1,936,190.50</b>

in euro

Inventory of the Lusitania Collection of Items of Historical and Artistic Value		
Description	Acquisition	Purchase Value
	Nº - Date	
Espada de Honra do General Silveira e British Gold Medal	1026-90	70,679.66
Sabre de Abordagem da Fragata D. Fernando	1167-91	724.30
2 Sabres de Oficial - Primeiro Império	2379-95	11,120.81
Condecorações do General Silveira	2003	5,000.00
Sabre antigo à Mameluco	2010	3,000.00
<b>Total / Total</b>		<b>90,524.77</b>

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
<b>MOEDAS SUEVAS   SÉCULO V</b>				
<b>Soldos</b>				
Anv: DNPLAVALENTI - NIAANVSPFAVG	V			
Rev: VICTORI - AAVCCC COMOB R-V		49	- 91	2,493.99
Anv: DNHONORI - VSPFAVG				
Rev: VICTORI - AAVCCC COMOB M-D		50	- 91	7,481.97
Anv: DNHOHORI - VSPFAVC				
Rev: VICTORI - AAVCCC COMOB M-D		51	- 91	7,481.97
Anv: IIOIIOR - VSOC VC				
Rev: VICTORIII - VCCC CONOR II-D		52	- 91	7,481.97
<b>Trientes</b>				
Anv: CNV ILINTIII NC				
Rev: CO OC		53	- 91	7,481.97
Anv: OV IV - IV LEI				
Rev: O O		54	- 91	7,481.97
Anv: OVIIIINITE OPL				
Rev: - O - I - *		55	- 91	7,481.97
<b>MOEDAS VISIGODAS</b>				
<b>REINADO DE LEOVIGILDUS (568-586)</b>				
<b>VI</b>				
<b>Trientes</b>				
Anv: XIVVI + GIXDV				
Rev: I   REX   INCXI O O		56	- 91	7,481.97
<b>REINADO DE RECCAREDUS (586-601)</b>				
<b>VI</b>				
<b>Trientes</b>				
Anv: +RECCAREPVS RE+				
Rev: + TOS ELVORA IVS	Evora	01 07	57 - 91	5,985.57

in euro

Gold Coins						
Description		Reference	Acquisition		Inventory	
		A. Gomes	Nº	Date	Value	
Anv: +RECCARIPVS RE (x)						
Rev: + IMINIO PIVS	Coimbra	01 12	58	-	91	14,963.94
REINADO DE LIUVA II (601-603)		VI				
Trientes						
Anv: + DN LIVVA RE +						
Rev: + TVS ELVORA IVS	Evora	01 01	59	-	91	14,963.94
REINADO DE WITERRICUS (603-609)		VI				
Trientes						
Anv: + VVITTIRICVS RE						
Rev: TVS ELVORA IVS	Evora	01 03	60	-	91	6,983.17
REINADO DE GUNDEMARVS (609-612)		VI				
Trientes						
Anv: + GVHDEMARVS RE (5d)						
Rev: + TVS ELVORA IVS (5d)	Evora	01 02	61	-	91	14,963.94
Anv: + GVHDEMARVS RE (8c)						
Rev: + IMINIO ENCLITV : (51) - - Único exemplar conhecido	Coimbra	01 04	62	-	91	29,927.87
REINADO DE SISEBUTUS (612-621)		VI				
Trientes						
Anv: + SISEBTVVS REX (8c)						
Rev: + EGITANIA PIVS	Idanha-a-Velha	01 05	63	-	91	14,963.94
Anv: + SISEBTVVS REX						
Rev: + TVS ELVORA IVS	Evora	01 06	64	-	91	5,985.57
Anv: + SISEBTVVS REXS						
Rev: + BRACARA PIV	Braga	01 02	65	-	91	19,951.92
Anv: + SESIBTVVS REX	Panoias					
Rev: PANONIAS PIVS - - Único exemplar conhecido	Vila Real	01 22	66	-	91	37,409.84
REINADO DE SUINTHILA (621-631)		VI				
Trientes						
Anv: + SVINTHILA REX						
Rev: + TVS ELVORA IVS	Evora	01 14	67	-	91	12,469.95
Anv: + SY  THILA RE						
Rev: + PIVS BRACARA	Braga	01 04	68	-	91	14,963.94
REINADO DE EGICA E WITTIZA (EGITANIA) (687-702) (698-710)		VI				
Trientes						
Anv: + IN DN.N.EGICA P+						
Rev: + IND NME VVITTIZA P+	Idanha-a-Velha	01 05	69	-	91	14,963.94

in euro

Gold Coins						
Description		Reference	Acquisition		Inventory	
		A. Gomes	Nº	Date	Value	
Anv: + IN DI NM EGICA P+						
Rev: + VVITTI A P+	Évora	01 09	70	- 91	14,963.94	
Anv: + INDINIIEGICARXREGI+						
Rev: + VVITTIZA REGIES+	Évora	01 10	1	- 06	5,885.25	
MOEDAS PORTUGUESAS						
REINADO D. SANCHE I - O POVOADOR (1185-1211)		S1				
Morabitino +SANCIVS EX RTVGALIS* / +INNEPTRISTEILISPSSIA		04 02/04 05 04 03	1	- 90	13,963.34	
Morabitino +SANCIVS EX RTVGALIS* / +NNIEPTRISTEILISPSSCIA		04 02	2	- 90	13,966.34	
Morabitino +SANCIVS REX PORTUGALIS* / +IN NE PTRIS I FLIII SRS SCIA		06 01	1	- 03	20,701.50	
REINADO D. AFONSO II - O GORDO (1211-1223)		A2				
Morabitino REGISPORTVGALENSIVM / MONETA DOMINI ALFONSI		04 03	1	- 07	168,150.00	
REINADO D. FERNANDO I - O FORMOSO (1367-1383)		FE				
Gentil - Lisboa +FERNANDVX:D* *G:REX:PORTVG: / + FERNANDVS:D:REX:PORTVG ALI:ALGARBI		89 02	36	- 92	44,891.81	
Dobra Pé-Terra FERNANDVS REX - PORTVGAL E ALG / +FERNANDVS:DEI:GRA:REX:PO RTVGAL:ALG		92 04	23	- 93	89,783.62	
REINADO D. AFONSO V - O AFRICANO (1438-1481)		A5				
Cruzado - Lisboa +/+ +CRVZATVS:ALFONSVS:QVIN / +ALFONS:QVINTI:REGIS:I		falta	4	- 09	2,875.00	
Cruzado - Lisboa +CRVZATVS:ALFONSVS:QVI / +ALFONS:QVIRTI:REGIS:PORT		31 06	3	- 90	2,992.79	
Cruzado - Lisboa +CRVZATVS:ALFORS Q:URTI:REGIS / +ADIVTORIVM:NOSTRVN:IN:NOMIE		31 16v	37	- 92	2,992.79	
Cruzado - Lisboa -Legenda HA - ponto nos extremos da cruz		31 17v	12	- 06	4,035.60	
Cruzado - Porto +CRVZATVS:ALFONSVS:QVIRTI / +ADIVTORIVN:NOSTRVN:IN:NO:		32 04	4	- 90	16,460.33	
REINADO D. JOÃO II - O PRÍNCIPE PERFEITO (1481-1495)		J2				
Cruzado - Lisboa		22 05	13	- 06	2,466.20	
Cruzado - Lisboa +IOAES:SEGUNDO:REGIS:POR / +IOANIS:SEQUDI:REGIS:DORT		22 falta 22 13	6	- 90	1,895.43	
Cruzado - escudetes verticais; 7 castelos		23 02	4	- 06	2,802.50	
Cruzado - Lisboa +IOHANES:II:R:P:ET:A:D:GVINEE / +IOHANES:II:R:P:ET:A:D:GVINE		23 10	11	- 91	1,895.43	
Cruzado - Lisboa +IOHANES:II:R:P:ET:A:D:GVINE / +IOHANES:II:R:P:ET:A:D:GVINE		23 11	5	- 90	1,895.43	
Cruzado - Lisboa +IOHANES:II:R:P:ET:A:D:GVINEE / +IOHANES:II:R:P:RT:A:D:GVINEE		23 13	7	- 90	1,895.43	
Cruzado - Lisboa +IOHANES:II:R:P:ET:A:D:GVINEE / +IOHANES:II:R:P:ET:A:D:GVINEE		23 13	8	- 90	1,995.19	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
<b>Justo - Lisboa</b> +IOAIS. 2o:R:DORTVGALIE:ALGAR:DNSCB GVINE / :IVSTU:VT :PALMA:FLOREBIT2o:R:DORTVGALIE:ALGAR:DNSCB GVINE / :IVSTU:VT:PALMA:FLOREBIT	25 07	43	- 95	89,783.62	
<b>Espadim ou Meio Justo - Lisboa</b> +IOhANES:II:P:R:ALG:DNQ:GVINE/IOhANES:R:II P:ET:A:D:GVINE	24 08/ 24 10	38	- 92	23,692.90	
<b>REINADO D. MANUEL I - O VENTUROSO (1495-1521)</b>	<b>E1</b>				
<b>Lote de 70 Fanões - Índia</b>		5	- 04	1,750.00	
<b>Mea Goa - Goa</b>	13 03	9	- 94	1,246.99	
<b>Cruzado - Lisboa - Estrelas no 1º e 2º Quadrantes</b> +I:EMANVEL:R:P:ET:A:D:GVINEE / +I:EMANVEL:R:P:ET:A:D:GVINE	70 01	9	- 90	1,945.31	
<b>Cruzado - Lisboa - Estrela no 3º Quadrante</b> +EMANVEL:P:R:P:ET:A:D:GVINEE / +EMANVEL:P:R:P:ET:A:D:GVIN:	62 02/ 62 04	10	- 90	3,990.38	
<b>Cruzado - Lisboa - Estrela no 3º Quadrante</b> +EMANVEL:P:R:P:ET:A:D:GVINE / +EMANVEL:P:R:P:ET:AD:GVINE	62 03	12	- 91	3,990.38	
<b>Português - Lisboa</b> +I:EMANVEL:R:PORTVGALIE:AL:C:VL:IN:D:G / EN:C ETHIOPIE:ARABIE:PERSIE:IN :IN:HOC::SIGNO::VINCEES	73 07	44	- 95	49,879.79	
<b>REINADO D. JOÃO III - O PIEDOSO (1521-1557)</b>	<b>J3</b>				
<b>Pardau de São Tomé</b>	12 05	10	- 94	1,496.39	
<b>Pardau de São Tomé - coroa diferente</b>	12 04	22	- 93	2,493.99	
<b>Pardau de S. Tomé</b>	12 06 var	10	- 07	1,345.20	
<b>Pardau de S. Tomé</b>	12 06 var	11	- 07	1,233.10	
<b>Cruzado - Lisboa - Sete Castelos</b> *IOANES*III*R*PORT / *IN*HOC*SIGNO*VIN	147 01/ 147 03	13	- 91	2,244.59	
<b>Cruzado - Lisboa - Sete Castelos</b> *IOANES*III*R*POR / *IN*HOC*SIGNO*VIN	147 05	6	- 02	1,678.50	
<b>Cruzado - Lisboa - Sete Castelos - 2 pontos sobre o L</b> *IOANES*III*R*POTRV / *IN*HOC*SIGNO*VINC	147 06	11	- 90	2,244.59	
<b>Cruzado - Lisboa - Oito Castelos - Módulo maior</b> *IOANES*III**R*PORTVGALIE*AL / *IN*HOC*SIGNO*VINCES	150 01	12	- 90	4,987.98	
<b>Cruzado - Lisboa - escudo entre pontos</b>	154 02	1	- 08	3,363.00	
<b>Cruzado - Lisboa</b>	154 01	2	- 08	2,466.20	
<b>Cruzado LR</b> *IOANES :III :R : PORTVGALIE :AL / *IN HOC SIGNO VINCES	158 08	1	- 99	2,094.95	
<b>Cruzado RL Sete Castelos</b>	161 01 v	1	- 05	2,741.55	
<b>Cruzado Calvário P-R</b> IOANES+III+R+PORTVG / +IN+HOC+SIGNO+VINCES	164 01	1	- 92	8,728.96	
<b>Cruzado Calvário</b> IOANES+III+R+PORTVGAL / IN.HOC.SIGNO.VINCES	162 02	24	- 93	6,733.77	
<b>Cruzado Calvário</b>	165 06	16	- 90	1,396.63	
<b>Cruzado Calvário (2º tipo) (400 Reais)</b> +IOA:III:POR:ET:AL:RE / +INHOC:SIG NO:VINCES	166 01/ 166 03	13	- 90	1,396.63	
<b>Cruzado Calvário</b> +IOA:III "POR "ET "AL:R: / +INHOC:SI NO:VINCS.	168 02/ 166 01	14	- 90	1,396.63	
<b>Cruzado Calvário</b> +IOA:III:POR:ET:AL:R / +INHOC.SI GNO:VINC	168 01/ 166 02	15	- 90	1,396.63	
<b>Cruzado Calvário -reverso SS invertido</b>	167 falta	14	- 06	1,681.50	

