



SISTEMA DE INDEMNIZAÇÃO DOS INVESTIDORES

REPORT & FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2005

REPORT

| | |
|---|---|
| 1. Composition of the Board and Executive Committee and the Supervisory Committee | 3 |
| 2. Activity in 2005 | 3 |
| 2.1 Participating Entities | 3 |
| 2.2 Compensation Capacity | 5 |
| 2.3 Pledged Securities | 5 |
| 2.4 Financial Statements | 6 |
| 2.5 Income | 6 |
| 2.5.1 Current Income | 6 |
| 2.5.2 Fines Imposed | 6 |
| 2.5.3 Financial Investments | 6 |
| 2.6 Claims and Compensation paid | 6 |
| 2.7 International Contacts | 7 |
| 3. Final Considerations | 7 |

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2005

| | |
|---|----|
| Balance Sheet | 9 |
| Profit & Loss Account | 10 |
| Appendix to Balance Sheet and the Profit & Loss Statement | 11 |
| Appendix I – Profit & Loss Statement | 13 |
| Appendix II – Extraordinary Profit & Loss Statement | 13 |
| Cash Flow Statement | 14 |
| Appendix to Cash Flow Statement | 15 |

REPORT & STATEMENT OF OPINION BY THE SUPERVISORY COMMITTEE

| | |
|----------------------|----|
| Statement of Opinion | 16 |
|----------------------|----|





1. COMPOSITION OF THE BOARD & EXECUTIVE COMMITTEE AND THE SUPERVISORY COMMITTEE

BOARD & EXECUTIVE COMMITTEE (*)

CHAIRMAN Amadeu José Ferreira
Appointed by the CMVM Executive Board (Article 15/2 Decree-Law No. 222/99, 22nd June)

MEMBERS José António da Silveira Godinho
Appointed by the Portuguese Central Bank's Board of Directors (Article 15/3 Decree-Law No. 222/99, 22nd June)

Mário Luís Vicente Arraia

Appointed by the Finance Minister (Article 15/3 Decree-Law No. 222/99, 22nd June)

SUPERVISORY BOARD

CHAIRMAN Maria Irene Brás Gonçalves Rodrigues de Carvalho
(Appointed by Ministerial Order of the State & Finance Minister dated 10th April 2003, pursuant to Article 21 Decree-Law No. 222/99, 22nd June)

MEMBERS Maria de São José Lopes Ferreira Lino Vaz de Carvalho
(Appointed by Ministerial Order of the State & Finance Minister dated 10th April 2003, pursuant to Article 21 Decree-Law No. 222/99, 22nd June)

Sociedade de Revisores Oficiais de Contas Amável Calhau, Ribeiro da Cunha & Associados – *represented by Amável Alberto Freixo Calhau*

(Appointed by Ministerial Order of the State & Finance Minister dated 10th April 2003, pursuant to Article 21 Decree-Law No. 222/99, 22nd June)

2. ACTIVITY IN 2005

In 2005, the activity of the Investor Compensation Scheme (Scheme) was concentrated on current management.

2.1. Participating Entities

As at 31st December 2005, there were 68 companies participating in the Scheme. During 2005, one new entity joined the scheme, and four ceased to participate due to mergers with other participating entities. At the end of the year, the participating entities in the Scheme and the respective date on which they joined were as follows:

(*) In accordance with the provisions of Article 15/2 Decree-Law No. 222/99, 22nd June, and due to the resignation of Dr. Luís Lopes Laranjo from the Executive Board of the CMVM, this institution is now represented in the Board & Executive Committee by Dr. Amadeu José Ferreira, Vice-Chairman of the CMVM since October 2005.

