

Date: 2nd November 2011

APPLICABLE FINAL TERMS

ESPIRITO SANTO INVESTMENT p.l.c.

**EUR 5Y Auto Callable Spanish Shares Notes due on 4th November 2016 (the "Notes")
issued pursuant to the € 2,500,000,000 Euro Medium Term Note Programme**

With the benefit of a Keep Well Agreement
provided by
BANCO ESPIRITO SANTO DE INVESTIMENTO, S.A.

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

(i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(ii) in those Public Offer Jurisdictions mentioned in Paragraph 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 2 August 2011, as supplemented on 5 September 2011, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State) (the Prospectus Directive). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the relevant Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing at <http://www.esinvestment.com> and during normal business hours at Rua Alexandre Herculano, 38, 1269-161 Lisbon and copies may be obtained at the same address. The Offering Circular also comprises listing particulars for the purposes of giving information with regard to the issue of Notes with a maturity of less than 365 days as commercial paper of the Issuer under the Programme during the period of twelve months after the date thereof. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Contractual Terms and the Offering Circular.

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|--|---|
| 1. Issuer: | Espirito Santo Investment p.l.c. |
| 2. (i) Series Number: | 604 |
| 3. Specified Currency or Currencies: | EUR |
| 4. Aggregate Nominal Amount: | EUR 233,000 |
| 5. (i) Issue Price for the Aggregate Nominal Amount: | 87.25 per cent. of the Aggregate Nominal Amount |
| (ii) Net Proceeds for the Aggregate Nominal Amount: | EUR 203,292.50 |
| 6. Specified Denominations: | EUR 1,000 |

7. (i) Issue Date for the Aggregate Nominal Amount: 4th November 2011
- (ii) Interest Commencement Date (if different from the Issue Date): 4th November 2011
8. Maturity Date: 4th November 2016, subject to adjustment in accordance with the Following Business Day and to the Early Redemption Conditions.
9. Interest Basis: Not Applicable
10. Redemption/Payment Basis: Indexed Linked Redemption, subject to adjustment according to the Early Redemption Conditions.
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Status of the Notes: Senior
14. Method of distribution: Non-syndicated
15. Governing Law: English law

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: Not Applicable
17. Floating Rate Note Provisions: Not Applicable
18. Zero coupon Note Provisions: Not Applicable
19. Indexed Note Provisions: Not Applicable
20. Dual Currency Note Provisions: Not Applicable
21. Credit Linked Notes/First to Default: Not Applicable
22. Credit Linked Note provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

23. Issuer Call: Not Applicable
24. Investor Put: Not Applicable

25. Final Redemption Amount:

Case 1 or 2, subject to Early Redemption Conditions:

$$\text{Case 1} = \text{If } \min_{j=1}^4 \left[\frac{\text{Share}_j^5}{\text{Share}_j^0} - 1 \right] \geq 0\%, \text{ then}$$

$$\text{Redemption Amount} = 333.33\% \times \text{NA}$$

otherwise,

$$\text{Case 2} = \text{If } \min_{j=1}^4 \left[\frac{\text{Share}_j^5}{\text{Share}_j^0} - 1 \right] < 0\%, \text{ then}$$

Redemption Amount =

$$\text{NA} \times \text{Max} \left[0\%; \left[1 - 200\% \times \left[1 - \min_{j=1}^4 \left[\frac{\text{Share}_j^5}{\text{Share}_j^0} \right] \right] \right] \right]$$

Where:

NA = Aggregate Nominal Amount

Share_j^0 : is the official closing price of the Underlying Share j on

Strike Fixing Date;

Share_j^5 : is the official closing price of the Underlying Share j on

Observation Date $t=5$

Underlying Shares j :

j	Underlying Share	Bloomberg code
1	Telefonica SA	TEF SM Equity
2	Banco Santander SA	SAN SM Equity
3	BBVA SA	BBVA SM Equity
4	Banco Popular Español	POP SM Equity

Strike Fixing Date: 28th October 2011

26. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)): Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. (a) Form of Notes: Bearer form, Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event.
- (b) New Global Note: No
28. Additional Financial Centre(s) or other special provisions relating to Payment Dates: Business Days for payments: London, TARGET2
29. Talons for further coupons to be attached to Definitive Notes (and dates on which such talons mature): No
30. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
31. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
 - (ii) Instalment Date(s): Not Applicable

32. Other final terms:

(i) Business day Convention:

- Exchange Business Day Convention: Following Business Day Convention (in block);

- Payment Business Day Convention: Following Business Day Convention;

(ii) Early Redemption Conditions:

On the Early Redemption Date i (for $i=1, \dots, 4$):

$$\text{If } \min_{j=1}^{j=4} \left[\frac{\text{Share}_j^i}{\text{Share}_j^0} - 1 \right] \geq \text{Trigger}^i \text{ then Redemption Amount =}$$

333.33% x NA and the issue will be cancelled;

otherwise Redemption Amount = 0.00% and the issue continues to the next Early Redemption date or Maturity Date

Where:

Share_j^0 : is the official closing price of the Underlying Share j on

Strike Fixing Date;

Share_j^i : is the official closing price of the Underlying Share j on

Observation Date i (for $i=1, \dots, 4$)

Strike Fixing Date: 28th October 2011

(iii) Observation Dates, Triggers and Early Redemption Dates:

i	Observation Dates	Early Redemption and Maturity Dates	Triggers
1	29 th October 2012	5 th November 2012	40%
2	28 th October 2013	4 th November 2013	30%
3	28 th October 2014	4 th November 2014	20%
4	28 th October 2015	4 th November 2015	10%
5	28 th October 2016	4 th November 2016	0%

If any Observation date is not an Exchange Business Day, the Observation Date will be moved to the following Exchange Business Day for all Underlying Shares.