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
<b>Cruzado Calvário</b>	167 06	15	- 06	2,354.10
<b>Cruzado Calvário - Cruz com cravos</b> +IOANES.III.PORTVGALE / :IN:HOC.SIG NO:VINCES	173 02	14	- 91	1,396.63
<b>Meio São Vicente</b> .IOANNES.III.REX.PORTV. / ZELATOR FIDEI VSQVEAD MORT.	174 04	17	- 90	6,234.97
<b>Meio São Vicente PO</b> .IOANNES.III.REX.PORTV. / +ZELATOR FIDEI VSQVEAD M	176 02	11	- 99	16,714.72
<b>Meio São Vicente O-O Porto</b>	177 02	6	- 04	10,071.00
<b>São Vicente</b> IONNES:III:REX:PORTV:E(T:A)L / VSQVE ADMORTEM ZELATOR FI(DE)I	181 01	18	- 90	3,491.59
<b>Português - LR</b> .IOANNES:3:REX:PORTVGALIE:AL:D:GVL / IN.HOC.SIGNO.VINCES	187 01	70	- 92	49,879.79
<b>REINADO D. SEBASTIÃO I - O DESEJADO (1557-1578)</b>		<b>SE</b>		
<b>Meio São Vicente LG - com Setas - Único exemplar conhecido</b> +SEBASTIANVS:I:REX:PORTV:ET / .ZELATOR:FIDEI:VSQVE:AD:MORT	67 01	71	- 91	74,819.68
<b>500 Reais</b> +SEBASTIANVS:I:REX:PORTVG / *IN.HOC.SIGNO.VINCES	57 10	19	- 90	598.56
<b>500 Reais</b> +SEBASTIAN(VS):I:REX:PORTVG / *(I)N:HOC.SIGNO:VINCES	57 04	20	- 90	598.56
<b>500 Reais</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	21	- 90	598.56
<b>500 Reais - Cruz Pequena (R/ Florão diferente - tipo 28 03)</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	22	- 90	598.56
<b>500 Reais</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	23	- 90	598.56
<b>500 Reais</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	24	- 90	598.56
<b>500 Reais</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	25	- 90	598.56
<b>500 Reais</b> +SEBASTIANVS I REX PORTVG / IN.HOC.SIGNO.VINCES	57 04	26	- 90	598.56
<b>Engenhoso - 1562 - Lisboa</b> SEBASTIANVS.I.R.PORTV / +IN HOC SIGNO VINCES	63 01	47	- 95	49,879.79
<b>Engenhoso</b> SEBASTIANVS.I.REX.PORTVG / +IN-HOC-SIGNO-VINCES	64 04	39	- 92	34,915.85
<b>Meio São Vicente</b>	65 01	7	- 04	11,190.00
<b>São Vicente - Lisboa</b> +SEBASTIANVS:I:REX:PORTVGALLIAE:ET / ZELATOR:FIDEI:VS-QVE:AD MORTEM	68 02	45	- 95	3,491.59
<b>São Vicente L.G.</b> +SEBASTIANVS:I:REX:PORTVGALLIE / ZELATOR:FIDELVS QV ADMORTEM	69 01	28	- 93	3,591.34
<b>São Vicente - LG com setas</b> +SEBASTIANVS:I:REX:PORTVGALLAE ET / ZELATOR:FIDEI:VSQVE. ADMORTEM	70 01 v	29	- 93	19,951.92
<b>São Vicente - Porto</b> +SEBASTIANVS:I:REX:PORTVGALLIAE:ET / ZELATOR:FIDEI:VS-QVE:AD MORTEM	73 01 v	46	- 95	19,951.92
<b>REINADO D. HENRIQUE I - O CASTO (1578-1580)</b>		<b>HE</b>		
<b>500 Reais</b> +HENRICVS:I:D:G.RE(X).PORTV / *IN.HOC.SIGN:O VINCES	04 01	27	- 90	34,915.85



