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J. - D. P. A.

REPUBLIC OF PORTUGAL

€ 3,250,000,000

4.75% Obrigações do Tesouro due June 14, 2019

TAP Issue

To be consolidated, fungible and form a single series with the existing € 7,664,750,000 4.75% Obrigações do Tesouro Benchmark due June 14, 2019 on January 16, 2014 (the "Closing Date")

Issue Price: 100.410%

Application has been made to list the Obrigações do Tesouro on the MTS, BrokerTec, BGC-eSpeed and Euronext Lisbon

Barclays

Caixa - Banco de Investimento

Goldman Sachs International

HSBC

Morgan Stanley

**Société Générale Corporate &
Investment Banking**

Banco BPI

Banco Espírito Santo

BNP PARIBAS

Crédit Agricole CIB

Deutsche Bank

ING

Jefferies International

Nomura

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This Information Memorandum primarily contains certain information in relation to the tap issue of € 3,250,000,000 4.75% Obrigações do Tesouro due June 14, 2019 (the "OTs") of The Republic of Portugal (the "Republic" or the "Issuer"), which are to be consolidated, fungible and form a single series with the € 7,664,750,000 4.75% Obrigações do Tesouro Benchmark due June 14, 2019. The delivery of this Information Memorandum at any time does not imply that the information herein is correct as of any time subsequent to the date of this Information Memorandum. This Information Memorandum does not constitute an offer of or an invitation by or on behalf of the Republic to subscribe for or purchase any of the OTs.

The Issuer has taken all reasonable care to ensure that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading and there are no other facts the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any opinions or intentions misleading in any respect. The Issuer accepts responsibility accordingly.

This Information Memorandum does not constitute an offer or an invitation or the solicitation of an offer by or on behalf of the Republic or by or on behalf of the Managers or any of them as defined in "Subscription and Sale" below, to subscribe or purchase any of the OTs. It may not be used for or in connection with any offer to, or solicitation by, anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Information Memorandum and the offering or sale of the OTs in certain jurisdictions may be restricted by law. Neither the Republic or the Managers represent that this Information Memorandum may be lawfully distributed, or that any OTs may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. Accordingly, no OTs may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstance that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Republic and the Managers to inform themselves about, and to observe, any such restrictions on the distribution of this Information Memorandum and the offering and sale of the OTs. For a description of certain restrictions on offers, sales and deliveries of the OTs and on the distribution of this Information Memorandum and other offering material relating to the OTs, see "Subscription and Sale".

No person is authorised to give any information or to make any representation not contained in this Information Memorandum in connection with the issue and sale of the OTs, and if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or any of the Managers. Neither the delivery of this Information Memorandum nor any sale made in connection with the issue of the OTs shall, under any circumstances, create any implication that there has been no change in the affairs of the Republic since the date hereof.

No action has been taken or will be taken by the Republic or the Managers that would permit a public offering of the OTs or the circulation or distribution of this Information Memorandum or any offering material in relation to the Republic or the OTs, in any country or jurisdiction where action for that purpose is required.

References herein to "€" and "Euro" are to the lawful currency of the member states participating in the European Monetary Union.

In connection with the distribution of the OTs, Barclays Bank PLC, or any person acting for it (the "Stabilisation Agent") may, to the extent permitted by any applicable laws and regulations, over-allot OTs or effect transactions with a view to supporting the market price of the OTs at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Agent (or persons acting on behalf of the Stabilisation Agent) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate disclosure of the terms of the offer of the OTs is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Closing Date (as defined below) of the OTs and 60 days after the date of the allotment of the OTs. Any stabilisation action or over-allotment must be conducted by the Stabilisation Agent in accordance with the applicable laws and rules.

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Description of the OTs

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Form and Denomination

The aggregate principal amount of the OTs is € 3,250,000,000, which will add to the existing issue of € 7,664,750,000 4.75% Obrigações do Tesouro Benchmark due June 14, 2019 and with which the OTs are to be consolidated, fungible and form a single series. The OTs are issued in book-entry form in the Portuguese securities depository and clearing system (the "Central de Valores Mobiliários" or the "CVM") in the denomination of € 0.01 each. No definitive certificates will be issued.