Table 1
Participating Entities as at 31.12.2005

| Participating Entities | Enrolment Date | Participating Entities | Enrolment Date |
|---|----------------|--|----------------|
| Amorim Patrimónios - Sociedade Gestora de Patrimónios, S.A. | 31-01-2000 | Lisbon Brokers - Sociedade Corretora, S.A. | 31-01-2000 |
| Banco ActivoBank (Portugal), S.A. | 31-01-2000 | LJ Carregosa - Sociedade Financeira de Corretagem, S.A. | 31-01-2000 |
| Banco Alves Ribeiro, S.A. | 31-01-2000 | Personal Value - Sociedade Gestora de Patrimónios, S.A. | 31-01-2000 |
| Banco Bilbao Vizcaya Argentaria (Portugal), S.A. | 31-01-2000 | Siemca - Sociedade Mediadora de Capitais, S.A. | 31-01-2000 |
| Banco Comercial dos Açores, S.A. | 31-01-2000 | Banco Madasant - Sociedade Unipessoal, S.A. | 17-02-2000 |
| Banco Comercial Português, S.A. | 31-01-2000 | Golden Assets - Soc. Gestora de Patrimónios, S.A. | 07-04-2000 |
| Banco de Investimento Global, S.A. | 31-01-2000 | Pedro Arroja - Gestão de Patrimónios, S.A. | 07-04-2000 |
| Banco do Brasil, S.A. | 31-01-2000 | DIF Broker - Sociedade Corretora, S.A. | 01-06-2000 |
| Banco Efisa, S.A. | 31-01-2000 | First Portuguese - Sociedade Gestora de Patrimónios, S.A. | 13-07-2000 |
| Banco Espírito Santo de Investimento, S.A. | 31-01-2000 | Grow Investimentos - Gestão de Patrimónios, SA | 27-07-2000 |
| Banco Espírito Santo, S.A. | 31-01-2000 | Cotavalor - Sociedade Corretora, S.A. | 09-08-2000 |
| Banco Finantia, S.A. | 31-01-2000 | Banco Best - Banco Electrónico de Serviço Total, S.A. | 11-06-2001 |
| Banco Itaú Europa, S.A. | 31-01-2000 | Banco Português de Gestão, S.A. | 26-07-2001 |
| Banco Popular Portugal, SA | 31-01-2000 | Intervalores - Sociedade Corretora, S.A. | 03-08-2001 |
| Banco Português de Investimento, S.A. | 31-01-2000 | Finibanco, S.A. | 23-08-2001 |
| Banco Português de Negócios, S.A. | 31-01-2000 | F&C Portugal - Gestão de Patrimónios, S.A. | 22-11-2001 |
| Banco Privado Português, S.A. | 31-01-2000 | Ok2Deal - Sociedade Corretora, S.A. | 11-02-2002 |
| Banco Santander de Negócios Portugal, S.A. | 31-01-2000 | Banif - Banco Internacional do Funchal, S.A. | 01-04-2002 |
| Banco Santander Totta, S.A. | 31-01-2000 | Banco Espírito Santo dos Açores, S.A. | 01-07-2002 |
| Banif - Banco de Investimento, S.A. | 31-01-2000 | Luso Partners - Sociedade Corretora, S.A. | 12-09-2002 |
| Banco Millennium BCP Investimento, SA | 31-01-2000 | Invest Quest - Sociedade Gestora de Patrimónios, S.A. | 28-11-2002 |
| BMF - Sociedade de Gestão de Patrimónios, S.A. | 31-01-2000 | Banco BPI, S.A. | 26-12-2002 |
| Caixa - Banco de Investimento, S.A. | 31-01-2000 | Golden Broker - Sociedade Corretora, S.A. | 23-07-2003 |
| Caixa Central de Crédito Agrícola Mútuo, Crl | 31-01-2000 | Full Trust - Sociedade Gestora de Patrimónios, S.A. | 18-09-2003 |
| Caixa Económica Montepio Geral | 31-01-2000 | Valor Alternativo - Sociedade Gestora de Patrimónios, S.A. | 08-10-2003 |
| Caixa Geral de Depósitos, S.A. | 31-01-2000 | Caixagest - Técnicas de Gestão de Fundos, S.A. | 02-04-2004 |
| Carnegie Investimentos -Gestão de Patrimónios, S.A. | 31-01-2000 | MG Gestão de Activos Financeiros SGFIM, S.A. | 22-07-2004 |
| Crédito Agrícola Dealer - Soc. Financeira Corretagem, S.A. | 31-01-2000 | Blue Activos Financeiros - Soc. Gestora de Patrimónios, S.A. | 07-10-2004 |
| Deutsche Bank (Portugal), S.A. | 31-01-2000 | Finivalor - SGFIM, S.A. | 07-10-2004 |
| ESAF - Espírito Santo Gestão de Patrimónios, S.A. | 31-01-2000 | BPN Gestão de Activos - SGFIM, S.A. | 13-12-2004 |
| Finanser - Sociedade Financeira de Corretagem, S.A. | 31-01-2000 | Santander Gestão de Activos - SGFIM, S.A. | 17-12-2004 |
| Fincor - Sociedade Corretora, S.A. | 31-01-2000 | Crédito Agrícola Gest - SGFIM, S.A. | 22-12-2004 |
| IBCO - Gestão de Patrimónios, S.A. | 31-01-2000 | Pedro Arroja - Gestão de FIM, S.A. | 29-12-2004 |
| Atrium Investimentos - Sociedade Financeira Corretagem, SA | 31-01-2000 | Altavisa - Gestão de Patrimónios, S.A. | 22-09-2005 |