in euro

Gold Coins						
Description	Reference	Acquisition		Inventory		
	A. Gomes	Nº	Date	Value		
500 Reais +HENRICVS:I:D:G.REX:PORTV / *IN:HOC:SIGNO.VINCES	04 04	48	-	95	34,915.85	
2º INTERREGNO - GOVERNADORES DO REINO (1580)	1º INT.					
500 Reais +GVBERNATOES.E.DEFENS:REG:D.POR. / .IN.HOC:SIGNO:VINCES	03 01	25	-	93	34,915.85	
REINADO D. FILIPE I - O PRUDENTE (1580-1598)						
Cruzado (400 Reais) PHILIPPVS : D : G.REX.PORTVG ET AL / IN : HOC : SIGNO : VINCES	21 02	6	-	01	25,629.23	
REINADO D. FILIPE II - O PIO (1598-1621)	F2					
4 Cruzados LIII - L +PHILIPPVS.D.G.REX.PORT / IN HOC SIGNO VINCES	24 01	5	-	94	24,939.89	
4 Cruzados LIII - B	26,01/29,01	3	-	04	19,582.50	
REINADO D. FILIPE III - O GRANDE (1621-1640)	F3					
4 Cruzados +PHILIPVS.D.G.RE(X).PORTV / *IN.HOC:SIGN:O VINCES	18 01	28	-	90	18,455.52	
REINADO D. JOÃO IV - O RESTAURADOR (1640-1656)	J4					
4 Cruzados 1642 +IOANNES .IIII.D.G.REX.PORTVGALIE / *IN.HOC.SIGNO.VINCES	110 03	1	-	00	24,939.89	
REGÊNCIA DO PRINCIPE D. PEDRO (1667-1683)	PR					
Moeda - 4400 Réis - 1669	29 02	27	-	95	29,927.87	
Carimbos de 4 400 e de 4 sobre 4 Cruzados de D. João IV +IOANNES IIII D G REX PORTVGALIE / IN.HOC+SIGNO+VINCEESS	35 04	47	-	91	24,939.89	
Carimbo de 4 400 sobre 4 000 Réis de D. Afonso VI - 1666	34 06	26	-	93	24,939.89	
Carimbos de 4 400 e de 4 sobre 4 Cruzados de D. João IV	35 04	28	-	95	24,939.89	
Cunhagem de Lisboa						
Meia Moeda - 1681	66 04	41	-	92	7,481.97	
Cunhagem de Lisboa						
Moeda - 1678	68 01	29	-	95	8,978.36	
Moeda - 1680	68 02	40	-	92	8,978.36	
Moeda - 1681	69 04	1	-	95	8,978.36	
Moeda - 1681 - Muito rara (Pode ser única)	69 05	1	-	04	15,666.00	
Moeda - 1682	69 06	30	-	95	9,975.96	
REINADO D. PEDRO II - O PACÍFICO (1683-1706)	P2					
Cunhagem de Lisboa						
Quartinho (Coroa de Rei) - 1690	93 03	2	-	03	1,007.10	
Quartinho (Coroa de Rei) - 1691	93 04	45	-	92	997.60	
Cunhagem de Lisboa						
Meia Moeda - (Coroa de Rei) - 1689	95 02	16	-	96	2,992.79	
Meia Moeda - (Coroa de Rei) - 1690	95 03	44	-	92	3,990.38	
Meia Moeda - (Coroa de Rei) - 1692	95 05	1	-	93	3,491.59	
Cunhagem de Lisboa						
4 000 Réis - (Coroa de Rei) - 1688	99 01	42	-	92	4,987.98	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
4 000 Réis - (Coroa de Rei) - 1689	99 02	23	- 91	2,493.99	
4 000 Réis - (Coroa de Rei) - 1690	99 03	43	- 92	1,745.79	
4 000 Réis - (Coroa de Rei) - 1691	99 04	4	- 07	13,452.00	
4 000 Réis - (Coroa de Rei) - 1692	99 05	74	- 95	1,995.19	
4 000 Réis - (Coroa de Rei) - 1693	99 06	46	- 92	3,740.98	
4 000 Réis - (Coroa de Rei) - 1696	99 09	47	- 92	2,493.99	
4 000 Réis - (Coroa de Rei) - 1697	99 10	5	- 06	2,858.55	
4 000 Réis - (Coroa de Rei) - 1702	99 12	29	- 90	1,496.39	
4 000 Réis - (Coroa de Rei) - 1703	99 14	72	- 91	1,496.39	
4 000 Réis - (Coroa de Rei) - 1703 ETALG	99 16	6	- 06	2,522.25	
4 000 Réis - (Coroa de Rei) - 1704	99 17 v	73	- 91	1,596.15	
4 000 Réis - (Coroa de Rei) - 1704	99 17 v	17	- 03	2,685.60	
4 000 Réis - (Coroa de Rei) - 1705	99 20	15	- 96	7,481.97	
4 000 Réis - (Coroa de Rei) - 1706	99 21	2	- 93	1,745.79	
Cunhagem do Rio de Janeiro					
4 000 Réis - 1703 v.s.	100 01	36	- 91	2,244.59	
4 000 Réis - 1703 DG	100 02	7	- 06	3,699.30	
4 000 Réis - 1704	100 03	27	- 91	2,244.59	
4 000 Réis - 1707	100,06	4	- 04	3,580.80	
Moeda 4 400 Réis - com cordão e esfera coroada - 1670	124 03	8	- 04	21,261.00	
Carimbos de 4400, de 4 e esfera coroada sobre 4 Cruzados de João IV - 1642 - Lisboa	130 04	49	- 95	27,433.88	
REINADO D. JOÃO V - O MAGNÂNIMO (1706-1750)	J5				
Cunhagem de Lisboa					
Ensaio da Dobra de 24 Escudos - 1731	E11 01v	50	- 95	49,879.79	
Cunhagem de Lisboa					
Cruzado (Coroa de 4 arcos) - 1718	83 01	10	- 04	201.42	
Cruzado (Coroa de 4 arcos) - 1719	83 02	30	- 90	199.52	
Cruzado (Coroa de 4 arcos) - 1720	83 03	31	- 90	149.64	
Cruzado (Coroa de 4 arcos) - 1721	83 04	32	- 90	149.64	
Cruzado (Coroa de 4 arcos) - 1722	83 05	33	- 90	149.64	
Cruzado (Coroa de 4 arcos) - 1726	83 07	13	- 08	330.40	
Cruzado (Coroa de 4 arcos) - 1736	83 08	34	- 90	139.66	
Cruzado (Coroa de 4 arcos) - 1738	83 09	35	- 90	139.66	
Cruzado (Coroa de 4 arcos) - 1739	83 10	5	- 96	139.66	
Cruzado (Coroa de 4 arcos) - 1741	83 12	36	- 90	149.64	
Cruzado (Coroa de 4 arcos) - 1742	83 13	20	- 92	174.58	
Cruzado (Coroa de 4 arcos) - 1743	83 14	37	- 90	149.64	
Cruzado (Coroa de 4 arcos) - 1744	83 15	18	- 06	291.46	
Cruzado (Coroa de 4 arcos) - 1746	83 17	38	- 90	139.66	
Cruzado (Coroa de 4 arcos) - 1746 (legenda separada por pontos)	83 17	6	- 96	139.66	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Cruzado (Coroa de 4 arcos) - 1748	83 18	39	- 90	139.66	
Cruzado (Coroa de 4 arcos) - 1748	83 20	3	- 05	156.66	
Cruzado (Coroa de 5 arcos) - 1723	84 02	33	- 92	149.64	
Cruzado (Coroa de 5 arcos) - 1724	84 04	7	- 07	313.88	
Cruzado (Coroa de 5 arcos) - 1725	84 05	75	- 91	149.64	
Cruzado (Coroa de 5 arcos) - 1726	84 07	76	- 91	149.64	
Cruzado (Coroa de 5 arcos) - 1728	84 08	40	- 90	124.70	
Cruzado (Coroa de 5 arcos) - 1729	84 09	41	- 90	139.66	
Cruzado (Coroa de 5 arcos) - 1730	84 10	42	- 90	139.66	
Cruzado (Coroa de 5 arcos) - 1733	84 13	52	- 92	149.64	
Cruzado (Coroa de 5 arcos) - 1734	84 14	43	- 90	134.68	
Cunhagem de Minas					
Cruzado (coroa de 4 arcos) - 1725	86 01	3	- 97	3,740.98	
Cunhagem de Lisboa					
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1708	87 02	10	- 02	699.38	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1709	87 03	9	- 06	252.23	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1710	87 04	2	- 06	784.70	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1711	87 05	2	- 05	335.70	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1712	87 07	44	- 90	229.28	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1714	87 09	3	- 98	349.16	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1714	87 10	15	- 03	481.17	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1715	87 11	4	- 98	399.04	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1716	87 12	4	- 93	299.28	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1718	87 15	11	- 02	335.70	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1720	87 17	45	- 90	299.28	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1722	87 19	71	- 92	349.16	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1738	87 22	3	- 96	299.28	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1739	87 23	59	- 92	311.75	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1741	87 24	46	- 90	299.28	
Quartinho (Coroa de 4 arcos) (1 200 Réis) - 1745	87 25	82	- 91	299.28	
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1733	88 03	19	- 91	311.75	
Cunhagem do Rio de Janeiro					
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1708	90 01	4	- 96	1,246.99	
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1726	90 02	37	- 91	997.60	
Cunhagem da Bahia					
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1723	91 10	17	- 06	1,457.30	
Cunhagem de Minas					
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1724	92 01	4	- 97	11,971.15	
Quartinho (Coroa de 4 arcos) (1200 Réis) - 1725	92 02	14	- 01	2,228.63	
Quartinho (Coroa de 5 arcos) (1 200 Réis) - 1726	92 03	5	- 98	3,242.19	
Cunhagem do Porto					
Quartinho (1 200 Réis) - 1713	89 01	3	- 01	2,228.63	

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
<b>Cunhagem de Lisboa</b>				
Meia Moeda (2 400 Réis) - 1711	93 05	2	- 01	1,532.17
Meia Moeda (2 400 Réis) - 1712	93 06	20	- 02	3,357.00
<b>Cunhagem do Porto</b>				
Meia Moeda (2 400 Réis) - 1713	94 01	17	- 92	2,493.99
Meia Moeda (2 400 Réis) - 1714	94 02	7	- 10	1,899.56
<b>Cunhagem do Rio de Janeiro</b>				
Meia Moeda (2 400 Réis) - 1723	95 01	18	- 92	1,246.99
Meia Moeda (2 400 Réis) - 1725	95 02	2	- 97	1,745.79
Meia Moeda (2 400 Réis) - 1726	95 03	16	- 03	1,342.80
<b>Cunhagem da Bahia</b>				
Meia moeda (2 400 Réis) - 1715	96 02	47	- 90	598.56
Meia moeda (2 400 Réis) - 1716	96 03	10	- 95	648.44
<b>Cunhagem de Minas</b>				
Meia moeda (2 400 Réis) - 1726	97 03	21	- 02	5,595.00
<b>Cunhagem de Lisboa</b>				
Moeda (4 800 Réis) - 1707	98 01	2	- 96	6,983.17
Moeda (4 800 Réis) - 1709	98 03	48	- 92	1,246.99
Moeda (4 800 Réis) - 1710	98 04	31	- 95	1,246.99
Moeda (4 800 Réis) - 1711	98 05	12	- 07	1,036.93
Moeda (4 800 Réis) - 1712	98 06	17	- 96	1,246.99
Moeda (4 800 Réis) - 1714	98 08	48	- 90	1,197.11
Moeda (4 800 Réis) - 1719	98 15	10	- 08	2,072.00
Moeda (4 800 Réis) - 1720	98 16	18	- 96	1,745.79
Moeda (4 800 Réis) - 1722	98 18	2	- 07	2,242.00
Moeda (4 800 Réis) - 1722 - eixo vertical	98 18v.	3	- 07	2,802.50
<b>Cunhagem do Porto</b>				
Moeda (4 800 Réis) - 1712	99 01	23	- 96	49,879.79
Moeda (4 800 Réis) - 1714	100 03	3	- 93	7,481.97
<b>Cunhagem do Rio de Janeiro</b>				
Moeda (4 800 Réis) - 1708	101 02	36	- 96	1,895.43
Moeda (4 800 Réis) - 1709	101 03	37	- 96	1,795.67
Moeda (4 800 Réis) - 1712	101 07	7	- 94	1,496.39
Moeda (4 800 Réis) - 1713	101 08	22	- 97	1,496.39
Moeda (4 800 Réis) - 1714	101 09	9	- 96	1,346.75
Moeda (4 800 Réis) - 1715	101 14	49	- 90	1,346.75
Moeda (4 800 Réis) - 1716	101 15	9	- 95	1,246.99
Moeda (4 800 Réis) - 1717	101 16	10	- 96	1,246.99
Moeda (4 800 Réis) - 1718	101 18	50	- 90	1,246.99
Moeda (4 800 Réis) - 1719	101 19	16	- 06	4,484.00
Moeda (4 800 Réis) - 1721	101 22	18	- 02	2,014.20

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Moeda (4 800 Réis) - 1722	101 23	16	- 07	1,289.15	
Moeda (4 800 Réis) - 1723	101 25	51	- 90	1,246.99	
Moeda (4 800 Réis) - 1724 - 4 sobre o 3	101 26	1	- 97	1,646.03	
Moeda (4 800 Réis) - 1725 - 5 sobre o 4	101 28	26	- 96	1,246.99	
Moeda (4 800 Réis) - 1726	101 31	14	- 03	1,678.50	
Moeda (4 800 Réis) - 1727	101 32	8	- 06	1,513.35	
Cunhagem da Bahia					
Moeda (4 800 Réis) - 1716	102 03	5	- 97	1,147.24	
Moeda (4 800 Réis) - 1717	102 04	6	- 94	1,197.11	
Moeda (4 800 Réis) - 1718	102 05	3	- 94	997.60	
Moeda (4 800 Réis) - 1719	102 06	4	- 94	997.60	
Moeda (4 800 Réis) - 1720	102 07	6	- 97	1,047.48	
Moeda (4 800 Réis) - 1721	102 08	24	- 96	997.60	
Moeda (4 800 Réis) - 1722 - eixo invertido	102 09	7	- 97	1,246.99	
Moeda (4 800 Réis) - 1723	102 10	32	- 95	997.60	
Moeda (4 800 Réis) - 1725	102 12	13	- 07	1,793.60	
Moeda (4 800 Réis) - 1726	102 13	20	- 97	1,496.39	
Cunhagem da Minas					
Moeda (4 800 Réis) - 1725	103 02	33	- 95	7,481.97	
Moeda (4 800 Réis) - 1726	103 03	8	- 97	7,481.97	
Cunhagem de Minas					
Meio dobrão (12 000 Réis) - 1724	104 01	50	- 92	19,951.92	
Meio dobrão (12 000 Réis) - 1725	104 02	52	- 90	1,995.19	
Meio dobrão (12 000 Réis) - 1726	104 03	53	- 90	2,493.99	
Meio dobrão (12 000 Réis) - 1727	104 04	54	- 90	3,990.38	
Cunhagem de Minas					
Dobrão (24 000 Réis) - 1724	105 01	55	- 90	9,975.96	
Dobrão (24 000 Réis) - 1725	105 02	56	- 90	2,992.79	
Dobrão (24 000 Réis) - 1726	105 03	57	- 90	2,992.79	
Dobrão (24 000 Réis) - 1727	105 04	58	- 90	3,491.59	
Cunhagem do Rio de Janeiro					
Cruzadinho - 1734	106 01	2	- 09	179.20	
Cunhagem de Minas					
Cruzadinho (400 Réis) - 1734	107 04	81	91	149.64	
Cunhagem de Lisboa					
1/2 Escudo - (com letra monetária) - 1722	108 01	49	- 92	748.20	
1/2 Escudo - (com letra monetária) - 1722	108 01	11	- 95	698.32	
Cunhagem de Lisboa					
1/2 Escudo - 1723	109 01	59	- 90	199.52	