Status

The OTs and all obligations of the Republic under the OTs are direct, unconditional, unsecured, unsubordinated and general obligations of the Republic and rank *pari passu* without preference or priority among themselves and at least *pari passu* with all other existing and future unsecured Indebtedness of the Republic.

"Indebtedness" means all indebtedness of the Republic in respect of money borrowed by the Republic.

Interest

The OTs bear interest from and including June 14, 2013 at the rate of 4.75% per annum payable annually in arrear on June 14 of each year. The first interest payment will be made on June 14, 2014, for the period from and including June 14, 2013 to but excluding June 14, 2014. The OTs will cease to bear interest from the Maturity Date (as defined below). Where interest is to be calculated in respect of a period of other than one year, it will be calculated on the basis of the actual number of days elapsed, divided by the actual number of days (365 or 366) of the respective interest period. Interest accrual basis is Actual/Actual (ICMA).

Redemption and Purchase

Unless previously purchased and cancelled, the Republic will redeem the OTs at their principal amount on June 14, 2019 (the "Maturity Date").

The Republic shall have the right at any time to purchase OTs in the open market or otherwise. Any OTs purchased as aforesaid will be cancelled forthwith and may not be reissued or sold.

Payments

All payments in respect of the OTs will be made by Banco de Portugal following instructions of the Republic as Issuer. Banco de Portugal will pay the CVM, which will then credit the respective accounts of its registered book-entry accountholders with positions in OTs, including, in the case of OTs held with Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme*, Luxembourg ("Clearstream") the accounts with the CVM through which Euroclear and Clearstream hold their positions in the OTs.

If any date for payment of interest or principal on the OTs is not a business day of the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (a "TARGET Settlement Day") then payment will be made on the next succeeding TARGET Settlement Day without any interest or other sum being payable in respect of the delay in payment.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto.

Taxation

The following summary is based on Portuguese tax laws in force on the date of this Information Memorandum and is subject to changes in tax laws, which may have a retroactive effect. This summary is not exhaustive and prospective purchasers of OTs are advised to consult their own tax advisers as to Portuguese law and other tax consequences of the purchase, ownership and disposal of the OTs.

Investment income derived on the OTs paid to a holder (who is the effective beneficiary thereof) considered to be resident in the Portuguese territory for tax purposes is subject to withholding tax (where a Portuguese issuer or paying agent exist) at a rate of 28% for single taxpayers. Where a Portuguese paying agent does not intermediate the payment or the income is not paid by the Portuguese issuer, the same final taxation of 28% applies upon the submission of the relevant Personal Income Tax Return.

Regarding holders that are corporate entities resident in the Portuguese territory (or non-residents having a permanent establishment therein to which income is imputable), except where the holder is either a Portuguese resident financial institution or a non-resident financial institution having a permanent establishment in the Portuguese territory to which the income is imputable, or other entity benefiting from a reduction or an exemption of the withholding tax, as specified by current Portuguese tax law, a 25% withholding tax rate will apply, which is treated as a payment in advance, being, the holders entitled to deduct such withholding tax from their Corporate Income Tax Liability and to a refund in case it exceeds their final tax liability.