2.2. Compensation Capacity

The total value of assets secured by the Scheme as at 31st December 2005 was approximately €90.7billion, distributed among 68 participating entities. In the event of a claim being lodged against the Scheme, the Scheme's maximum annual compensatory capacity, without having recourse to loans was €178.8 million, which corresponds to an average compensatory capacity of 13.4% of the assets secured by the Scheme per participating entity.

Table 2

Compensation capacity in the event of a claim being lodged against the Scheme, as at 31.12.2005

| Description | Value |
|---|------------------|
| No. of participating entities | 68 |
| Total value of assets secured by the Scheme ¹ | € 90.684.555.352 |
| Mean value of assets secured by the Scheme, per participating entity | € 1.333.596.402 |
| Maximum annual compensatory capacity without recourse to loans ² | € 178.848.342 |
| Average compensatory capacity in the event of a claim being lodged against the Scheme | 13,4% |

¹ In accordance with the last report on half-yearly information: 30.06.2005.

² Calculation based on the average value of portfolios on 31.12.2004 & 30.06.2005, pursuant to the provisions of Article 10 CMVM Regulation No. 2/2000.

2.3. Pledged Securities

By 31st December 2005, the amount of securities pledged by participants had increased to approximately €52.1 million, evaluated in accordance with the provisions of Article 8/7 CMVM Regulation No. 2/2000. All pledges were above the average (100%) of the fluctuation band established (92.5% - 107.5%) in the aforementioned Regulation.

| | | | |
|--------------|--------------|----------------------|-------------------|
| OT Jun/2012 | PTOTEKOE003 | 623.064.355 | 6.871.777 |
| OT Sep/2013 | PTOTEGOE009 | 528.535.365 | 6.066.952 |
| OT Jun/2008 | PTOTEBOE012 | 199.689.189 | 2.142.306 |
| Consolidated | PTCON2OE003 | 234.187.608 | 1.698.750 |
| OT Jul/2009 | PTOTECOED011 | 103.329.833 | 1.064.917 |
| OT Feb/2007 | PTOTEF0E000 | 51.347.159 | 558.595 |
| Consolidated | PTCON4OE003 | 51.873.984 | 475.425 |
| Consolidated | PTCON3OE003 | 46.390.200 | 303.410 |
| OT Jun/2014 | PTOTE1OE019 | 21.500.000 | 231.357 |
| OT May/2010 | PTOTEHOE008 | 14.033.800 | 156.008 |
| Consolidated | PTCON1OE003 | 17.611.057 | 127.567 |
| OT Oct/2015 | PTOTE3OE017 | 10.250.000 | 101.662 |
| OT Apr/2021 | PTOTEYOE007 | 3.040.400 | 31.208 |
| Total | | 5.071.041.109 | 52.069.836 |

(*) Securities valued in accordance with Article 8/7 CMVM Regulation No. 2/2000. Taking into account the last closing price per security in 2005, the total value €52,064,843

2.4. Financial Statements

In the 2005 financial year, the Scheme's operations generated a positive net result of €353,305, almost entirely generated by current activities (Extraordinary result was € 3.5).

Among the Asset items in the Balance Sheet, the cash item is the most noteworthy, amounting to €2,462,811. The liabilities represent insignificant amounts to be paid in 2006, relating to tax and costs generated in 2005.

2.5. Income

Pursuant to Article 17 Decree-Law No. 222/99, dated 22nd June, the Scheme's own income originates from annual contributions by the participating entities to finance the Scheme's operational expenses (Current income), and from the proceeds of fines imposed by the CMVM (*Comissão do Mercado de Valores Mobiliários*) or the Portuguese Central Bank (*Banco de Portugal*).

2.5.1. Current Income

The contributions by new participants that joined the Scheme during 2005, to finance the Scheme's activities, amounted to €1,667.