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
1/2 Escudo - 1725	109 03	60	- 90	149.64
1/2 Escudo - 1726	109 05	61	- 90	149.64
1/2 Escudo - 1729	109 08	2	- 92	224.46
1/2 Escudo - 1730	109 10	11	- 98	274.34
1/2 Escudo - 1732	109 13	19	- 92	249.40
1/2 Escudo - 1735	109 14	18	- 07	420.38
1/2 Escudo - 1736	109 15	62	- 90	199.52
1/2 Escudo - 1738	109 16	63	- 90	199.52
1/2 Escudo - 1740	109 18	64	- 90	249.40
1/2 Escudo - 1741 - 5 arcos	109 20	1	- 10	316.25
1/2 Escudo - 1743	111 02	4	- 08	168.15
1/2 Escudo - 1744	111 03	65	- 90	199.52
<b>Cunhagem da Bahia</b>				
1/2 Escudo - 1727	112 01	6	- 07	4,820.30
<b>Cunhagem do Rio de Janeiro</b>				
1/2 Escudo - 1727	113 01	18	- 99	3,491.59
1/2 Escudo - 1734	113 03	9	- 04	2,238.00
<b>Cunhagem de Minas</b>				
1/2 Escudo - 1731	114 05	66	- 90	199.52
1/2 Escudo - 1732 M	114 06	22	- 03	447.60
1/2 Escudo - 1734	114 09	60	- 92	199.52
<b>Cunhagem de Lisboa</b>				
Escudo - 1722	115 01	10	- 98	1,496.39
Escudo - 1723	116 01	20	- 93	698.32
Escudo - 1724	116 03	22	- 02	1,790.40
Escudo - 1724	116 03	12	- 01	919.31
Escudo - 1725	116 04	23	- 02	1,286.85
Escudo - 1726	116 05	24	- 02	2,238.00
Escudo - 1727	116 06	3	- 03	1,230.90
Escudo - 1728 (data emendada)	116 07	25	- 02	783.30
Escudo - 1729	116 08	9	- 02	447.60
Escudo - 1730	116 09	26	- 02	1,007.10
Escudo - 1735	116 14	1	- 09	1,008.00
Escudo - 1741	116 16	3	- 08	1,121.00
Escudo - 1744	116 18	13	- 01	348.23
Escudo - 1746	116 20	27	- 02	1,007.10
Escudo - 1749	116 24	28	- 02	1,230.90
<b>Cunhagem do Rio de Janeiro</b>				
Escudo - 1728	108 02	16	- 99	3,740.98

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Cunhagem de Minas					
Escudo - 1733 (data emendada)	119 07	17	- 99	2,244.59	
Cunhagem de Lisboa					
Meia Peça (3 200 Réis) - 1722	120 01	3	- 02	19,023.00	
Meia Peça (3 200 Réis) - 1722 L serrilha de corda	120 01	21	- 03	24,618.00	
Meia Peça (3 200 Réis) - 1723	121 01	8	- 02	2,909.40	
Meia Peça (3 200 Réis) - 1724	121 02	4	- 00	7,481.97	
Meia Peça (3 200 Réis) - 1726	121 04	54	- 95	4,489.18	
Meia Peça (3 200 Réis) - 1728	121 06	22	- 96	3,990.38	
Meia Peça (3 200 Réis) - 1730	121 08	17	- 07	2,802.50	
Meia Peça (3 200 Réis) - 1732	121 09	67	- 90	1,995.19	
Meia Peça (3 200 Réis) - 1734	121 10	19	- 02	5,147.40	
Meia Peça (3 200 Réis) - 1735	121 11	55	- 95	1,995.19	
Meia Peça (3 200 Réis) - 1738	121 12	56	- 95	2,244.59	
Meia Peça (3 200 Réis) - 1741	121 14	1	- 91	2,244.59	
Cunhagem do Rio de Janeiro					
Meia Peça (3 200 Réis) - 1727	123 01	5	- 00	14,963.94	
Cunhagem de Lisboa					
Peça (6 400 Réis) - 1725	126 03	2	- 95	8,479.56	
Peça (6 400 Réis) - 1735	126 11	35	- 96	3,740.98	
Peça (6 400 Réis) - 1739	126 18	68	- 90	2,493.99	
Peça (6 400 Réis) - 1741	126 20	1	- 02	1,174.95	
Peça (6 400 Réis) - 1742	126 21	69	- 90	1,596.15	
Peça (6 400 Réis) - 1743	126 22	70	- 90	1,496.39	
Peça (6 400 Réis) - 1744	126 23	20	- 96	1,596.15	
Peça (6 400 Réis) - 1745	126 24	71	- 90	1,596.15	
Peça (6 400 Réis) - 1746	126 26	11	- 00	1,995.19	
Peça (6 400 Réis) - 1746 - ponto a seguir à data	126 27	7	- 05	2,797.50	
Peça (6 400 Réis) - 1747	126 28	14	- 99	2,094.95	
Peça (6 400 Réis) - 1747	126 29	18	- 03	2,685.60	
Peça (6 400 Réis) - 1748	126 31	7	- 01	1,894.33	
Peça (6 400 Réis) - 1749	126 32	21	- 96	2,244.59	
Cunhagem da Bahia					
Peça (6 400 Réis) - 1736	130 05	3	- 92	4,987.98	
Peça (6 400 Réis) - 1739	130 10	8	- 01	3,398.66	
Peça (6 400 Réis) - 1745	130 19	19	- 93	1,745.79	
Peça (6 400 Réis) - 1746	130 20	25	- 96	1,745.79	
Peça (6 400 Réis) - 1746 - Ponto depois do “B”	130 21	28	- 92	1,596.15	
Peça (6 400 Réis) - 1747	130 22	6	- 08	2,576.00	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Peça (6 400 Réis) - 1748	130 24	9	- 97	1,895.43	
Peça (6 400 Réis) - 1748 - Ponto depois do “B”	130 25	53	- 95	1,496.39	
Peça (6 400 Réis) - 1749 - data emendada	130 27	3	- 95	1,596.15	
Peça (6 400 Réis) - 1749 - Ponto depois do “B”	130 27	10	- 97	3,292.07	
Peça (6 400 Réis) - 1750	130 28	4	- 95	1,745.79	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - 1734	131 10	5	- 95	4,987.98	
Peça (6 400 Réis) - 1734 R (data emendada)	131 11	19	- 03	3,916.50	
Peça (6 400 Réis) - 1735	131 13	52	- 95	2,992.79	
Peça (6 400 Réis) - 1736	131 14	15	- 92	1,745.79	
Peça (6 400 Réis) - 1737	131 15	2	- 02	1,007.10	
Peça (6 400 Réis) - 1738	131 17	15	- 99	1,596.15	
Peça (6 400 Réis) - 1739	131 18	6	- 95	1,496.39	
Peça (6 400 Réis) - 1740	131 20	5	- 07	2,242.00	
Peça (6 400 Réis) - 1741	131 23	27	- 96	1,496.39	
Peça (6 400 Réis) - 1742	131 26	7	- 95	1,496.39	
Peça (6 400 Réis) - 1743 R	131 28	20	- 03	1,119.00	
Peça (6 400 Réis) - 1743 - Ponto no final da legenda	131 27	8	- 95	1,496.39	
Peça (6 400 Réis) - 1744	131 29	28	- 91	1,496.39	
Peça (6 400 Réis) - 1745	131 30	28	- 96	1,496.39	
Peça (6 400 Réis) - 1746	131 32	1	- 01	1,838.62	
Peça (6 400 Réis) - 1746 - sem ponto no final da legenda	131 33	8	- 05	1,566.60	
Peça (6 400 Réis) - 1747	131 34	41	- 95	1,496.39	
Peça (6 400 Réis) - 1748	131 36	29	- 96	1,496.39	
Peça (6 400 Réis) - 1749	131 38	74	- 91	1,496.39	
Peça (6 400 Réis) - 1750	131 40	72	- 90	1,496.39	
Peça (6 400 Réis) - 1750	131 40	9	- 98	1,496.39	
Cunhagem de Minas Gerais					
Peça (6 400 Réis) - 1733 - Ponto no final da legenda	132 05	35	- 91	12,469.95	
Cunhagem de Lisboa					
Dobra (12 800 Réis) - 1724	133 01	27	- 93	44,891.81	
Dobra (12 800 Réis) - 1725	133 02	51	- 95	19,951.92	
Dobra (12 800 Réis) - 1726	133 03	2	- 00	13,966.34	
Dobra (12 800 Réis) - 1727	133 04	73	- 90	9,975.96	
Dobra (12 800 Réis) - 1729 - Serrilha de Corda	133 06	46	- 91	6,983.17	
Dobra (12 800 Réis) - 1730	133 07	51	- 92	9,975.96	
Dobra (12 800 Réis) - 1732	133 08	19	- 96	9,975.96	
Cunhagem da Bahia					
Dobra (12 800 Réis) - 1727	134 01	27	- 92	14,963.94	



