27 September 2011

BES FINANCE LTD.
€[50,000,000] BES PORTUGAL OUTUBRO 2011-2014 NOTES
Guaranteed by Banco Espirito Santo S.A.
(acting through its London branch)

Issued under the €20,000,000,000
Euro Medium Term Note Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the "Terms and Conditions of the Notes (other than Undated Deeply Subordinated Notes)" (the "Terms and Conditions") set forth in the Prospectus dated 3 November 2010 and the supplements to the Prospectus dated 15 November 2010, 3 March 2011, 19 April 2011, 6 June 2011, 17 June 2011 and 13 July 2011 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplement to the Prospectus are available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained during normal business hours from Banco Espírito Santo, S.A., Avenida de Liberdade 195, 1250-142 Lisboa, Portugal.
A Note does not represent a claim against the Reference Entity and in the event of any loss a Noteholder will not have recourse under a Note to the Reference Entity. However, investors in the Notes will be exposed to the credit risk of the Reference Entity, the Reference Obligation and the Deliverable Obligations. The occurrence of a Credit Event in respect of the Reference Entity may cause the mandatory redemption of all of the Notes by delivery of an amount of Deliverable Obligations of the Reference Entity with face value equal to the nominal amount of the Notes.

1.	Issuer:		BES Finance Ltd.
2.	Series Number:		111
3.	Specified Currency or Currencies:		Euro (**EUR**)
4.	Aggregate Nominal Amount:		
	–	Series:	Up to EUR [50,000,000]
	–	Tranche:	Not applicable
5.	Issue Price of Tranche:		100 per cent. of the Aggregate Nominal Amount
6.	(i)	Specified Denominations:	EUR 1,000
	(ii)	Calculation Amount:	EUR 1,000
7.	Issue Date and Interest Commencement Date:		31 October 2011

8.	Maturity Date:	31 October 2014 (the "**Scheduled Maturity Date**"), subject as provided in Condition 24(h) and Condition 24(k)
9.	Interest Basis:	Index Linked (further particulars specified below)
10.	Redemption/Payment Basis:	Credit Linked Redemption
11.	Change of Interest Basis or Redemption/Payment Basis:	
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Date Board approval obtained by the issuer for issuance of Notes and by the Guarantor for the provision of the Guarantee:	[●]
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Not applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index Linked Interest Note Provisions	Applicable
	(i) Index/ Formula	Coupon (p.a.) = Max[6%; Min[8 per cent.; 6-months Euribor plus 3.50 per cent.]] save that if a Credit Event Notice has been delivered by the Calculation Agent to the Note holders, no Interest shall be payable.(see item 24) 6-months Euribor - The 11.00 AM Frankfurt/Brussels Time fixing of the 6-Month Euribor observed on Reuters page EURIBOR01 by the Issuer as of 2 TARGET Business days before the first day of the interest period
	(ii) Calculation Agent	Banco Espírito Santo, S.A. Av. Liberdade 195, 9º 1250-142 Lisbon
	(iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (If not the Agent)	Not applicable
	(iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable	Not applicable

	(v) Specified Period(s)/ Specified Interest Payment Dates	Interest will be paid semi-annually in arrears on 30 April and 31 October in each year up to and including the Maturity Date
	(vi) Business Day Convention	Following Business Day Convention
	(vii) Additional Business Centre(s)	Not applicable
	(viii) Minimum Rate of Interest	6 per cent.
	(ix) Maximum Rate of Interest	8 per cent.
	(x) Day Count Fraction	Act/360 Adjusted
19.	Dual Currency Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	Issuer Call:	Not Applicable
21.	Investor Put:	Not Applicable
22.	Final Redemption Amount:	See item 24(i) below
23.	Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or under Condition 24(l) or under Condition 24(m) if a Substitute Reference Obligation has not been identified and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)):	Not Applicable
24.	Credit Linked Note Provisions:	Applicable
	General	
	(i) Final Redemption Amount:	If a Credit Event Notice is delivered by the Calculation Agent to the Note holders at any time in the period from and including the Issue Date to and including the Maturity Date, the Notes will be redeemed on the early redemption date and no principal or interest payments shall be made and redemption shall be as set forth in the Settlement Terms below.
	(ii) Settlement Method:	Cash Settlement The provisions of Condition 24(c) shall apply
	(iii) Trade Date:	25 October 2011
	(iv) Scheduled Termination Date:	The day falling 5 Business Days prior to the Scheduled Maturity Date