The current income for 2005 was restricted to the said contributions of entities joining during the year, since the Board waived the payment of sums for the financing of operating expenses for 2005 by those participating entities which joined prior to 31 December 2004, taking into account the fact that the amounts available for covering operating costs budgeted for 2005 were sufficient for these ends.

For the same reason and under the same conditions, in November 2005 it was decided to proceed in the same manner with regard to the payment of the amount needed to meet operating expenses in 2006.

2.5.2. Fines Imposed

In accordance with the provisions of Article 17 Decree-Law No. 222/99, dated 22nd June, Article 406 Securities Code and Article 225/5 Legal Framework for Credit Institutions and Financial Companies, the proceeds of fines, imposed namely for violations of securities law, reverts to the Scheme.

The revenue for the financial year, arising from fines imposed in administrative infraction proceedings, came to a total of €352,496, of which €291,000 has already been collected.

In addition to the €61,496 not yet paid but acknowledged as income, there is still the prospect of the Scheme receiving the proceeds of fines relating to pending administrative infraction proceedings, which on conclusion would reach €808,500.

2.5.3. Financial Investments

The annual average rate of the cash surplus invested during the year reached the sum of €2,036,625 and generated €57,110 in interest which is equal to a gross average rate of annual remuneration of approximately 2.84%.

2.6. Claims and Compensation paid

There were no claims lodged against the Scheme in 2005 and consequently no compensation was paid.



2.7. International Contacts

In October 2005, the Scheme was present at the meeting of the EFDI (European Forum of Deposit Insurers), held in Varsóvia, at which, besides representatives from Compensation Schemes, representatives of the European Commission, IMF and World bank, among others, were also present at this meeting.

In December 2005, the Scheme was subjected to a self assessment carried out by FSAP (Financial Sector Assessment Program) of the IMF (International Monetary Fund). Furthermore, during the FSAP's visit, an exhibition on the characteristics and functioning of the Scheme was prepared.

3. FINAL CONSIDERATIONS

The Board wishes to thank all the entities which co-operated with the Scheme, namely the Portuguese Securities Commission (*Comissão do Mercado de Valores Mobiliários*), the Portuguese Central Bank (*Banco de Portugal*) and the participating entities.

The Board also wishes to express their appreciation to the outgoing Chairman, Dr. Luís Lopes Laranjo, who assumed the Chairmanship of the Scheme on its establishment. A public thanks is due to him for his commitment and contribution to the current organisation and development level of the Scheme.

Lisbon, 22nd February 2006

The Board

Amadeu José Ferreira - *Chairman*

José António da Silveira Godinho - *Member*

Mário Luís Vicente Arraia - *Member*



2005
FINANCIAL STATEMENTS



2005 FINANCIAL STATEMENTS

Balance Sheet As at 31 December 2005

Value in Euros

| ACCOUNT CODES Portuguese Accounting Standards | Notes | FINANCIAL YEARS | | ACCOUNT CODES Portuguese Accounting Standards | Notes | FINANCIAL YEARS | |
|--|-------|---------------------|---------------------|--|-------|---------------------|---------------------|
| | | 2005 | 2004 | | | 2005 | 2004 |
| | | Net Assets | Net Assets | | | Net Assets | Net Assets |
| 268 | | 61,496,92 | 1,63 | 59 | 40 | 2,165,196,04 | 2,137,885,39 |
| | | 61,496,92 | 1,63 | 88 | | 353,304,68 | 27,310,65 |
| 12+13+14 | | 803,811,19 | 2,170,098,05 | | | 2,518,500,72 | 2,165,196,04 |
| 15 | 03 | 1,659,000,00 | | | | | |
| | | 2,462,811,19 | 2,170,098,05 | 24 | | 940,62 | 970,29 |
| | | | | 262 | | 940,62 | 970,29 |
| 271 | | 644,65 | 1,588,89 | | | | |
| | | 644,65 | 1,588,89 | 273 | | 5,511,42 | 5,522,24 |
| | | | | | | 5,511,42 | 5,522,24 |
| | | | | | | | |
| | | | | | | 6,452,04 | 6,492,53 |
| | | 2,524,952,76 | 2,171,688,57 | | | 2,524,952,76 | 2,171,688,57 |

Deputy Director of the

Administrative and Financial Dept-CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luis Vicente Arraia - Member