Regarding holders that are individuals resident in the Portuguese territory, withholding tax shall be considered as final, unless the individual elects to include income received on the OTs in his taxable income, being therefore subject to tax at the general progressive Personal Income Tax rates of up to 48% (additional solidarity tax excluded). If the taxpayer elects to include the OTs income in his taxable income he has also to include other investment income and capital gains from sale or disposal of securities received in the civil year in his taxable income. In this case, the tax withheld is deemed to be a payment on account of the final tax due, being the holders entitled to deduct such withholding from their final Personal Income Tax liability and to a refund in case it exceeds this liability. In addition to the general progressive Personal Income Tax rates up to 48%, an extraordinary surtax ("*sobretaxa extraordinária*") of 3.5% is due upon the taxpayers taxable income exceeding the annual minimum guaranteed remuneration. Moreover, annual taxable income exceeding € 80,000 up to € 250,000 is subject to an additional solidarity tax ("*taxa adicional de solidariedade*") of 2.5% and annual taxable income above € 250,000 is subject to an additional solidarity tax of 5%. The quantitative part of the taxable income that exceeds € 80,000, when more than €250,000, is divided in two parts: one equal to €170,000 to which is applicable the 2.5% rate and another one equal to the taxable income that exceeds €250,000 to which is applicable the 5% rate.

Investment income derived on the OTs paid to holders (whether these are corporate entities or individuals) considered as non-residents in the Portuguese territory is also subject to a final withholding tax rate of 28% to private holders and 25% to corporate holders. The domestic withholding tax rate may be reduced in accordance with any Double Taxation Treaty signed by the Republic of Portugal, subject to compliance with certain procedures and certification requirements of the Portuguese Tax Authorities, aimed at verifying the non-resident status and eligibility for the respective Double Taxation Treaty benefits.

Where the said investment income is obtained by non-Portuguese resident holders (whether these are corporate entities or individuals) who are domiciled in jurisdictions with a more favourable tax regime, as listed in Ministerial Order ("*Portaria*") 150/2004, of February 13 amended by Ministerial Order 292/2011, of November 8, and have no permanent establishment in Portugal, a 35% final withholding tax rate applies.

Investment income on the OTs paid or made available to account holders opened in the name of one or several account holders acting on behalf of third entities not disclosed is subject to withholding tax, at a flat rate of 35%, except where the holders of such income are disclosed, in which case the general rule applies.

The OTs will not include any tax gross-up provisions.

Interest on the OTs to be paid on payment date June 14, 2014 and any capital gains derived from the OTs up to such date, will be exempt from Portuguese taxation and therefore no Portuguese income taxes will be levied whether by withholding or otherwise, provided that the OTs holders: (i) do not have residence, head-office, effective management or permanent establishment in the Portuguese territory to which the income is attributable to; (ii) are not resident in a country, territory or region subject to a clearly more favourable tax regime, included in the list approved by the Ministerial Order 150/2004, of February 13 (as amended by Ministerial Order 292/2011 of November 8), with the exception of central banks and governmental agencies of those jurisdictions; (iii) are non-resident entities whose shares are not held, directly or indirectly, in more than 20% by Portuguese resident entities, (iv) all the necessary formalities are duly fulfilled, namely proof of the non-residence status of the holders, as set forth in Decree Law 193/2005 of November 7 (as amended by Decree Law 25/2006 of February 8 and by Decree Law 29-A/2011 of March 1) and (v) the OTs are registered at a centralized system recognized as such under the Portuguese Securities Code and complementary legislation (the "CVM", as it is the case) (the "Withholding Tax Exemption"). The Issuer will not pay any additional amounts to holders of the OTs in respect of any taxes which are required to be withheld.

Interest payments in respect of the OTs to non-resident holders as well as capital gains derived by them on a sale or other disposal of the OTs after payment date June 14, 2014, will be exempt from taxation in Portugal, provided that: (i) the beneficiaries of the OTs are central banks and governmental agencies, or international