(iv) Other Terms:

If any determination is required, it will be made by the Calculation Agent. Whenever the Calculation Agent is required to act or to exercise judgment, it will do so in good faith and in a commercially reasonable manner, including by reference to the relevant ISDA Definitions.

Calculation Agent: Banco Espirito Santo de Investimento, S.A.

Please see Annex I for Additional Provisions.

DISTRIBUTION

33. If syndicated, names and addresses of Managers and underwriting commitments:

Not Applicable

34. **If non syndicated, name and address of relevant Dealer:** Banco Espírito Santo de Investimento, S.A.
Rua Alexandre Herculano, 38
1269-161 Lisbon, Portugal
See further Paragraph 10 of Part B below.
35. **Total commission and concession:** Not Applicable
36. **U.S. Selling Restrictions:** Tefra C
37. **Non exempt Offer:** An offer of the Notes may be made by the Dealer or by other parties authorised by the Dealer (together with the Dealer, the Financial Intermediaries) other than pursuant to Article 3(2) of the Prospectus Directive in Ireland, the United Kingdom and Portugal (**Public Offer Jurisdictions**), during the period from the Issue Date until 04th October 2016 (Offer Period). See further Paragraph 10 of Part B below.
38. **Additional Selling Restrictions:** Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue of the Notes described herein pursuant to the €2,500,000,000 Euro Medium Term Note Programme of Espirito Santo Investment plc. and Banco Espirito Santo de Investimento, S.A.

RESPONSIBILITY

The Issuer and Banco Espirito Santo de Investimento, S.A. accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: [Signature]
Duly authorised

By: Marta Carvalho
Duly authorised

Signed on behalf of Banco Espirito Santo de Investimento, S.A.:

By: [Signature]
Duly authorised

By: Marta Carvalho
Duly authorised

Sofia Gomes
Capital Markets Origination
Associate

Marta Carvalho
DRF - Fixed Income
Assistant Vice President

KEEP WELL AGREEMENT

Banco Espirito Santo de Investimento, S.A. hereby confirms that the Keep Well Agreement executed on 25 July 2007 (as amended and/or supplemented and/or restated from time to time) will apply in relation to the Notes of this Series.

Signed on behalf of Banco Espirito Santo de Investimento, S.A.:

By: [Signature]
Duly authorised

By: Marta Carvalho
Duly authorised

Sofia Gomes
Capital Markets Origination
Associate

Marta Carvalho
DRF - Fixed Income
Assistant Vice President

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING:

Irish Stock Exchange

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Irish Stock Exchange with effect from the Issue Date.

2. RATINGS

Ratings:

Not Applicable

[Handwritten mark]

3. INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, as far as the Issuer is aware, no person involved in the issue of Notes has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) **Reasons for the offer:** The net proceeds will be applied by the Issuer in the ordinary course of its business, which includes making a profit.
 - (ii) **Estimated Net Proceeds for the Aggregate Nominal Amount:** EUR 203,292.50
 - (iii) **Estimated total expenses:** None
- 5. YIELD (Fixed Rate Notes Only):** Not applicable
- 6. HISTORIC INTEREST RATES (Floating Rate Notes only):**
Not applicable
- 7. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (Index Linked Notes only)**
Not applicable
- 8. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only):**
Not applicable
- 9. INFORMATION IN RELATION TO THE REFERENCE ENTITY(IES), EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ENTITY(IES) (Credit Linked Notes only)**
Not applicable

10. OPERATIONAL INFORMATION

- (i) **ISIN Code:** XS0702059980
- (ii) **Common Code:** 70205998
- (iii) **Any clearing system(s) other than Euroclear bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification numbers:** Not applicable
- (iv) **Delivery:** Delivery against payment
- (v) **Names and addresses of additional Paying Agent(s) (if any):** Banco Espirito Santo de Investimento, S.A.
- (vi) **Intended to be held in a manner which would allow Eurosystem eligibility:** No

11. TERMS AND CONDITIONS OF THE OFFER

Re-offer Price: Issue Price
Other Information: The Maximum Aggregate Nominal Amount is EUR 10,000,000

ANNEX I

Additional Provisions:

Share Adjustments:

Method of Adjustment: Calculation Agent

Extraordinary Events:

-Merger Events:

Consequences of Merger Events:

Share-for-Share: Calculation Agent

Share-for-Other: Calculation Agent

Share-for-Combined: Calculation Agent

Determining Party: The Calculation Agent.