2005 FINANCIAL STATEMENTS

PROFIT & LOSS ACCOUNT

As at 31 December 2005

Value in Euros

| ACCOUNT CODES | | | FINANCIAL YEARS | | | |
|---|--------------------------------------|-------|-----------------|-------------------|-----------|------------------|
| Portuguese Accounting Codes | | Notes | 2005 | | 2004 | |
| | Expenditure | | | | | |
| 62 | Supplies and External Services | | | 10.070,49 | | 10.964,82 |
| 63 | Taxes | | | 11.766,81 | | 9.017,67 |
| | Staff Expenses: | | | | | |
| 641+642 | Salaries and Wages | 43 | 31.446,72 | | 31.424,26 | |
| | Social Security: | | | | | |
| 645/8 | Others | | 6.292,24 | 37.738,96 | 6.473,46 | 37.897,72 |
| | (A) | | | 59.576,26 | | 57.880,21 |
| 681+685/8 | Interest and similar costs: | | | | | |
| | Others | 45 | | 119,60 | | 138,82 |
| | (C) | | | 59.695,86 | | 58.018,53 |
| 69 | Extraordinary costs and expenses | 46 | | | | 230,49 |
| | (E) | | | 59.695,86 | | 58.249,02 |
| 86 | Tax on profit for the financial year | | | 59.695,86 | | 58.249,02 |
| | (G) | | | | | |
| 88 | Net profit for the financial year | | | 353.304,68 | | 27.310,65 |
| | | | | 413.000,54 | | 85.559,67 |
| | Income | | | | | |
| 72 | Services rendered | 44 | 1.666,65 | 1.666,65 | 4.375,00 | 4.375,00 |
| 73 | Supplementary income | | | | | |
| 76 | Other operating income | 48 | 352.496,39 | 352.496,39 | 37.475,96 | 37.475,96 |
| | (B) | | | | | |
| 7811/3/4/8+785/6/7/8 | Other interest and similar income: | | | 354.163,04 | | 41.850,96 |
| | Others | 45 | 58.834,00 | 58.834,00 | 43.613,99 | 43.613,99 |
| | (D) | | | 412.997,04 | | 85.464,95 |
| 79 | Extraordinary income | 46 | | 3,50 | | 94,72 |
| | (F) | | | 413.000,54 | | 85.559,67 |
| Operating results: (B) - (A) = | | | | 294.586,78 | | - 16.029,25 |
| Financial results: (D - B) - (C - A) = | | | | 58.714,40 | | 43.475,67 |
| Ordinary results: (D) - (C) = | | | | 353.301,18 | | 27.446,42 |
| Pre-tax results: (F) - (E) = | | | | 353.304,68 | | 27.310,65 |
| Net results for the financial year: (F) - (G) = | | | | 353.304,68 | | 27.310,65 |

Deputy Director of the

Administrative & Financial Dept— CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member



2005 Financial Statements

APPENDIX TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

INTRODUCTORY NOTE

The Investor Compensation Scheme, abbreviated to Scheme, is a public law legal person with administrative and financial autonomy. It was created by the Decree-Law No. 222/99 of 22 June and its functioning is governed by Regulation approved by Ministerial Ruling No. 1266/2001 of 6 November.

Its activities consists of guaranteeing, under the terms and in accordance with the limits established by the above-mentioned Decree-Law and respective regulatory rules, cover for loans which a participating entity may owe as a result of its financial incapacity, so as to reimburse investors in accordance with the legal and contractual conditions applicable, for monies owed to them or belonging to them and which are specifically affected by investment operations, or compensate investors for financial instruments which belong to them and which are held, administered or managed on their behalf in the context of investment operations.

The Scheme functions in conjunction with the CMVM, which provides the technical and administrative services. Therefore its headquarters is situated at 252 Avenida da Liberdade, 1056-801 Lisbon. The Scheme is registered with the Registered Office for Legal Entities under No. 504901400 and Activity Code No. 75130.

The Scheme's Financial Statements are presented in accordance with the Portuguese Official Accounting Standards (POC) and submitted for approval to the Minister of Finance together with the Annual Report and the Statement of Opinion by the Supervisory Committee.

Thus, the following notes respect the order established by the Portuguese Accounting Standards, not being applicable to the Scheme those numbered 1 & 2, 4 to 39, 41, 42 & 47.