organizations recognized by the Portuguese State, or entities resident in countries or jurisdictions with whom Portugal has a convention for avoidance of double taxation or an agreement for exchange of information on tax matters in force, or other entities without a head office, place of effective management or a permanent establishment in Portugal to which the relevant income is attributable which are not domiciled in jurisdictions regarded as tax havens for Portuguese tax purposes (as set out in Ministerial Order ("Portaria") 150/2004, of February 13 amended by Ministerial Order 292/2011, of November 8); (ii) all the necessary formalities are fully fulfilled, namely proof of the non-residence status of the holders and the required data regarding the OTs and the holders, as set out in Decree-Law 193/2005, of November 7 (as amended by Decree-Law 25/2006, of February 8, Decree-Law 29-A/2011, of March 1 and Law 83/2013, of December 9); and (iii) the OTs are registered (A) at a centralized system recognized under the Portuguese Securities Code and complementary legislation (the "CVM", as it is the case), or (B) at an international clearing system operated by a managing entity established in a member state of the EU other than Portugal (the EUROCLEAR and CLEARSTREAM Luxembourg) or in a EEA Member State provided that such state is bound to cooperate with Portugal under an administrative cooperation agreement in tax matters similar to the exchange of information arrangements in relation to tax matters existing within the EU member states or (C) at other centralized systems provided that authorized, for purposes of Decree-Law 193/2005, of November 7, as amended, by the Portuguese government. The Issuer will not pay any additional amounts to holders of the OTs in respect of any taxes which are required to be withheld.

The above-mentioned Withholding Tax Exemption is foreseen and subject to the requirements set forth in Decree-Law 193/2005, of November 7, as amended by Decree-Law 25/2006, of February 8, Decree-Law 29-A/2011, of March 1 and, regarding interest payments after June 14, 2014, by Law 83/2013, of December 9, which establishes the tax regime applicable to debt securities issued by Portuguese public or private entities and held by the entities identified in the previous paragraph.

The European Directive on the taxation of savings income (the "Savings Directive") has been implemented and, subject to a number of important conditions being met, Member States of the European Union shall apply it. The Savings Directive was implemented in the Portuguese jurisdiction by way of Decree Law 62/2005, of March 11, as amended by Law 39-A/2005, of July 29 and Law 37/2010, of September 2, under which Portugal is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a paying agent - as defined in the Savings Directive - within its jurisdiction to an individual resident in that other Member State. The forms currently applicable to comply with the reporting obligations arising from the Savings Directive are available for downloading at:

http://info.portaldasfinancas.gov.pt/pt/apoio_contribuinte/modelos_formularios/directivas_poupanca_obrigacoes/

Prescription

Claims against the Republic for the payment of principal in respect of the OTs shall prescribe within ten years after the due date thereof. Claims against the Republic for the payment of interest in respect of the OTs shall prescribe within five years after the due date thereof.

Notices

All notices in respect of any information concerning the OTs shall be published in the Official Gazette (*Diário da República – II Série*).

Further Issues and Consolidation

The Republic may from time to time, without the consent of the holders of the OTs, create and issue further OTs so as to be consolidated and form a single issue with the OTs.

Governing Law and Jurisdiction

The OTs are governed by, and shall be construed in accordance with, Portuguese law.

In relation to any legal action or proceedings arising out of or in connection with the OTs ("Proceedings"), the Republic irrevocably submits to the jurisdiction of the courts of the Republic of Portugal and waives any objection to Proceedings in any such courts whether on the grounds that the Proceedings have been brought in an inconvenient forum or otherwise. These submissions are made for the benefit of each of the holders of the OTs and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any court of competent jurisdiction preclude any of them from taking Proceedings in any other court of competent jurisdiction (whether concurrently or not) unless precluded

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by applicable laws. The Republic agrees that, in the event of Proceedings being brought against the Republic, no immunity from such Proceedings or execution of judgment shall be claimed by or on behalf of the Republic or with respect to its assets (save for any property or assets used for public services purposes or in the public domain as provided by any applicable laws of the Republic), the Republic hereby irrevocably waiving any such right of immunity that it or such assets have at the date of this Information Memorandum or may hereafter acquire except to the extent that any such waiver of immunity from Proceedings or from execution of judgment is excluded by applicable laws.

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General Information

Authorisation

The tap issue, which is to be consolidated, fungible and form a single series with the € 7,664,750,000 4.75% Obrigações do Tesouro Benchmark due June 14, 2019, was authorised by resolutions of the Board of Directors of Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E. dated January 8 and January 13, 2014.