(v)	Calculation Agent responsible for making calculations and determinations pursuant to Condition 24:	Banco Espírito Santo, S.A. Av. Liberdade 195, 9º 1250-142 Lisboa
(vi)	Calculation Agent City:	Lisbon

Credit Provisions

(vii)	Reference Entity:	Republic of Portugal
(viii)	Reference Obligation(s):	
	The obligation identified as follows:	
	Primary Obligor:	Republic of Portugal
	CUSIP/ISIN:	PTOTE1OE0019
(ix)	All Guarantees:	Applicable
(x)	Credit Events:	Failure to Pay Restructuring Repudiation/Moratorium
(xi)	Conditions to Settlement:	An irrevocable notice by the Calculation Agent to the Note holders describing the occurrence of a Credit Event (Credit Event Notice). Cash Settlement Notice Notice of Publicly Available Information Applicable
(xii)	Obligation(s):	
	Obligation Category (select one only):	Borrowed Money
	Obligation Characteristics (select all of which apply):	Not subordinated
	Additional Obligation(s):	Not Applicable
(xiii)	Provisions relating to Monoline Insurer to Reference Entity:	Not Applicable
(xiv)	Excluded Obligation(s):	Not Applicable

(xv)	Accrual of Interest upon Credit Event:	Not Applicable
(xvi)	Merger Event: Condition 24(l):	Not Applicable
	If Applicable: Merger Event Redemption Date:	Not Applicable
(xvii)	Unwind Costs:	Not Applicable
Terms relating to Cash Settlement		Applicable
(xviii)	Credit Event Redemption Amount	As provided in Condition 24(m)
(xix)	Credit Event Redemption Date	10 Business Days
(xx)	Valuation Date:	5 business days
(xxi)	Valuation Time:	11:00 in the principal trading market for reference obligation
(xxii)	Quotation Method:	Bid
(xxiii)	Quotation Amount:	Representative Amount
(xxiv)	Minimum Quotation Amount:	Not Applicable
(xxv)	Quotation Dealers:	The Calculation Agent will select the Dealers in consultation with all parties
(xxvi)	Quotations:	Exclude Accrued Interest
(xxvii)	Valuation Method:	Market
(xxviii)	Other terms or special conditions:	Not Applicable
Terms relating to Physical Delivery		Not Applicable
Additional terms relating to Auction Settlement:		Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	(i)	Form of Notes:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes
	(ii)	New Global Note:	No

26.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	Not Applicable
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
28.	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 of failure to pay, including any rights of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Redenomination:	Redenomination not applicable
31.	Other final 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.

DISTRIBUTION

32.	(i)	If syndicated, names of Managers:	Not Applicable
	(ii)	Date of Subscription Agreement:	Not Applicable
	(iii)	Stabilising Manager(s) (if any):	Not Applicable
33.	If non-syndicated, name of relevant Dealer:		Banco Espírito Santo
34.	U.S. Selling Restrictions:		TEFRA Not Applicable
35.	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 €20,000,000,000 Euro Medium Term Note Programme of BES Finance Ltd.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer

By: _____
Duly authorised

Signed on behalf of the Guarantor

By: _____
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and admission to trading:	Not Applicable

2. RATINGS

Ratings:	The Notes to be issued have not been rated

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

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

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

(i) Reasons for the offer	See "Use of Proceeds" wording in the Prospectus
(ii) Estimated net proceeds:	Up to EUR [50,000,000]

5. YIELD *(Fixed Rate Notes Only)*

Indication of yield:	Not applicable

6. INFORMATION IN RELATION TO THE REFERENCE ENTITY, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ENTITY *(Credit Linked Notes Only)*

The details of past and future performance and volatility of the Reference Entity can be obtained on Bloomberg page: PGB4.375 Govt

7. OPERATIONAL INFORMATION

(i)	ISIN Code:	XS0685095050
(ii)	Common Code:	[•]
(iii)	Any clearing system(s) other than Euroclear Bank S.A./ N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	Not Applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	No