NOTE 03 The financial statements were prepared in accordance with the general accounting principles accepted in Portugal, namely, prudence, continuity, accrual basis, consistency, materiality and substance over form.

As to the valuation criteria used, the situation is as follows:

- The marketable securities, represented by investment units in a fund, is registered at acquisition cost, as explained in Note 48.

NOTE 40 Accumulated results brought forward demonstrate an increase of € 27,310.65 in 2005, resulting from the transfer of Net Results for 2004.

2005 Financial Statements

APPENDIX TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

NOTE 43 The members of the governing bodies of the Scheme were established by the State Secretary for Treasury and Finance and during 2005, were the following:

| | |
|---|-------------|
| Board (1 Member) | € 20.949,46 |
| Supervisory Committee (Chairman and 1 Member) | € 10.474,80 |

NOTE 44 The services rendered correspond to contributions made by participants towards the operating costs of the Scheme.

NOTE 45 *Vide* Appendix I

NOTE 46 *Vide* Appendix II.

NOTE 48 Other Information

Legal proceedings relating to fines.

The sum total of fines is not reflected in the financial statements. These fines resulted from administrative infraction proceedings which were instituted by the CMVM and the Portuguese Central Bank (*Banco de Portugal*), with regard to which these may have recourse to the competent Courts, and the value of which is expected to reach € 808,500.00.

Marketable Securities.

Under this item in the Balance Sheet, there is subscription to investment units in the fund Millennium Prudente, acquired for the value of € 5.7975, totalling € 1,659,000.00. As at 31-12-2005 the value of each unit was € 5.7997, establishing the value of the investment at € 1,659,629.55.

Guarantees established in favour of the Scheme.

Pursuant to Article 6/2 Decree-Law No. 222/99, 22 June and Article 8 CMVM Regulation No. 2/2000, the participating entities have to constitute a pledge to the Scheme of securities in a central depository system, as a guarantee of the binding obligation to deliver to the Scheme, if activated, the amounts necessary for payment of compensation owed to the investors.

As at 31 December 2005, total pledges, valued in accordance with Article 8/6 & 7 of the above-mentioned Regulation, was € 52,069,836.38. The valuation of the said pledges based on the closing price of 2005 for each security amounted to €52,064,843.00.

Deputy Director of the

Administrative & Financial Dept—CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member



2005 Financial Statements

APPENDIX I

Profit & Loss Statement

As at 31 December 2005

Value in Euros

NOTE 45

| EXPENDITURE | FINANCIAL YEARS | | INCOME | FINANCIAL YEARS | |
|----------------------------------|------------------|------------------|------------------------|------------------|------------------|
| | 2005 | 2004 | | 2005 | 2004 |
| 681. Interest and similar costs | | | 781. Interest received | 58.834,00 | 43.613,99 |
| 688. Other financial expenditure | 119,60 | 138,32 | | | |
| <i>Financial Results</i> | 58.714,40 | 43.475,67 | | | |
| TOTAL EXPENDITURE | 58.834,00 | 43.613,99 | TOTAL INCOME | 58.834,00 | 43.613,99 |

Deputy Director of the

The Administrative and Financial Dept - CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member

APPENDIX II

Extraordinary Profit & Loss Statement

As at 31 December 2005

Value in Euros

NOTE 46

| EXPENDITURE | FINANCIAL YEARS | | INCOME | FINANCIAL YEARS | |
|---|-----------------|--------------|--|------------------|--------------|
| | 2005 | 2004 | | 2005 | 2004 |
| 695. Fines and other penalties | 0,00 | 200,00 | 797. Corrections related to previous years | 0,00 | 94,72 |
| 697. Corrections relating to previous years | 0,00 | 30,49 | 798. Other extraordinary income | 3,50 | |
| 698. Other extraordinary expenditure | | | | | |
| <i>Extraordinary Results</i> | 3,50 | - 135,77 | | | |
| TOTAL EXPENDITURE | 3,50 | 94,72 | TOTAL INCOME | 58.834,00 | 94,72 |

Deputy Director of the

The Administrative and Financial Dept - CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member