in euro

Gold Coins						
Description	Reference	Acquisition			Inventory	
	A. Gomes	Nº	Date	Value		
Dobra (12 800 Réis) - 1730 2º tipo	135 03	13	-	03	17,904.00	
Dobra (12 800 Réis) - 1730 4º tipo	137 01	3	-	00	22,445.91	
Cunhagem do Rio de Janeiro						
Dobra (12 800 Réis) - 1727	138 01	1	-	96	10,973.55	
Dobra (12 800 Réis) - 1729	138 04	74	-	90	3,990.38	
Dobra (12 800 Réis) - 1731	138 08	10	-	99	4,239.78	
Dobra (12 800 Réis) - 1732	138 12	12	-	08	4,480.00	
Cunhagem de Minas						
Dobra (12 800 Réis) - 1727	139 01	11	-	97	6,234.97	
Dobra (12 800 Réis) - 1728 M data emendada	139 03	7	-	02	2,909.40	
Dobra (12 800 Réis) - 1729	139 04	13	-	99	3,092.55	
Dobra (12 800 Réis) - 1730	139 05	75	-	90	2,743.39	
Dobra (12 800 Réis) - 1731	139 06	76	-	90	2,743.39	
Dobra (12 800 Réis) - 1731 - Com serrilha em corda	139 06	77	-	90	3,242.19	
Dobra (12 800 Réis) - 1731 - Data emendada	139 07	12	-	97	2,868.09	
Dobra (12 800 Réis) - 1732	139 08	78	-	90	2,992.79	
Dobra (12 800 Réis) - 1732	139 08	13	-	97	2,992.79	
Dobra (12 800 Réis) - 1733	139 09	79	-	90	2,743.39	
Cunhagem de Goa						
São Tomé - 1 Xerafim - 1714/1728	87 1/8	5	-	03	951.15	
São Tomé - 5 Xerafins - 1715	92 03	7	-	00	3,491.59	
REINADO DE D. JOSÉ I - O REFORMADOR (1750-1777)	JO					
Cunhagem de Lisboa						
Cruzado Novo (Coroa de 5 arcos) - 1752	37 01	80	-	90	199.52	
Cruzado Novo (Coroa de 5 arcos) - 1752	37 01	81	-	90	199.52	
Cruzado Novo (Coroa de 5 arcos) - 1752	37 01	8	-	99	199.52	
Cruzado Novo (Coroa de 5 arcos) - 1771	37 05	63	-	92	199.52	
Cruzado Novo (Coroa de 5 arcos) - 1752 J	38 01	6	-	05	212.61	
Cunhagem de Lisboa						
1/2 Escudo (800 Réis) - 1751	42 01	82	-	90	399.04	
1/2 Escudo (800 Réis) - 1768 - J	43 03	7	-	99	399.04	
1/2 Escudo (800 Réis) - 1776	43 07	31	-	02	1,119.00	
Cunhagem da Bahia						
1/2 Escudo (800 Réis) - 1752 - B	44 01	13	-	02	2,238.00	
1/2 Escudo (800 Réis) - 1768/7 - B	44 12	5	-	05	2,797.50	
Cunhagem do Rio de Janeiro						
1/2 Escudo (800 Réis) - 1763	45 02	10	-	01	2,228.63	
Cunhagem de Lisboa						
Quartinho - cinco arcos - 1752	40 02	13	-	98	997.60	

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
<b>Quartinho - quatro arcos - 1768</b>	39 02	9	- 01	640.73
<b>Cunhagem de Lisboa</b>				
<b>Quartinho - cinco arcos - 1752</b>	40 02	12	- 02	268.56
<b>Quartinho - cinco arcos - 1752</b>	41 01	16	- 95	498.80
<b>Quartinho - cinco arcos - 1768</b>	41 02	83	- 90	498.80
<b>Cunhagem de Lisboa</b>				
<b>Escudo - 1751</b>	47 01	4	- 92	399.04
<b>Escudo - 1776</b>	47 06	15	- 95	748.20
<b>Cunhagem da Bahia</b>				
<b>Escudo - 1757</b>	48 04	4	- 02	16,785.00
<b>Cunhagem do Rio de Janeiro</b>				
<b>Escudo - 1763</b>	49 02	12	- 99	2,992.79
<b>Escudo - 1763</b>	49 02	20	- 99	2,992.79
<b>Cunhagem de Lisboa</b>				
<b>Meia Peça (3 200 Réis) - 1751</b>	50 01	53	- 92	1,646.03
<b>Meia Peça (3 200 Réis) - 1768</b>	50 02	65	- 95	2,992.79
<b>Meia Peça (3 200 Réis) - 1776</b>	50 05	84	- 90	3,990.38
<b>Cunhagem do Rio de Janeiro</b>				
<b>Meia Peça (3 200 Réis) - 1752</b>	51 01	4	- 05	13,987.50
<b>Meia Peça (3 200 Réis) - 1756 (data emendada)</b>	52 02	22	- 92	3,491.59
<b>Meia Peça (3 200 Réis) - 1760</b>	52 03	21	- 97	3,990.38
<b>Meia Peça (3 200 Réis) - 1772</b>	52 05	15	- 97	7,481.97
<b>Cunhagem de Lisboa</b>				
<b>Peça (6 400 Réis) - 1750</b>	53 01	77	- 91	3,491.59
<b>Peça (6 400 Réis) - 1751</b>	53 02	19	- 99	1,197.11
<b>Peça (6 400 Réis) - 1753</b>	53 04	85	- 90	997.60
<b>Peça (6 400 Réis) - 1754</b>	53 05	57	- 95	997.60
<b>Peça (6 400 Réis) - 1755</b>	53 06	54	- 92	997.60
<b>Peça (6 400 Réis) - 1756</b>	53 07	11	- 08	896.00
<b>Peça (6 400 Réis) - 1757</b>	53 08	14	- 07	1,177.05
<b>Peça (6 400 Réis) - 1758</b>	53 09	5	- 93	997.60
<b>Peça (6 400 Réis) - 1760</b>	53 11	11	- 96	997.60
<b>Peça (6 400 Réis) - 1761</b>	53 13	2	- 99	997.60
<b>Peça (6 400 Réis) - 1763</b>	53 15	42	- 91	997.60
<b>Peça (6 400 Réis) - 1764</b>	53 16	8	- 07	1,625.45
<b>Peça (6 400 Réis) - 1766</b>	53 17	12	- 95	997.60
<b>Peça (6 400 Réis) - 1768</b>	53 19	3	- 99	997.60
<b>Peça (6 400 Réis) - 1769</b>	53 20	58	- 95	997.60
<b>Peça (6 400 Réis) - 1770</b>	53 21	7	- 08	1,344.00

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Peça (6 400 Réis) - 1771	53 23	30	- 96	997.60	
Peça (6 400 Réis) - 1772	53 24	8	- 08	1,064.00	
Peça (6 400 Réis) - 1773	53 25	24	- 91	997.60	
Peça (6 400 Réis) - 1774	53 26	21	- 92	997.60	
Peça (6 400 Réis) - 1775	53 28	86	- 90	997.60	
Peça (6 400 Réis) - 1775 - cruz potenteada	53 29	11	- 04	867.23	
Cunhagem da Bahia					
Peça (6 400 Réis) - 1751 (emendado R)	54 01	15	- 01	1,894.33	
Peça (6 400 Réis) - 1753 B	54 03	29	- 02	1,230.90	
Peça (6 400 Réis) - 1754	54 04	9	- 08	1,232.00	
Peça (6 400 Réis) - 1755	54 06	61	- 92	1,246.99	
Peça (6 400 Réis) - 1756	54 07	9	- 07	1,345.20	
Peça (6 400 Réis) - 1757	54 08	61	- 95	1,246.99	
Peça (6 400 Réis) - 1758	54 09	5	- 09	2,530.00	
Peça (6 400 Réis) - 1759	54 10	87	- 90	1,246.99	
Peça (6 400 Réis) - 1760	54 11	34	- 95	1,246.99	
Peça (6 400 Réis) - 1761	54 12	62	- 95	1,246.99	
Peça (6 400 Réis) - 1762 B	54 13	30	- 02	4,252.20	
Peça (6 400 Réis) - 1764	54 16	62	- 92	1,246.99	
Peça (6 400 Réis) - 1765 (data emendada)	54 18	63	- 95	1,246.99	
Peça (6 400 Réis) - 1766	54 19	6	- 09	1,380.00	
Peça (6 400 Réis) - 1767	54 20	64	- 95	1,246.99	
Peça (6 400 Réis) - 1768	54 21	13	- 95	1,246.99	
Peça (6 400 Réis) - 1769	54 22	25	- 91	1,246.99	
Peça (6 400 Réis) - 1770	54 23	7	- 09	1,380.00	
Peça (6 400 Réis) - 1771	54 24	31	- 96	1,246.99	
Peça (6 400 Réis) - 1772	54 25	88	- 90	1,246.99	
Peça (6 400 Réis) - 1773	54 26	89	- 90	1,246.99	
Peça (6 400 Réis) - 1774	54 27	90	- 90	1,246.99	
Peça (6 400 Réis) - 1775	54 28	19	- 07	1,008.90	
Peça (6 400 Réis) - 1776	54 29	91	- 90	1,246.99	
Peça (6 400 Réis) - 1777	54 30	14	- 95	1,246.99	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - 1751	55 01	59	- 95	997.60	
Peça (6 400 Réis) - 1752	55 02	60	- 95	997.60	
Peça (6 400 Réis) - 1753	55 05	4	- 99	997.60	
Peça (6 400 Réis) - 1754	55 06	92	- 90	748.20	
Peça (6 400 Réis) - 1755	55 07	5	- 99	748.20	
Peça (6 400 Réis) - 1756	55 08	93	- 90	748.20	

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
Peça (6 400 Réis) - 1757	55 09	94	- 90	748.20
Peça (6 400 Réis) - 1758	55 10	95	- 90	748.20
Peça (6 400 Réis) - 1759	55 11	96	- 90	748.20
Peça (6 400 Réis) - 1760	55 12	12	- 98	748.20
Peça (6 400 Réis) - 1761	55 13	97	- 90	748.20
Peça (6 400 Réis) - 1762	55 14	98	- 90	748.20
Peça (6 400 Réis) - 1763	55 15	6	- 99	748.20
Peça (6 400 Réis) - 1764	55 16	99	- 90	748.20
Peça (6 400 Réis) - 1765	55 17	100	- 90	748.20
Peça (6 400 Réis) - 1766	55 18	101	- 90	748.20
Peça (6 400 Réis) - 1767	55 19	16	- 92	748.20
Peça (6 400 Réis) - 1768	55 20	35	- 92	748.20
Peça (6 400 Réis) - 1769	55 22	102	- 90	748.20
Peça (6 400 Réis) - 1770	55 23	103	- 90	748.20
Peça (6 400 Réis) - 1771	55 25	104	- 90	748.20
Peça (6 400 Réis) - 1772	55 26	105	- 90	748.20
Peça (6 400 Réis) - 1773	55 27	106	- 90	748.20
Peça (6 400 Réis) - 1774	55 28	107	- 90	748.20
Peça (6 400 Réis) - 1775	55 29	108	- 90	748.20
Peça (6 400 Réis) - 1776	55 30	109	- 90	748.20
Peça (6 400 Réis) - 1777	55 31	110	- 90	748.20
Cunhagem de Goa				
1 Xerafim ND	54 01	14	- 00	997.60
Cunhagem de Goa				
2 Xerafins - 1766	56 01	1	- 94	1,496.39
2 Xerafins - 1766	56 02	11	- 94	1,496.39
Cunhagem de Goa				
4 Xerafins - 1766	60 02	8	- 98	1,496.39
Cunhagem de Goa				
12 Xerafins - 1763	67 02	24	- 95	1,496.39
12 Xerafins - 1764	67 03	25	- 95	1,496.39
Cunhagem de Goa				
12 Xerafins - 1766	68 01	2	- 94	1,596.15
12 Xerafins - 1769	68 04	6	- 03	1,230.90
12 Xerafins - 1770	68 05	7	- 03	1,063.05
12 Xerafins - 1778	69 04	8	- 03	559.50
Cunhagem de Moçambique				
1000 Réis - 1755	05 01	9	- 00	1,995.19
Cunhagem de Moçambique				