-Tender Offer: Applicable.

Consequences of Tender Offers:

Share-for-Share: Calculation Agent

Share-for-Other: Calculation Agent

Share-for-Combined: Calculation Agent

Determining Party: The Calculation Agent.

Composition of Combined Consideration: Not Applicable

Determining Party: Calculation Agent.

Additional Extraordinary Events

Mean each event that may cause an increase or reduction in the number of Shares comprised in the Basket.

All references in these "Extraordinary Events" provisions to "Strike Price" shall be deemed to include not only Strike Price, but Initial Price and any other price of a Share that has been determined and used to calculate any cash amount or to settle the Transaction by means of delivery of Shares, as the case may be, according to this Confirmation.

All references in these "Extraordinary Events" provisions to "Relevant Price" shall be deemed to include not only Relevant Price, but Final Price, and any other price of a Share that has not been determined yet and that will be used to calculate any cash amount or to settle the Transaction by means of physical delivery of Shares, as the case may be, according to this Confirmation.

A) Merger Event between Issuers of Shares comprised in the Basket (the "Affected Shares"):

(i) The resulting Share from the merger will continue forming part of the Basket (the "Successor Share") and the Calculation Agent may make the required adjustment, if any, according to the Consequences of Merger Event provisions.

(ii) Additionally, in order to maintain the same number of Basket components and according to the Substitution Method provision, New Share/s will be added to the Basket, and the Strike Price will be adjusted according to the Adjustment in the New Share provision.

B) Tender Offer between Issuers of Shares comprised in the Basket (the "Affected Shares"):

(i) The Share of the Issuer that has obtained the voting rights of the Issuer of another Share will continue forming part of the Basket (the "Successor Share") and the Calculation Agent may make the required adjustment, if any, according to the Consequences of Tender Offers provisions.

(ii) Additionally, in order to maintain the same number of Basket components and according to Substitution Method provision, New Share/s will be added to the Basket, and the Strike Price will be adjusted according to the Adjustment of the New Share provision.

C) Nationalization, Insolvency or Delisting. In these cases, the Calculation Agent will add New Share/s to the Basket to substitute the Share/s affected by Nationalization, Insolvency or Delisting (the "Affected Share/s"), according to the Substitution Method, in order to maintain the same number of Basket components. Additionally, the Calculation Agent will determine the Strike Price/s of the New Share/s according to the Adjustment of the New Share provision.

D) Spin off or De-merger of an Issuer of a Share:

If an Issuer of a Share comprised in the Basket (the "Affected Share") de-merges or "spins-off" other entity/entities from it, the Affected Share will be substituted by a Basket component according to the following procedures:

a.) In the event of assignment of a relevant part of the assets of the Affected Share's Issuer to an entity/entities resulting from the de-merger or spin-off (Spun-off Share/s) of the Affected Share's Issuer without going into winding up or liquidation, the Relevant Price for this Basket component shall be determined by the sum of the relevant price of the Affected Share plus the result of the product of the Consideration Factor (as defined below) and the relevant price of the Spun-off Share/s.

b.) In the event of a De-merger or Spun off of the Affected Share's Issuer that results (i) the Affected Share ceased to exist (ii) the incorporation of two or more Issuers of shares (Spun-off Shares), the Relevant Price for this Basket component shall be determined by the addition of the resulting product of the Consideration Factor (as defined below) and the relevant price of each Spun-off Share.

Consideration Factor means the proportion (expressed as a decimal) of a Spun-off Share that is obtained for each Affected Share according to the following formula:

Consideration Factor = Total number of Spun-off Shares/ total number of Affected Shares before the Spin off.

Substitution Method

The Calculation Agent, in order to maintain the same number of Shares in the Basket, as soon as reasonably practicable, after been aware of any event in paragraph A), B) or C) above, will communicate to the Noteholders the new share/s (the "New Share/s") that will be included in the Basket in substitution of the Affected Share/s. The communication will also include the effective date of this Extraordinary Event (the "Effective Date").

Each New Share must be part of the relevant index included in Annex I in connection with each Share. If possible, each New Share will belong to the same economic sector and geographical area as that of the Affected Share, and will be selected taking into account the variables that affect the quotation of the shares and the derivative instruments which such share is underlying.

Adjustment of the New Share/s

The Strike Price of the New Share on the Effective Date (SPNS) will be determined taking into account the proportional increase or decrease in the Affected Share/s price in the period between the moment on which the Strike Price was determined and the Exchange Business Day immediately prior to the Effective Date. Therefore, the Calculation Agent will make the adjustment according to the following formula:

$$SPNS = CPNS * SPAS / CPAS$$

SPNS: Strike Price of the New Share

CPNS: Closing Price of the New Share on the Exchange Business Day immediately prior to the Effective Date.

SPAS: Strike Price of the Affected Shares according to the Confirmation

CPAS: Closing Price of the Affected Share on the Exchange Business Day immediately prior to the Effective Date.

Determining Party:

The Calculation Agent