2005 Financial Statements

Cash Flow Statement

From 01 January to 31 December 2005

Value in Euros

| | 2005 | | 2004 | |
|--|-------------|---------------------|------------|---------------------|
| OPERATING ACTIVITIES: | | | | |
| Income from several debtors | 292.670,15 | | 141.850,96 | |
| Supplier payments | 10.190,09 | | 10.870,10 | |
| Staff payments | 37.779,45 | | 39.786,04 | |
| <i>Flow generated by operations</i> | 244.700,61 | | 91.194,82 | |
| Payment/Receipt of Income Tax | - 12.002,87 | | - 8.620,45 | |
| Other receipts / payments related to activity | 1,10 | | - 200,00 | |
| <i>Flow generated before extraordinary items</i> | 232.698,84 | | 82.374,37 | |
| Receipts relating to extraordinary items | 0,00 | | 0,00 | |
| Payments relating to extraordinary items | 0,00 | | 0,00 | |
| <i>Current operations flow [1]</i> | | 232.698,84 | | 82.374,37 |
| INVESTMENT ACTIVITIES: | | | | |
| Receipts from : | | | | |
| Interest and similar income | 60.014,30 | | 43.085,14 | |
| <i>Flow generated by investment activities [2]</i> | | 60.014,30 | | 43.085,14 |
| | | 60.014,30 | | 43.085,14 |
| Cash fluctuations and cash equivalents [3] = [1] + [2] | | 292.713,14 | | 125.459,51 |
| Exchange rate disparities' effects | | 0,00 | | 0,00 |
| Cash and cash equivalents at the beginning of the period | | 2.170.098,05 | | 2.044.638,54 |
| Cash and cash equivalents at the end of the period | | 2.462.811,19 | | 2.170.098,05 |

Deputy- Director of

The Administrative and Financial Dept - CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member



2005 Financial Statements

Appendix to Cash Flow Statement As at 31 December 2005

Value in Euros

| | 2005 | 2004 |
|--|--------------|--------------|
| Cash | 0.00 | |
| Bank deposit available immediately | 803,811.19 | 2,170,098.05 |
| Cash equivalents | 0.00 | 0.00 |
| Cash & equivalents | 803,811.19 | 2,170,098.05 |
| Other available funds | | |
| Investment Units | 1,659,000.00 | |
| Available funds as stated in Balance Sheet | 2,462,811.19 | 2,170,098.05 |

Deputy Director of the

Administrative & Financial Dept - CMVM
Ana Bela Alves

The Board

Amadeu José Ferreira - Chairman
José António da Silveira Godinho - Member
Mário Luís Vicente Arraia - Member



Report & Statement of Opinion of the Supervisory Committee



REPORT & STATEMENT OF OPINION OF THE SUPERVISORY COMMITTEE

1. In compliance with the relevant legal provisions and in exercise of the mandate which has been conferred upon us, we hereby issue this Statement of Opinion on the Annual Report and Financial Statements presented by the Board of the SII (*Sistema de Indemnização aos Investidores*) for the 2005 financial year.
2. We have monitored the activities of the SII, mainly by analysing the documentation, in particular the monthly accounts and the minutes of the meetings held by the Board and Executive Committee which were systematically submitted to us.
3. We have examined the Board's report on the activities of the SII during 2005, particularly its conformity with the financial statements for the said financial year, taking into account that this document clearly demonstrates the performance of this entity.
4. We have read the Annual Report of the audit by a member of this Committee acting in the capacity of Internal Auditor.
5. We have examined the financial statements (Balance Sheet, Profit & Loss Account, Appendix to the Balance Sheet and Profit & Loss Account, and the Cash Flow Statement), and came to the conclusion that the said documents are a true reflection of the SII's assets as at 31/12/05, and the means by which the results were achieved during the financial year which ended on the aforementioned date.
6. We wish to emphasize the full co-operation of the Board and Services which contributed greatly to the performance of our supervisory functions.

OPINION

7. Considering the above, this Supervisory Committee is of the opinion that all the conditions necessary for the approval of the present Report and Financial Statements for the 2005 financial year have been fulfilled.

Lisbon, 21 March 2006

The Supervisory Committee,

Maria Irene Brás Gonçalves Rodrigues de Carvalho - Chairwoman
Maria de São José Lino Vaz de Carvalho - Member
Amável Alberto Freixo Calhau, Member, Chartered Accountant
(representing *Sociedade de Revisores Oficiais de Contas*
Amável Calhau, Ribeiro da Cunha e Associados)



SISTEMA DE INDEMNIZAÇÃO DOS INVESTIDORES

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