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
4000 Réis - 1755	07 01	8	- 00	1,995.19	
REINADO DE D. MARIA I E D. PEDRO III (1777-1786)	MP				
Cunhagem de Lisboa					
Cruzado - Pinto - (480 Réis) - 1778	19 02	41	- 96	299.28	
Cruzado - Pinto - (480 Réis) - 1780	19 03	7	- 93	299.28	
Cruzado - Pinto - (480 Réis) - 1784	19 05	20	- 91	299.28	
Cunhagem de Lisboa					
Quartinho - 1777	20 01	6	- 00	2,743.39	
Cunhagem de Lisboa					
Meio Escudo - 1777	21 01	14	- 02	643.43	
Meio Escudo - 1778	21 02	66	- 92	498.80	
Meio Escudo - 1778	21 02	6	- 93	498.80	
Meio Escudo - 1780	21 03	15	- 98	498.80	
Cunhagem de Bahia					
Meio Escudo - 1782	22 01	22	- 99	9,975.96	
Cunhagem de Lisboa					
Escudo - 1778	23 03	9	- 09	2,875.00	
Escudo - 1779	23 04	66	- 95	1,496.39	
Escudo - 1784	23 06	9	- 93	1,496.39	
Cunhagem de Lisboa					
Meia Peça (3 200 Réis) - 1778	25 01	25	- 92	2,992.79	
Meia Peça (3 200 Réis) - 1784	25 02	20	- 95	2,992.79	
Cunhagem de Bahia					
Meia Peça (3 200 Réis) - 1780	26 01	16	- 97	7,481.97	
Meia Peça (3 200 Réis) - 1781	26 02	35	- 95	7,481.97	
Meia Peça (3 200 Réis) - 1782	26 03	21	- 99	8,479.56	
Meia Peça (3 200 Réis) - 1783	26 04	36	- 95	10,973.55	
Meia Peça (3 200 Réis) - 1785	26 06	19	- 06	11,770.50	
Cunhagem de Lisboa					
Peça (6 400 Réis) - 1778	27 02	111	- 90	997.60	
Peça (6 400 Réis) - 1779	27 05	16	- 01	863.59	
Peça (6 400 Réis) - 1780	27 06	15	- 91	997.60	
Peça (6 400 Réis) - 1781	27 07	8	- 93	997.60	
Peça (6 400 Réis) - 1781 - Algarismos grandes	27 08	2	- 10	920.00	
Peça (6 400 Réis) - 1781 - Algarismos grandes	27 08	8	- 10	1,323.94	
Peça (6 400 Réis) - 1782	27 10	5	- 92	997.60	
Peça (6 400 Réis) - 1783	27 11	112	- 90	997.60	
Peça (6 400 Réis) - 1785	27 13	10	- 93	997.60	
Peça (6 400 Réis) - 1785	27 15	35	- 02	3,357.00	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Cunhagem da Bahia					
Peça (6 400 Réis) - 1778 - “B afastado da data”	28 02	32	- 02	1,286.85	
Peça (6 400 Réis) - 1779	29 01	9	- 99	997.60	
Peça (6 400 Réis) - 1779 - “B junto da data”	29 01	6	- 98	997.60	
Peça (6 400 Réis) - 1780	29 03	7	- 96	997.60	
Peça (6 400 Réis) - 1781	29 04	113	- 90	997.60	
Peça (6 400 Réis) - 1782 - “B junto da data”	29 05	2	- 91	997.60	
Peça (6 400 Réis) - 1782 - “B afastado da data”	28 04	3	- 91	997.60	
Peça (6 400 Réis) - 1783 - “B afastado da data”	28 06	33	- 02	1,398.75	
Peça (6 400 Réis) - 1784 - “B afastado da data”	28 08	4	- 91	997.60	
Peça (6 400 Réis) - 1784 - “B afastado da data”	28 09	34	- 02	1,174.95	
Peça (6 400 Réis) - 1785 - “B afastado da data”	28 11	36	- 02	1,063.05	
Peça (6 400 Réis) - 1785 - “B afastado da data”	28 12	5	- 02	1,174.95	
Peça (6 400 Réis) - 1785 - “ponto no final da legenda”	28 12a	64	- 92	997.60	
Peça (6 400 Réis) - 1786	28 14	8	- 09	1,495.00	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - 1777	30 01	11	- 01	16,157.56	
Peça (6 400 Réis) - 1778	30 03	114	- 90	748.20	
Peça (6 400 Réis) - 1778 - sem ponto no final da legenda	30 03	17	- 95	748.20	
Peça (6 400 Réis) - 1779	30 06	115	- 90	748.20	
Peça (6 400 Réis) - 1780	30 08	116	- 90	748.20	
Peça (6 400 Réis) - 1780 - sem ponto no final da legenda	30 09	12	- 04	727.35	
Peça (6 400 Réis) - 1781	30 10	117	- 90	748.20	
Peça (6 400 Réis) - 1782	30 12	65	- 92	748.20	
Peça (6 400 Réis) - 1782 - sem ponto no final da legenda	30 13	15	- 07	784.70	
Peça (6 400 Réis) - 1783	30 14	118	- 90	748.20	
Peça (6 400 Réis) - 1784	30 16	119	- 90	748.20	
Peça (6 400 Réis) - 1785	30 19	120	- 90	748.20	
Peça (6 400 Réis) - 1786	30 21	121	- 90	748.20	
Cunhagem de Goa					
12 Xerafins - 1784	14 04	9	- 03	1,119.00	
São Tomé 12 Xerafins - 1796	41 10	26	- 95	1,995.19	
REINADO DE D. MARIA I - A PIEDOSA (1786-1799)	M1				
Cunhagem de Lisboa					
Cruzado Novo - Pinto - 1787	19 01	11	- 93	299.28	
Cruzado Novo - Pinto - 1790	19 02	10	- 06	257.83	
Cruzado Novo - Pinto - 1790	19 03	73	- 92	299.28	
Cruzado Novo - Pinto - 1795	19 04	56	- 92	299.28	
Cunhagem de Lisboa					

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Quartinho - 1789	20 02	122	- 90	748.20	
Quartinho - 1792	20 03	12	- 93	698.32	
Cunhagem de Lisboa					
Meio Escudo - Véu de Viúva - 1787 - disco pequeno	21 01	78	- 91	997.60	
Cunhagem de Lisboa					
Meio Escudo - Toucado - 1789	22 01	38	- 95	598.56	
Meio Escudo - Toucado - 1792	22 02	4	- 10	833.75	
Meio Escudo - Toucado - 1796	22 03	57	- 92	598.56	
Cunhagem de Lisboa					
Escudo - Veu de Viuva - 1787	23 01	3	- 10	8,625.00.€	
Cunhagem de Lisboa					
Escudo - Toucado - 1790	24 02	55	- 92	1,995.19	
Escudo - Toucado - 1796	24 06	24	- 03	1,790.40	
Cunhagem de Lisboa					
Meia Peça - Toucado - 1789	25 01	6	- 92	2,992.79	
Cunhagem de Lisboa					
Peça (6 400 Réis) - Véu de Viuva - 1787	27 02	123	- 90	1,745.79	
Cunhagem da Bahia					
Peça (6 400 Réis) - Véu de Viuva - 1788 B	28 03	23	- 03	1,454.70	
Peça (6 400 Réis) - Véu de Viuva - 1788	28 04	67	- 95	1,246.99	
Peça (6 400 Réis) - Véu de Viuva - 1789	28 05	72	- 92	1,246.99	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - Véu de Viuva - 1786	29 01	1	- 98	2,493.99	
Peça (6 400 Réis) - Véu de Viuva - 1787	29 02	24	- 92	997.60	
Peça (6 400 Réis) - Véu de Viuva - 1788	29 04	124	- 90	997.60	
Peça (6 400 Réis) - Véu de Viuva - 1788 - data emendada	29 06	15	- 02	811.27	
Peça (6 400 Réis) - Véu de Viuva - 1789	29 08	125	- 90	997.60	
Cunhagem de Lisboa					
Peça (6 400 Réis) - Toucado - 1789	30 01	43	- 91	997.60	
Peça (6 400 Réis) - Toucado - 1791	30 02	23	- 92	1,097.36	
Peça (6 400 Réis) - Toucado - 1792	30 03	126	- 90	997.60	
Peça (6 400 Réis)-Toucado-1792-ponto no final da legenda	30 04	16	- 02	615.45	
Peça (6 400 Réis) - Toucado - 1793	30 05	67	- 92	997.60	
Peça (6 400 Réis) - Toucado - 1796 - - Algarismos da data pequenos	30 06	9	- 10	863.44	
Peça (6 400 Réis) - Toucado - 1796	30 07	127	- 90	997.60	
Peça (6 400 Réis) - Toucado - 1799	30 11	128	- 90	997.60	
Peça (6 400 Réis) - Toucado - 1799 - Algarismos grandes	30 12	45	- 91	997.60	
Cunhagem da Bahia					

in euro

Gold Coins				
Description	Reference	Acquisition		Inventory
	A. Gomes	Nº	Date	Value
Peça (6 400 Réis) - Toucado - 1791	31 02	16	- 00	2,493.99
Peça (6 400 Réis) - Toucado - 1792	31 03	37	- 95	997.60
Peça (6 400 Réis) - Toucado - 1793	32 03	32	- 96	997.60
Peça (6 400 Réis) - Toucado - 1794	32 04	129	- 90	997.60
Peça (6 400 Réis) - Toucado - 1795 - "B afastado da data"	32 05	10	- 09	1,207.50
Peça (6 400 Réis) - Toucado - 1796	31 04	40	- 96	997.60
Peça (6 400 Réis) - Toucado - 1797	31 05	4	- 03	1,230.90
Peça (6 400 Réis) - Toucado - 1799	32 07	69	- 95	997.60
Peça (6 400 Réis) - Toucado - 1800	31 06	33	- 96	997.60
Peça (6 400 Réis) - Toucado - 1792 - "B afastado da data"	32 02	5	- 91	997.60
<b>Cunhagem do Rio de Janeiro</b>				
Peça (6 400 Réis) - Toucado - 1789	33 01	130	- 90	698.32
Peça (6 400 Réis) - Toucado - 1790	33 02	131	- 90	698.32
Peça (6 400 Réis) - Toucado - 1791	33 04	132	- 90	698.32
Peça (6 400 Réis) - Toucado - 1792	33 07	40	- 91	698.32
Peça (6 400 Réis) - Toucado - 1793	33 09	133	- 90	698.32
Peça (6 400 Réis) - Toucado - 1794	33 10	134	- 90	698.32
Peça (6 400 Réis) - Toucado - 1795	33 11	135	- 90	698.32
Peça (6 400 Réis) - Toucado - 1796	33 12	34	- 92	698.32
Peça (6 400 Réis) - Toucado - 1797	33 14	68	- 95	698.32
Peça (6 400 Réis) - Toucado - 1798	33 16	5	- 08	751.07
Peça (6 400 Réis) - Toucado - 1798 - data emendada	33 17	136	- 90	698.32
Peça (6 400 Réis) - Toucado - 1799	33 18	137	- 90	698.32
Peça (6 400 Réis) - Toucado - 1800	33 20	138	- 90	698.32
Peça (6 400 Réis) - Toucado - 1801	33 22	139	- 90	698.32
Peça (6 400 Réis) - Toucado - 1802	33 23	18	- 95	698.32
Peça (6 400 Réis) - Toucado - 1803	33 25	140	- 90	698.32
Peça (6 400 Réis) - Toucado - 1804	33 26	19	- 95	698.32
Peça (6 400 Réis) - Toucado - 1805	33 27	14	- 98	698.32
<b>Cunhagem de Goa</b>				
12 Xerafins - 1795	41 09	10	- 03	1,230.90
12 Xerafins - 1796	41 11	11	- 03	783.30
12 Xerafins - 1803	41 18	12	- 94	1,995.19
12 Xerafins - 4 sobre o 3 - 1804	41 19	40	- 95	1,496.39
12 Xerafins - 4 sobre o 3 - 1804	41 19	12	- 03	1,007.10
<b>REGÊNCIA DO PRINCIPE D. JOÃO (1799-1816)</b>				
<b>JR</b>				
<b>Cunhagem de Lisboa</b>				
Cruzado Novo - Pinto - 1807	27 02	9	- 92	1,496.39
<b>Cunhagem de Lisboa</b>				