Subscription and Sale

Banco BPI, S.A., Banco Espírito Santo, S.A., Barclays Bank PLC, BNP Paribas, Caixa – Banco de Investimento, S.A., Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, HSBC France, ING Bank N.V. Belgian Branch, Jefferies International Limited, Morgan Stanley & Co. International plc, Nomura International plc and Société Générale (together, the "Managers") have, pursuant to a Subscription Agreement dated January 15, 2014 severally and not jointly agreed with the Republic, subject to the satisfaction of certain conditions, to subscribe for the OTs at an issue price of 100.410% of their principal amount less a total commission (including combined management and underwriting commission and the selling concession) of 0.125% of such principal amount. The Subscription Agreement entitles the Managers to terminate it in certain circumstances prior to payment being made to the Republic. The Managers have agreed to perform certain market making functions in relation to the OTs in accordance with Regulation n° 2-C/2012, as amended by rectification statement 295/2013 of February 28, of the Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E. regarding the issuance of Obrigações do Tesouro and the status of market operators.

Clearing and Settlement

The OTs will be created in the book-entry account of the Republic with the CVM on the TARGET Settlement Day prior to January 16, 2014 (the Closing Date). On the same day, the Republic will transfer the OTs free of payment to the book-entry account no. 22143 of the Republic with Euroclear, thus holding them in CVM through Euroclear. On the Closing Date, the OTs will be settled against payment through Barclays Bank PLC, Clearstream account no 34797. Immediately thereafter, delivery of the OTs will be effected by Barclays Bank PLC on a delivery versus payment basis in accordance with current Euroclear and Clearstream procedures.

Sales Restrictions

General

No action has been or will be taken by the Republic or any of the Managers that would permit a public offering of any of the OTs, or possession or distribution of this Information Memorandum (in proof or in final form) or any other offering material or any supplementary information memorandum, in any country or jurisdiction where action to that purpose is required. Accordingly, no OTs may be offered, sold or delivered nor may this Information Memorandum or any other offering or publicity material be distributed or published in any country or jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations. In particular, no representation is made that the OTs may lawfully be sold in compliance with any applicable registration requirements and neither the Republic nor the Managers assume any responsibility for facilitating such sales. Persons into whose hands this Information Memorandum comes are required by the Republic to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver OTs or have in their possession or distribute this document, in each case at their own expense.

United Kingdom

Each Manager has represented, warranted and agreed that it:

- (a) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any OTs in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by each of them in relation to the OTs in, from or otherwise involving the United Kingdom.

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United States

The OTs have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the OTs may be offered or sold by the Managers directly or through their respective U.S. broker-dealer affiliates to Qualified Institutional Buyers (as defined in Rule 144A ("Rule 144A") under the Securities Act) in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. Prospective purchasers are hereby notified that sellers of OTs may be relying on the exemption from the provisions of the section 5 of the Securities Act provided by Rule 144A.

In addition, until 40 days after the commencement of the offering of the OTs, an offer or sale of OTs within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Each of the Managers has agreed to deliver or cause to be delivered to each person to whom OTs are sold under Rule 144A, prior to the time of sale, a notice to the following effect:

"As a purchaser of the tap issue € 3,250,000,000 4.75% Obrigações do Tesouro due June 14, 2019 (the "OTs") you will be deemed to have represented and agreed as follows:

- (1) You understand that the OTs have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") and may not be reoffered, resold, pledged or otherwise transferred except (A) (i) to a person whom you reasonably believe is a Qualified Institutional Buyer ("QIBs") (as defined in Rule 144A under the Securities Act) purchasing for its own account or the account of one or more QIBs in a transaction meeting the requirements of Rule 144A; (ii) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act; (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 (if applicable); or (iv) pursuant to an effective registration statement under the Securities Act and (B) in accordance with all applicable securities laws of the United States and other jurisdictions. No representation can be made as to the availability of the exemption provided by Rule 144 for resales of the OTs.
- (2) No representation is made by any of the Managers as to the truth, accuracy or completeness of any information regarding the Issuer. You have made such investigation of the Issuer and the OTs, including the tax consequences of ownership, as you have deemed necessary and have not relied on any investigation or verification that the Managers may have undertaken for the purposes of the offering. Investors will be deemed to have represented and agreed that they have relied on no such representation and have made their own assessment of the Issuer and the OTs.
- (3) If you are a Qualified Institutional Buyer (as defined in Rule 144A under the Securities Act), (a) you are aware that the sale of the OTs is being made to you in reliance upon Rule 144A, (b) you are acquiring the OTs for your own account or for the account of a Qualified Institutional Buyer (as defined in Rule 144A under the Securities Act), as the case may be, and (c) you are not acquiring such OTs with a view to any resale or distribution thereof other than in accordance with the restrictions set forth above."

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR ANY TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

The Netherlands

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Each of the Managers has represented and agreed that any OTs that are offered in The Netherlands in order to comply with the Act on Financial Supervision (*Wet op het financieel toezicht*) and the regulations pursuant thereto, as amended from time to time (the "Act"), can only be offered, as part of their initial distribution or by way of re-offering, to qualified investors ("Qualified Investors") within the meaning of and as further described and defined in article 1:1 of the Act being:

- (a) legal person or company licensed or otherwise authorised or regulated to operate in the financial markets;
- (b) legal person or company without a licence and not so authorised or regulated to operate in the financial markets with the sole corporate purpose to invest in securities;
- (c) national or regional governments, central banks, international and supranational institutions and similar international institutions;
- (d) legal person or company having its registered office in The Netherlands which:
 - (1) meet at least two of the following three criteria:
 - (i) an average number of employees over the financial year of less than 250;
 - (ii) a balance sheet total not exceeding € 43,000,000; and
 - (iii) an annual net turnover not exceeding € 50,000,000; and
 - (2) at their own request, have been registered as qualified investor by the *Autoriteit Financiële Markten* (the Financial Markets Authority, the "AFM");
- (e) legal person or company which according to their most recent (consolidated) annual accounts meet at least two of the following three criteria:
 - (i) an average number of employees over the financial year of at least 250;
 - (ii) a balance sheet total in excess of € 43,000,000; and
 - (iii) an annual net turnover in excess of € 50,000,000;
- (f) natural persons residing in The Netherlands who have been registered as qualified investor by the AFM and who meet at least two of the following three criteria:
 - (1) the investor has carried out transactions of a significant size on securities markets at an average frequency of, at least, ten (10) per quarter over the previous four quarters;
 - (2) the size of the person's securities portfolio exceeds € 500,000; and
 - (3) the person works or has worked for at least one year in the financial sector in a professional position which requires knowledge of securities investment;
- (g) natural persons or enterprises considered as qualified investors in another Member State pursuant to article 2, first paragraph, part (e) under (iv) alternatively (v), of the Prospectus Directive;

provided that it must be made clear both upon making the offer and in any documents or advertisements in which a forthcoming offering of such OTs is publicly announced (whether electronically or otherwise) that such offer is exclusively made to such Qualified Investors.

Listing Information

Application has been made for the OTs to be listed on the MTS, BrokerTec, BGC-eSpeed and the Euronext Lisbon.

Use of Proceeds

The net proceeds of the sale of the OTs, in the amount of € 3,350,618,664.38, will be used to finance 2014 gross borrowing needs of the Republic.

Ratings

All outstanding debt of the Republic is rated "Ba3" by Moody's Investor Service Inc, "BB" by Standard and Poor's Ratings Group and "BB+" by Fitch Ratings.

Litigation

To the best of its knowledge and belief, the Republic is not involved in any litigation, arbitration or administrative proceedings which is material in the context of this issue of the OTs, and to the best of the knowledge of the Republic, no such litigation, arbitration or administrative proceedings is threatened or contemplated.

Common Code: 041403683
ISIN Code: PTOTEMOE0027
CVM Code: OTEMOE

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Republic of Portugal

represented by

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