

FINAL TERMS

14 October 2009

Rede Ferroviária Nacional - REFER, E.P.E.

Issue of €500,000,000 4.675 per cent. Notes due October 2024

Guaranteed by The Republic of Portugal

**under the €1,500,000,000
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 Conditions set forth in the Base Prospectus dated 18 December 2008, as supplemented by the Supplements dated 23 January 2009 and 27 August 2009 (together, the **Base Prospectus**) which constitutes 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 Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at www.refer.pt and during normal business hours at Rede Ferroviária Nacional - REFER, E.P.E., Estação de Sta. Apolónia, Largo dos Caminhos de Ferro, 1100-105 Lisbon and copies may be obtained at the same address.

1.	(a)	Issuer:	Rede Ferroviária Nacional - REFER, E.P.E.
	(b)	Guarantor:	The Republic of Portugal
2.	(a)	Series Number:	2
	(b)	Tranche Number:	1
3.		Specified Currency or Currencies:	Euro (€)
4.		Aggregate Nominal Amount:	
	(a)	Series:	€500,000,000
	(b)	Tranche:	€500,000,000
5.		Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.		Specified Denominations:	€50,000
7.	(a)	Issue Date:	16 October 2009
	(b)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	16 October 2024

9.	Interest Basis:	4.675 per cent. Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not applicable
13.	(a) Status of the Notes:	Senior
	(b) Status of the Guarantee:	Senior
	(c) Date Board, Secretary of State for Treasury and Finance and Secretary of Transport approval for issuance of Notes obtained:	13 October 2009, 10 September 2009 and 13 July 2009, respectively
	(d) Date Secretary of State for Treasury and Finance approval for issuance of Guarantee obtained:	10 September 2009
14.	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(a) Rate(s) of Interest:	4.675 per cent. per annum payable annually in arrear
	(b) Interest Payment Date(s):	16 October in each year up to and including the Maturity Date
	(c) Fixed Coupon Amount(s):	€2,337.50 per €50,000 Specified Denomination
	(d) Broken Amount(s):	Not Applicable
	(e) Day Count Fraction:	Actual/Actual (ICMA)
	(f) Determination Date(s):	16 October in each year
	(g) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable

18. Index Linked Interest Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

19. Issuer Call: Not Applicable

20. Investor Put: Not Applicable

21. Final Redemption Amount: €50,000 per €50,000 Specified Denomination

22. Early Redemption Amount 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 7.5): Condition 7.5 applies

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes:

(a) Form: Book-entry ("*escriturais*") form and nominative ("*nominativas*") Notes held through Interbolsa

(b) New Global Note: No

24. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable

25. Details relating to Instalment Notes: Not Applicable

26. Redenomination applicable: Redenomination not applicable

27. Other final terms: Not Applicable

DISTRIBUTION

28. (a) If syndicated, names of Managers: *Joint Lead Managers*
Barclays Bank PLC
Caixa – Banco de Investimento, S.A.
HSBC France
Société Générale

(b) Date of Subscription Agreement: 14 October 2009

(c) Stabilising Manager(s) (if any): Not Applicable

29. If non-syndicated, name of relevant Dealer: Not Applicable

30. U.S. Selling Restrictions: Reg. S Category 2; TEFRA not applicable

31. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on Euronext of the Notes described herein pursuant to the €1,500,000,000 Euro Medium Term Note Programme of Rede Ferroviária Nacional - REFER, E.P.E.

RESPONSIBILITY

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

Signed on behalf of **Rede Ferroviária Nacional - REFER, E.P.E.**

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext and to be listed on Euronext, with effect from 16 October 2009
- (ii) Estimate of total expenses related to admission to trading: €8,650.00

2. RATINGS

- Ratings: The Notes to be issued have been rated:
- S & P: A+
- Moody's: Aa2

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

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

4. YIELD

Indication of yield: 4.675 per cent. on an annual basis.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN Code: PTCPEJOM0004
- (ii) Common Code: 045824152
- (iii) Any clearing system(s) other than Interbolsa-Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. as operator of the Central de Valores Mobiliários, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and Not Applicable

the relevant identification number(s):

- (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: Yes

Note that the designation "yes" simply means that the Notes are intended upon issue to be registered with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. in its capacity as a securities settlement system, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.