in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Meio Escudo - 1805	28 01	141	- 90	1,496.39	
Meio Escudo - 1807	28 03	142	- 90	1,496.39	
Cunhagem de Lisboa					
Escudo - 1807	29 02	8	- 92	2,493.99	
Cunhagem de Lisboa					
Meia Peça - 1805	30 01	42	- 96	14,963.94	
Meia Peça - 1807	30 02	7	- 92	2,493.99	
Cunhagem de Lisboa					
Peça (6 400 Réis) - de Jarra - 1802	31 01	143	- 90	5,985.57	
Cunhagem de Lisboa					
Peça (6 400 Réis) - 1805 - Cruz singela	32 02	13	- 93	1,346.75	
Peça (6 400 Réis) - 1805 - Cruz irradiada	32 03	12	- 00	1,496.39	
Peça (6 400 Réis) - 1806 - Cruz singela	32 04	6	- 91	997.60	
Peça (6 400 Réis) - 1806 - Cruz irradiada	32 05	3	- 06	1,457.30	
Peça (6 400 Réis) - 1807 - Cruz cingela	32 06	5	- 10	1,322.50	
Peça (6 400 Réis) - 1808 - Cruz singela	32 07	21	- 95	1,197.11	
Peça (6 400 Réis) - 1809 - Cruz singela	32 08	14	- 93	997.60	
Peça (6 400 Réis) - 1812 - Cruz singela	32 09	29	- 92	997.60	
Peça (6 400 Réis) - 1813 - Cruz singela	32 11	70	- 95	748.20	
Peça (6 400 Réis) - 1815 - Cruz singela	32 13	38	- 96	7,481.97	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - 1805	33 01	29	- 91	997.60	
Peça (6 400 Réis) - 1806	33 03	7	- 91	997.60	
Peça (6 400 Réis) - 1807	33 04	71	- 95	1,047.48	
Peça (6 400 Réis) - 1807 - Ponto no final da legenda	33 05	11	- 06	1,121.00	
Peça (6 400 Réis) - 1808 - S/ ponto no final da legenda	33 06	48	- 91	997.60	
Peça (6 400 Réis) - 1808 - Ponto no final da legenda	33 07	144	- 90	997.60	
Peça (6 400 Réis) - 1809	33 09	145	- 90	997.60	
Peça (6 400 Réis) - 1810	33 12	2	- 04	1,063.05	
Peça (6 400 Réis) - 1810	33 13	30	- 91	997.60	
Peça (6 400 Réis) - 1811	33 15	146	- 90	997.60	
Peça (6 400 Réis) - data do cunho emendada - 1811/10	33 16	42	- 95	997.60	
Peça (6 400 Réis) - 1812	33 17	31	- 91	997.60	
Peça (6 400 Réis) - 1813	33 19	32	- 91	1,745.79	
Peça (6 400 Réis) - 1814	33 21	14	- 96	1,745.79	
Peça (6 400 Réis) - 1815	33 23	22	- 95	2,493.99	
Peça (6 400 Réis) - 1816	33 24	17	- 97	9,975.96	
Barra de Ouro - 1810, Sabará		13	- 04	22,380.00	
REINADO DE D. JOÃO VI - O CLEMENTE (1816-1826)	J6				

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Cunhagem de Lisboa					
Cruzado Novo - Pinto - 1818	13 01	12	- 92	3,491.59	
Cruzado Novo - Pinto - 1821	13 04	31	- 93	9,975.96	
Cunhagem de Lisboa					
Quartinho - 1819	14 02	73	- 95	3,990.38	
Quartinho - 1821	14 04	30	- 93	6,234.97	
Cunhagem de Lisboa					
Meio Escudo - 1818	15 01	11	- 92	3,990.38	
Meio Escudo - 1821	15 04	13	- 96	4,489.18	
Cunhagem de Lisboa					
Escudo - 1818	16 01	10	- 92	3,990.38	
Escudo - 1819	16 02	58	- 92	6,484.37	
Cunhagem de Lisboa					
Meia Peça (3 200 Réis) - 1818	17 01	15	- 93	2,493.99	
Meia Peça (3 200 Réis) - 1821	17 04	147	- 90	9,975.96	
Meia Peça (3 200 Réis) - 8 Frutos - 1822	17 05 f	26	- 92	698.32	
Meia Peça (3 200 Réis) - 9 Frutos - 1822	17 05	8	- 91	698.32	
Meia Peça (3 200 Réis) - 11 Frutos - 1822	17 06	39	- 91	698.32	
Meia Peça (3 200 Réis) - 9 Frutos - 1822 - cruz irradiada	17 05 a	26	- 03	668.59	
Cunhagem de Lisboa					
Peça (6 400 Réis) - 9 Frutos - 1819	18 02	18	- 97	19,951.92	
Peça (6 400 Réis) - 1820	18 03	37	- 02	21,261.00	
Peça (6 400 Réis) - 8 Frutos - 1821	18 04	31	- 92	39,903.83	
Peça (6 400 Réis) - 7 Frutos - 1822	18 05	148	- 90	698.32	
Peça (6 400 Réis) - 8 Frutos - 1822	18 06	7	- 98	698.32	
Peça (6 400 Réis) - 9 Frutos - 1822	18 07	75	- 95	748.20	
Peça (6 400 Réis) - 11 Frutos - 1822	18 07a	39	- 96	698.32	
Peça (6 400 Réis) - 12 Frutos - 1822	18 08	12	- 96	698.32	
Peça (6 400 Réis) - 13 Frutos - 1822	18 09	23	- 95	698.32	
Peça (6 400 Réis) - 14 Frutos - 1822	18 10	30	- 92	698.32	
Peça (6 400 Réis) - 15 Frutos - 1822	18 11	21	- 93	698.32	
Peça (6 400 Réis) - 8 Frutos - 1823	18 12	72	- 95	748.20	
Peça (6 400 Réis) - 10 Frutos - 1823	18 13a	74	- 92	748.20	
Peça (6 400 Réis) - 11 Frutos - 1823	18 14	76	- 95	748.20	
Peça (6 400 Réis) - 12 Frutos - 1823	18 falta	3	- 09	1,344.00	
Peça (6 400 Réis) - 13 Frutos - 1823	18 15	4	- 01	1,476.47	
Peça (6 400 Réis) - 14 Frutos - 1823	18 17	16	- 93	748.20	
Peça (6 400 Réis) - 16 Frutos - 1823	18 19	16	- 98	748.20	
Peça (6 400 Réis) - 7 Frutos - 1824	18 20	80	- 91	748.20	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Peça (6 400 Réis) - 8 Frutos - 1824	18 21	5	- 01	780.02	
Peça (6 400 Réis) - 15 Frutos - 1824	18 26	34	- 91	748.20	
Peça (6 400 Réis) - 16 Frutos - 1824	18 27	149	- 90	748.20	
Peça (6 400 Réis) - 17 Frutos - 1824	18 28	8	- 94	748.20	
Cunhagem do Rio de Janeiro					
Peça (6 400 Réis) - 1818	19 01	33	- 91	4,987.98	
Peça (6 400 Réis) - 1819	19 02	20	- 07	9,416.40	
Peça (6 400 Réis) - 1819 - data emendada	19 03	8	- 96	6,484.37	
Peça (6 400 Réis) - 1820	19 04	9	- 91	6,484.37	
Cunhagem do Goa					
São Tomé de 12 Xerafins - 1825	34 05	19	- 97	1,496.39	
REINADO DE D. PEDRO IV - O REI SOLDADO (1826-1828)	P4				
Meia Peça (3 750 Réis) - 1827	08 01	44	- 91	1,596.15	
Peça (7 500 Réis) - 1826	09 01	150	- 90	2,992.79	
Peça (7 500 Réis) - 1828	09 02	151	- 90	5,985.57	
REINADO DE D. MIGUEL I - O ABSOLUTO (1828-1834)					
Meia Peça (3 250 Réis) - 1828	13 01	26	- 91	3,990.38	
Meia Peça (3 250 Réis) - 1830	14 01	152	- 90	1,995.19	
Meia Peça (3 250 Réis) - 1831	14 02	79	- 91	2,992.79	
Peça (7 500 Réis) - 1828	15 01	153	- 90	3,990.38	
Peça (7 500 Réis) - 1828 - Busto maior	15 02	13	- 00	3,990.38	
Peça (7 500 Réis) - 1830	16 01	154	- 90	1,995.19	
Peça (7 500 Réis) - 1831	16 02	17	- 93	2,992.79	
REINADO DE D. MARIA II - A EDUCADORA (1834-1853)	M2				
Peça (7 500 Réis) - Degolada - 1833	17 01	39	- 95	6,983.17	
Peça (7 500 Réis) - Degolada - 1833	17 01	155	- 90	4,987.98	
Peça (7 500 Réis) - 1833 - Com nome do gravador	18 02	10	- 91	5,985.57	
Peça (7 500 Réis) - 1834	19 01	13	- 92	1,396.63	
Peça (7 500 Réis) - 1835	19 02	156	- 90	1,496.39	
2500 Réis - 1851	43 01	68	- 92	299.28	
1 000 Réis - 1851	41 01	157	- 90	149.64	
Meia Coroa (2500 Réis) - 1838	42 01	38	- 91	997.60	
Meia Coroa (2500 Réis) - 1851	43 01	158	- 90	299.28	
Meia Coroa (2500 Réis) - 1853	44 01	159	- 90	1,246.99	
Coroa (5000 Réis) - 1838	45 01	2	- 98	1,246.99	
Coroa (5000 Réis) - 1845	45 02	25	- 03	30,213.00	
Coroa (5000 Réis) - 1851	45 03	160	- 90	299.28	
Dobrão (30000 Réis) - 1725 - Carimbado	31 02	14	- 97	12,469.95	
Dobrão (30000 Réis) - 1726 - Carimbado	31 03	18	- 91	12,469.95	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
Cunhagem de Moçambique					
1 1/4 Maticais ND (1835) - Moçambique	10 01	15	- 00	5,985.57	
1 1/4 Maticais (1851) - Moçambique - com carimbo roseta	13 01	14	- 04	7,049.70	
Cunhagem de Moçambique					
2 1/2 Maticais com carimbo - Moçambique	14 03	10	- 00	997.60	
Parte de 1 Matical		15	- 04	2,797.50	
REINADO DE D. PEDRO V - O ESPERANÇOSO (1853-1861)	P5				
1/10 Coroa (1 000 Réis) - 1855	09 01	161	- 90	149.64	
1/5 Coroa (2 000 Réis) - 1856	10 01	83	- 91	249.40	
1/5 Coroa (2 000 Réis) - 1857	10 02	162	- 90	299.28	
1/5 Coroa (2 000 Réis) - 1858	11 01	21	- 91	249.40	
1/5 Coroa (2 000 Réis) - 1859	11 02	163	- 90	249.40	
1/5 Coroa (2 000 Réis) - 1860	11 03	164	- 90	249.40	
1/2 Coroa (5 000 Réis) - 1860	12 01	165	- 90	349.16	
1/2 Coroa (5 000 Réis) - 1861	12 02	166	- 90	349.16	
REINADO DE D. LUÍS I - O POPULAR (1861-1889)	L1				
Escudo Ornamentado					
1/5 Coroa (2 000 Réis) - 1864	13 01	167	- 90	199.52	
1/5 Coroa (2 000 Réis) - 1865	13 02	168	- 90	199.52	
1/5 Coroa (2 000 Réis) - 1866	13 03	169	- 90	199.52	
Escudo em Pavilhão					
1/5 Coroa (2 000 Réis) - 1868	14 01	170	- 90	199.52	
1/5 Coroa (2 000 Réis) - 1869	14 02	171	- 90	199.52	
1/5 Coroa (2 000 Réis) - 1870	14 03	6	- 10	5,756.25	
1/5 Coroa (2 000 Réis) - 1871	14 04	32	- 92	1,496.39	
1/5 Coroa (2 000 Réis) - 1872	14 05	69	- 92	748.20	
1/5 Coroa (2 000 Réis) - 1874	14 06	22	- 91	349.16	
1/5 Coroa (2 000 Réis) - 1875	14 07	172	- 90	448.92	
1/5 Coroa (2 000 Réis) - 1876	14 08	16	- 91	448.92	
1/5 Coroa (2 000 Réis) - 1877	14 09	173	- 90	299.28	
1/5 Coroa (2 000 Réis) - 1878	14 10	174	- 90	274.34	
1/5 Coroa (2 000 Réis) - 1881	14 11	175	- 90	997.60	
1/5 Coroa (2 000 Réis) - 1888	14 12	14	- 92	3,990.38	
Escudo em Pavilhão					
1/2 Coroa (5 000 Réis) - 1862	15 01	176	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1863	15 02	177	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1867	16 01	178	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1868	16 02	179	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1869	16 03	180	- 90	299.28	

in euro

Gold Coins					
Description	Reference	Acquisition		Inventory	
	A. Gomes	Nº	Date	Value	
1/2 Coroa (5 000 Réis) - 1870	16 04	181	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1871	16 05	182	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1872	16 06	183	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1874	16 07	184	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1875	16 08	18	- 93	299.28	
1/2 Coroa (5 000 Réis) - 1876	16 09	185	- 90	179.57	
1/2 Coroa (5 000 Réis) - 1877	16 10	186	- 90	997.60	
1/2 Coroa (5 000 Réis) - 1878	16 11	187	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1880	16 12	188	- 90	1,496.39	
1/2 Coroa (5 000 Réis) - 1883	16 13	189	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1886	16 14	190	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1887	16 15	191	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1888	16 16	192	- 90	299.28	
1/2 Coroa (5 000 Réis) - 1889	16 17	193	- 90	299.28	
Coroa (10 000 Réis) - 1878	17 01	194	- 90	897.84	
Coroa (10 000 Réis) - 1879	17 02	195	- 90	897.84	
Coroa (10 000 Réis) - 1880	17 03	196	- 90	897.84	
Coroa (10 000 Réis) - 1881	17 04	197	- 90	897.84	
Coroa (10 000 Réis) - 1882	17 06	198	- 90	897.84	
Coroa (10 000 Réis) - 1883	17 07	199	- 90	897.84	
Coroa (10 000 Réis) - 1884	17 08	200	- 90	897.84	
Coroa (10 000 Réis) - 1885	17 10	17	- 91	897.84	
Coroa (10 000 Réis) - 1886	17 11	201	- 90	897.84	
Coroa (10 000 Réis) - 1888	17 12	202	- 90	1,246.99	
Coroa (10 000 Réis) - 1889	17 13	203	- 90	1,246.99	
REPÚBLICA	R				
Ensaio de 1 Escudo 1910	E 7 04	17	- 02	1,902.30	
TOTAL	768	3 325 177.21			

## TOTAL DO INVENTÁRIO DA COLECÇÃO LUSITANIA EM 31,12,2010

Ouro Amoadado	3 325 177.21
Objectos de Arte	1 936 190.50
Objectos de Valor Histórico e artístico	90 524.77
TOTAL	5 351 892.48

2010

LUSITANIA  
COMPANHIA DE SEGUROS, SA.

2010 REPORT  
AND ACCOUNTS



# RATIFICATIONS



**LUSITANIA**

Grupo Montepio

## Report And Opinion Of The Supervisory Board

The Supervisory Board of Lusitania, Companhia de Seguros, SA, hereby submits the audit report and opinion on the Board of Directors' Report and the financial statements for the financial year ending at 31 December 2010.

The Supervisory Board observed the business of the Company, maintaining contact with Administration and Services from which clarification and information requested was always received.

Similarly, throughout the year, the members of this Board followed the state of financial markets, their effect on the Company's accounts and the measures adopted by Administration to adjust to them.

The integration processes for Real and Mutuamar were also observed throughout the different stages involved.

The Supervisory Board also observed the work done by the Sociedade de Revisores Oficiais de Contas PricewaterhouseCoopers & Associados, having received notification from them of their independence and a statement on non-provision of additional services.

The Legal Ratification of Accounts, issued with emphasis on two points, merits the approval of the Supervisory Board.

The Board of Directors' Report was also examined and verified and the Supervisory Board concluded that its content correctly reflects the Company's performance and development.

The proposed distribution of profits merits the approval of this Supervisory Board.

In conducting its work the Supervisory Board learnt of no situation or procedures that do not comply with applicable legal or statutory provisions.

This being the case, bearing in mind all information received from the Board of Directors and the Company's Services and the opinion expressed in the Legal Ratification of Accounts, this Supervisory Board is of the following opinion:

- 1 *The Management Report and Financial Statements for the 2010 financial year merit approval;*
- 2 *The proposed distribution of profits from the 2010 financial year merits approval;*
- 3 *Congratulations should be extended to the Board of Directors for their dedication and skill.*



*Lisbon, 24 March 2011*

## **The Supervisory Board**

**Manuel da Costa Braz**  
*Chairman*

**José Augusto Perestrelo de Alarcão Troni**  
*Vice-Chairman*

**Fernando Vassalo Namorado Rosa**  
*Member*

# Legal Ratification of Individual Accounts

## Introduction

- 1 We have examined the financial statement of Lusitania, Companhia de Seguros, SA, consisting of the Balance Sheet as at 31 December 2010 (which totals €559,301,295 and a total share capital of €76,962,720, including a net profit of €3,034,497), the Profit and Loss Statement, Statement of Total Income, Statement of Changes to Share Capital for the financial year ending on this date and the corresponding attached documents.

## Responsibilities

- 2 It is the Board of Directors' responsibility to prepare financial statements that are a true and appropriate demonstration of the Company's financial position, the result of its operations, total income, changes to share capital and cash flow, as well as to adopt adequate accounting criteria and policies and maintain an appropriate internal control system.
- 3 Our responsibility is to express an independent, professional opinion based on our audit of these financial statements.

## Scope

- 4 The audit was done according to the Standards and Technical Practices of the Order of Registered Auditors, which stipulate that the audit be planned and executed with a view to obtaining an acceptable level of certainty as to whether the financial statements contain any materially relevant distortions or not. To this end the examination included: (i) examining, on a test sample basis, evidence supporting the amounts disclosed in the financial statements and assessing estimates, based on the judgement and criteria defined by the Board of Directors and used in preparing the financial statements; (ii) evaluating the adequacy of the accounting policies adopted and their disclosure, bearing in mind the circumstances; (iii) verifying whether the going concern principle is applicable; and (iv) evaluating the overall adequacy of the presentation of the financial statements.
- 5 Our audit also verified that the financial information in the Management Report agrees with that in the financial statements.
- 6 We consider that the audit provides a good basis for us to express an opinion on these financial statements.

## Opinion

- 7 In our opinion these financial statements present a true and fair view, in all relevant material aspects, of the financial position of Lusitania, Companhia de Seguros, S.A., as at 31 December 2010, and of the results of operations, total income, changes to share capital and cash flows in the year then ended, in accordance with accounting principles generally accepted in Portugal for the insurance sector.

## Report on other legal requirements

- 8 We are also of the opinion that the financial information in the Management Report agrees with that in the financial statements for the financial year.

## Note

- 9 Without affecting the opinion expressed in paragraph 7 above, we would like to draw attention to the following situations:

(i) As disclosed in Note 3.4, Relevant Changes compared to the previous financial year and in Note 33, Combinations of Business, as provided for in IFRS 3, in 2010 the Company revised the negative goodwill first recorded in 2009 relative to the acquisition of 85% of the shares of Real Seguros, SA on 2 November 2009 and the net assets of Mútua - Mútua dos Seguros dos Armadores da Pesca do Arrasto, on 31 December 2009, and as a result of this process, re-expressed comparative values with regard to 2009. The Company's financial statements should be read bearing in mind the effects of this re-expression;

(ii) As disclosed in Note 24, Tax on Income, deferred asset taxation recorded as at 31 December 2010, includes the sum of €11,180,000 for tax losses entered by Real Seguros, SA prior to the merger operation. In reply to the application for authorization to deduct these losses, the Tax Department stipulated a deduction plan for these losses that limits their deduction to 1.29% of Lusitania's taxable profit. The Company's Administration is convinced, as are its tax consultants, that by exercising the means of reacting to the Tax Department ruling, the Company will be granted authorization to fully deduct the losses carried over from Real Seguros, SA.

24 March 2011

**PricewaterhouseCoopers & Associados**  
- Sociedade de Revisores Oficiais de Contas, Lda  
represented by:

**Carlos Manuel Sim Sim Maia, R.O.C.**

